



## FRANCHISE DISCLOSURE DOCUMENT

All County Property Management Franchise Corp.  
(A Florida Corporation)  
5922 9<sup>th</sup> Avenue North  
St. Petersburg, Florida 33710  
855-245-7368  
[www.allcountyfranchise.com](http://www.allcountyfranchise.com)

The franchisee will operate a full service real estate sales and management business, offering real estate property management services, real estate rental services, real estate sales and listing services, property maintenance services, and related services and ancillary products.

The total investment necessary to begin operation of an ALL COUNTY® franchised business is \$66,950 to \$98,900. This includes \$39,500 that must be paid to the franchisor or its affiliate.

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 government 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 Sandra Ferrera, Chief Executive Officer, All County Property Management Franchise Corp., 5922 9<sup>th</sup> Avenue North, St. Petersburg, Florida 33710, 855-245-7368.

The terms of your contract will govern your franchise relationship. Don't 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, like 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 DC 20580. You can also visit the FTC's home page at [www.ftc.gov](http://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.

Issuance date: March 29, 2019

## 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 "C" 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 MEDIATION, ARBITRATION OR LITIGATION ONLY IN FLORIDA. OUT-OF-STATE MEDIATION, ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE, ARBITRATE OR 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. IF YOUR SPOUSE IS ALSO AN OWNER OF THE FRANCHISE, YOUR SPOUSE MUST ALSO SIGN A PERSONAL GUARANTEE MAKING YOUR SPOUSE JOINTLY AND INDEPENDENTLY LIABLE FOR THE FINANCIAL OBLIGATIONS TO THE FRANCHISOR. THE GUARANTY WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.
4. YOU MUST MAINTAIN MINIMUM GROSS REVENUE REQUIREMENTS. YOUR INABILITY TO MAINTAIN THESE LEVELS MAY RESULT IN LOSS OF ANY TERRITORIAL RIGHTS YOU ARE GRANTED, TERMINATION OF YOUR FRANCHISE, AND LOSS OF YOUR INVESTMENT.
5. YOU MUST MAKE MINIMUM ROYALTY, 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.
6. THE FRANCHISOR'S FINANCIAL CONDITION, AS REFLECTED IN ITS FINANCIAL STATEMENTS (SEE ITEM 21), CALLS INTO QUESTION THE FRANCHISOR'S FINANCIAL ABILITY TO PROVIDE SERVICES AND SUPPORT TO YOU. THE FRANCHISOR HAS NEGATIVE EQUITY OF \$68,629.
7. THERE MAY BE OTHER RISKS ASSOCIATED WITH THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise.

### **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:

Illinois:

Michigan: January 2, 2019

New York:

Virginia:

Washington: October 24, 2018

**ALL COUNTY®**

**FRANCHISE DISCLOSURE DOCUMENT**

**DISCLOSURE DOCUMENT**

**ALL COUNTY®**  
**DISCLOSURE DOCUMENT**  
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**EXHIBITS:**

- A. FRANCHISE AGREEMENT
- B. FINANCIAL STATEMENTS
- C. LIST OF STATE AGENCIES AND LIST OF STATE AGENTS FOR SERVICE OF PROCESS
- D. STATE ADDENDA
- E. COPY OF CURRENT FORM OF GENERAL RELEASE
- F. FRANCHISE LOCATIONS
- G. SAMPLE COPY OF RENT MANAGER SOFTWARE CONTRACT
- H. FINANCING DOCUMENTS
- I. RECEIPTS

## ITEM 1

### THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Franchise Disclosure Document, unless the context otherwise requires, all references to "Franchisor", "we", "us", or "our" refer to All County Property Management Franchise Corp., and all references to "Franchisee", "you", or "your" refer to the person or legal entity granted the right to operate an ALL COUNTY® franchise under the terms and conditions of the ALL COUNTY "Franchise Agreement." The Franchise Agreement is attached to this Franchise Disclosure Document as Exhibit A. The franchises are referenced as "Franchise Business", "Franchise" or "ALL COUNTY®" businesses. If you are a corporation, limited liability company, or any other type of legal entity allowed by your state law, the term "you" or "your" may apply to your owners, officers or directors. The use of paragraph captions throughout this document is for convenience of reference only and is not intended to change the meaning of any text.

**The Franchisor.** We are a Corporation formed under Florida law on February 18, 2008. We offer franchises for ALL COUNTY® businesses. Our principal business address is 5922 9th Avenue North, St. Petersburg, Florida 33710. Our current telephone number is 855-245-RENT, and our Internet website address is [www.allcountyfranchise.com](http://www.allcountyfranchise.com). Our agent or agents to receive service of process, if any, are in attached Exhibit C. We have never in the past offered franchises in any line of business.

**Parent or Predecessors.** There is no parent or predecessor of All County Property Management Franchise Corp.

**Affiliates.** All County Property Management and Realty, Inc. ("All County Property"), a Corporation formed under Florida law on May 7, 1999, is our affiliate. All County Property's principal business address is 5922 9th Avenue North, St. Petersburg, Florida 33710. Your franchise is modeled after the real estate property management services business operated by All County Property. All County Property does not now and has never in the past offered franchises in any line of business. All County Property is an approved supplier of products and services to franchise locations.

Kwikrents, Inc., a Corporation formed under Florida law on July 7, 2006, is our affiliate. Kwikrents, Inc.'s principal business address is 5922 9th Avenue North, St. Petersburg, Florida 33710. Kwikrents, Inc. does not now and has never in the past offered franchises in any line of business. Kwikrents, Inc. is an approved supplier of products and services to franchise locations.

**Franchises Offered.** We intend to do business under our corporate name and under the ALL COUNTY® name. We sell franchises for the operation of ALL COUNTY® businesses. We have been offering ALL COUNTY® franchises for sale since April 1, 2008. All County Property Management Franchise Corp. has not in the past and does not now directly operate a business of the type being franchised. We have not in the past and do not now engage in other business activities.

An ALL COUNTY® franchise is a full service real estate sales and management business that offers real estate property management services, real estate rental services, real estate sales and listing services, property maintenance services, and related services and ancillary products.

In franchise sale transactions involving an existing real estate services business, we may negotiate terms with the prospective franchisee to reach mutually acceptable terms of a franchise sale agreement. Any franchise agreement terms that we negotiate with an existing real estate services business may be unique to that franchise and may not be available to any other prospective franchisee.

**Competition.** You will compete with other regional and local businesses offering similar real estate management services and ancillary products. The real estate services you will sell are recognized by consumers and are generally available from other sources. The market for the services you will sell is well developed. Our services and related products are sold to individuals and to businesses. Generally, selling is not seasonal.

If required by state law, your Franchise Business must at all times have a designated broker of record who is licensed with the state authorities in any state in which you will be operating the Franchise Business. You must join the National Association of Residential Property Managers ([www.narpm.org](http://www.narpm.org)) and the National Association of Realtors ([www.realtor.com](http://www.realtor.com)) as a requirement of operating the franchise.

In addition to laws that apply to businesses generally, there may be laws or regulations specific to the real estate management services offered by this type of business in the state or local area in which you will operate your franchise, including the requirement that you obtain or operate under a real estate license or have a designated broker of record who is registered with state or local authorities. It is your responsibility to investigate and to comply with any laws or regulations in your state or local area, and to obtain all required licenses and permits required to operate the Franchise Business. It is your responsibility to fully investigate and to comply throughout the term of the Franchise Agreement in operating your Franchise Business in adherence with all federal, state, or local laws, regulations, rules and ordinances in operating your Franchise Business. You should consult with an attorney to ensure your compliance with all laws, regulations, rules and ordinances that may affect your business. You should fully investigate all laws and regulations applicable to operating the franchised business before you decide to purchase a franchise.

## ITEM 2

### BUSINESS EXPERIENCE

#### Sandra Ferrera, Chief Executive Officer and Director

Sandra Ferrera is our Chief Executive Officer, a position she has held since January, 2009. Ms. Ferrera also is our Director, a position she has held since January, 2008. Ms. Ferrera was our President from February, 2008, to December, 2008. Ms. Ferrera also is the President of our affiliate, All County Property, a position she has held since March, 1990.

**Scott McPherson, President and Treasurer**

Scott McPherson is our President, a position he has held since January, 2009. Mr. McPherson also is our Treasurer, a position he has held since January, 2008. Mr. McPherson also is Property Manager of our affiliate, All County Property, a position he has held since March, 2002.

**Hon Wong, Director of Franchise Development**

Hon Wong is our Director of Franchise Development, a position he has held since November, 2018. Mr. Wong also is the Owner of the All County Tampa Bay franchise in Tampa Bay, Florida, a position he has held since January, 2014. Mr. Wong also is the Owner of the All County Advanced franchise in Clearwater, Florida, a position he has held since January, 2014.

**Patrick Capozza, Vice President of Franchise Training and Support**

Patrick Capozza is our Vice President of Franchise Training and Support, a position he has held since September, 2013. Mr. Capozza was our Director of Franchise Training and Support from July, 2011, to September, 2013.

**ITEM 3****LITIGATION**

No litigation is required to be disclosed in this Item.

**ITEM 4****BANKRUPTCY**

No bankruptcy information is required to be disclosed in this Item.

**ITEM 5****INITIAL FEES**

**Initial Franchise Fee.** You will pay us a lump-sum non-refundable Franchise Fee when you sign the Franchise Agreement. The standard initial Franchise Fee is \$39,500, which must be paid in certified funds.

We offer a 3,000 discount of our standard \$39,500 Franchise Fee for any initial franchise purchased by a U.S. military veteran either who has retired within the past 10 years or who has served for at least 4 years and then been honorably discharged within the past 5 years.

We also offer a \$5,000 discount off our standard \$39,500 Franchise Fee for any subsequent franchise purchase by an existing franchisee, if the Commencement Assistance training requirement is waived voluntarily by the franchisee.

## ITEM 6

### OTHER FEES

#### **Other Fees\***

TYPE OF FEE	AMOUNT	DUEDATE	REMARKS
Interest on Late Payments	Varies	When underlying obligation is paid <sup>2</sup>	Highest contract rate of interest permitted by law.
Royalty Fee	7% of Gross Revenue <sup>1</sup> , less Maintenance Revenue <sup>1</sup> , but including all rental property management and sales commission revenue. You must pay us a minimum Royalty of \$200 each month starting on the earlier of the month you open for business or the 4th month after signing the Franchise Agreement.	Each calendar month due on the 5 <sup>th</sup> day following the end of the prior month.	Paid to us for our ongoing support and your use of the Marks and System.
Maintenance Royalty Fee	3% of Maintenance Revenue <sup>1</sup>	Each calendar month due on the 5 <sup>th</sup> day following the end of the prior month.	Paid to us for our ongoing support and your use of the Marks and System.
Software License Fee	Presently \$250 for the first seat and \$60 for each additional seat plus a \$150 one-time setup fee per seat. We may increase the amount periodically, not to exceed more than one time in any 12 month period	When the Royalty is paid	Paid to us for use of our real estate management software.
Ongoing Website and E-mail Hosting and Maintenance Fee	Presently \$65 a month. We may increase the amount periodically, not to exceed more than one time in any 12 month period	When the Royalty is paid	Paid to us for use of our website, e-mail hosting and online training system with online training videos.
Reconciliation Assistance Program Fee	\$350 per month plus \$75 for trust analysis.	When the Royalty is paid	Participation is mandatory. Paid to us for our administrative support of your Franchise record keeping. We may charge \$45 per hour additionally if we incur work on your behalf due to your failure to enter data correctly into any specified software or system.

TYPE OF FEE	AMOUNT	DUUE DATE	REMARKS
Annual Conference Fee	Your Managing Owner must attend our annual conference and you must pay our required fee, currently \$799. We may increase the required fee periodically during the term of the Franchise Agreement.	Paid to us immediately upon your receipt of our invoice.	Participation is mandatory. Paid to us and typically is non-refundable.
Professional Organization Fees	Varies. The estimated range of the required fees annually is \$300 to \$1,000	Varies	Paid to any professional organizations to which we require you to belong.
Additional Required Training Fees	Varies. The estimated range of the required fees annually for additional training is \$0 to \$2,000	As we and you agree	Paid to us for additional required training.
Per Day Fee	\$300 per person, subject to change	As we and you agree	Paid to us if you need us to help you operate the Franchise.
Advertising Fee	The greater of 1% of Gross Revenue <sup>1</sup> or \$195 per month	When the Royalty is paid	Paid to us to promote the Marks and the System regionally or nationally.
Auditing Costs	Actual Costs	Reimbursement of our actual auditing costs	We assess this charge only for audits needed in the event you fail to comply with the Franchise Agreement, fail to allow full access to your records, or we find that you underreported your Gross Receipts by 2% or more for two or more reporting periods.
Transfer Fee	\$10,000, plus attorneys' fees	Concurrently with the transfer	Paid to us if you want to transfer the Franchise to a third party.
Renewal Franchise Fee	\$0	Concurrently with our granting a renewal of your franchise	Paid to us if you sign a new franchise agreement upon expiration of the initial franchise agreement.
Costs and Attorney's Fees	Actual Costs	Reimbursement of our actual costs	Paid to us by you for accounting, attorney and other professional fees if an action is brought against you for breach of the Franchise Agreement.

\*All fees, except Professional Organization Fees and Local Advertising Expense, are imposed by and payable to us and are non-refundable.

<sup>1</sup>As the term is used in the Franchise Agreement, "Gross Revenue" means all revenue you derive from operating the franchise, and whether from cash, check or credit transactions, and including e-commerce transactions, but excluding Maintenance Revenue, excluding all federal, state or municipal sales, use or service taxes collected from customers and paid to the appropriate taxing authority, and excluding customer refunds, adjustments, credits and allowances actually made by the franchise in compliance with our Methods of Operation.

As the term is used in the Franchise Agreement, "Maintenance Revenue" means all revenue you, or your owners, or any affiliated business entities derive from repairs and maintenance services to real property or equipment, including but not limited to painting, lawn care, preventative maintenance, cleaning, plumbing, and general repairs to real property or equipment.

<sup>2</sup>Interest accrues from the date any payment is due, with compounding as permitted by law.

## ITEM 7

### ESTIMATED INITIAL INVESTMENT

#### YOUR ESTIMATED INITIAL INVESTMENT

CATEGORY OF INVESTMENT	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAID
Initial Franchise Fee <sup>1</sup>	\$39,500	Lump sum	When you sign the Franchise Agreement	Us.
Leasehold Improvements <sup>2</sup>	\$0 - \$2,000	As Arranged	As Arranged	Approved Suppliers.
Signs <sup>3</sup>	\$250 - \$1,000	As Arranged	As Arranged	Approved Suppliers.
Capital Equipment and Supplies <sup>4</sup>	\$1,500 - \$5,000	As Arranged	As Arranged	Approved Suppliers.
Technology, Office Equipment, and Supplies <sup>5</sup>	\$1,500 - \$4,500	As Arranged	As Arranged	Approved Suppliers.
Start-Up Marketing <sup>6</sup>	\$3,000 - \$5,000	As arranged according to Operations Manual	As arranged according to Operations Manual	Advertisers.
Insurance <sup>7</sup>	\$2,500 - \$3,500	Terms vary	Prior to commencing operations	Insurance companies.
Professional Fees <sup>8</sup>	\$1,000 - \$1,500	Terms vary	Terms vary	Accountants, lawyers, etc..
Licenses/Bonds <sup>9</sup>	\$1,500 - \$2,000	Lump sum on application	Prior to commencing operations	Government agencies and bonding companies.
Lease Deposits <sup>10</sup>	\$0 - \$1,000	Lump sum	Prior to commencing operations	Landlord.

CATEGORY OF INVESTMENT	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAID
Other Deposits <sup>11</sup>	\$500 - \$1,500	Terms vary	When you engage the service	Utilities, leased equipment vendors, alarm company, telephone company.
Your Out-of-Pocket Expenses While Attending Training <sup>12</sup>	\$700 - \$2,400	Terms vary	Terms vary	Airfare, ground transportation, meals, lodging, etc..
Additional Funds for Operating Expenses during the First 3 Months of Operation <sup>13</sup>	\$15,000 - \$30,000	Terms vary	Amount varies over the next 3 months	Prior to and during the 3 month period after commencing operations.
Total	\$66,950 - \$98,900		(Does not include real estate acquisition costs)	

The Initial Franchise Fee is non-refundable. Typically all the other initial investment amounts are non-refundable.

- <sup>1</sup> See Item 5 of the Disclosure Document for more detailed information.
- <sup>2</sup> You will need 800 to 1,200 square feet of office space to operate the business, which may be leased office space or shared executive suite space. We have provided an estimate for any leasehold improvements that may be required for leased office space. You may work from a home office for the first 12 months of operating the franchise business.
- <sup>3</sup> The estimated investment needed for exterior signage at your office location.
- <sup>4</sup> The estimate for required office furniture, including a conference table, desks, chairs, etc. The estimate also includes an initial supply of yard signs and lock boxes.
- <sup>5</sup> You will need to purchase or lease 1 desktop personal computer that complies with our specifications. The estimate includes 3 months of the software license fee. The estimate includes other required office equipment such as a printer, scanner, and related supplies.
- <sup>6</sup> You must spend at least \$3,000 for the required initial marketing program.
- <sup>7</sup> The cost of insurance provides for the first year premium for general business liability, property/casualty insurance, and workers' compensation. You will be required to maintain insurance with the following minimum coverage levels: \$500,000 general liability per occurrence, \$1,000,000 aggregate limit, \$500,000 professional liability (Errors and Omissions), workers' compensation as the law requires, \$500,000 vehicle liability for non-company owned automobiles and business interruption covering loss of income, extra expenses, crime and fraud, all policies naming us as an additional insured.

- <sup>8</sup> Professional fees may include setting up a corporation or other business entity, filing the necessary forms, setting up an accounting system, etc.
- <sup>9</sup> Your franchise must be under the direct control of a Managing Owner. This is an estimate of any required state licensing fees for the franchisee entity and the Managing Owner and Designated Broker. Also, this estimate includes initial fees to join the National Association of Residential Property Managers ([www.narpm.org](http://www.narpm.org)) and the National Association of Realtors ([www.realtor.com](http://www.realtor.com)), which organizations you must join.
- <sup>10</sup> The low estimate is for 1 month's lease deposit for a lower cost location and the high estimate is for 2 months' lease deposit for a more expensive location.
- <sup>11</sup> This estimate includes any required deposits for utilities and leased equipment, including a copier and the telephone system.
- <sup>12</sup> You must attend 4 days of training at our main office in St. Petersburg, Florida. This is our estimate of your potential travel and living expenses to attend the training course.
- <sup>13</sup> Additional funds are an estimate of the amount of cash required to cover any operating expenses during your first 3 months of operation.

These expenses are estimates of your initial investment in one location prior to commencing operations and for the first three months after beginning to operate the business. We cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on how closely you follow the ALL COUNTY® Operations Manual, your management skill, experience and business acumen, local economic conditions, the acceptance by local consumers of our approved services/goods, prevailing wage rates, competition, etc. We make no estimate regarding real estate acquisition costs. We do not require you to acquire real estate, other than your lease, to operate your ALL COUNTY® business. We relied upon personal experience and our affiliate's experience in opening a similar business to the Franchise Business in compiling these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

### **ITEM 8**

#### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

We attempt to negotiate purchase agreements with approved suppliers for the benefit of our company locations and franchisees. Approved suppliers and specifications are contained in our Operations Manual. Neither we, nor any persons affiliated with us, are currently the only approved suppliers for any products or services.

**Approved Suppliers.** We may require that you purchase all specified services and products from us, our affiliate, or our designated approved supplier, as we may specify periodically to you during the term of the Franchise Agreement. Approved suppliers and specifications are determined based on the current needs for operating the Franchise Business. We evaluate approved suppliers based on price, service, quality, and other commercially

reasonable benchmarks. The identity of approved suppliers and these specifications are updated periodically in writing by modifying the appropriate sections of the Operations Manual. We will send you modified sections by updating our web site, through the United States mail, or by any other commercially reasonable means.

**Proposed Suppliers.** We have procedures in our Operations Manual for approving vendors and suppliers you propose. It takes up to 90 days to evaluate new vendors or suppliers. We may approve or disapprove any supplier, and we may approve a supplier conditionally, provided however, that approval will not be unreasonably withheld. If you propose to use any brand and/or supplier that is not then approved by us, then you must first notify us in writing. You must submit sufficient information, specifications and samples concerning the brand and/or supplier so that we can decide whether the brand complies with our specifications and standards and/or such supplier meets our approved supplier criteria. In evaluating any supplier you propose, we will, subject to reasonable restrictions and conditions to protect our trade secrets and confidential information, disclose to the proposed supplier applicable standards, specifications, processes, and procedures for the item in sufficient detail to enable the proposed supplier to demonstrate fully its capacity and capabilities to supply the items. Within 90 days after we receive all requested information, we will communicate to you in writing our decision to approve or disapprove your proposed supplier.

We may prescribe procedures for the submission of requests for approval and impose obligations on approved suppliers, which will be incorporated in a written license agreement with the supplier. We may obtain from you and/or the approved supplier's reimbursement of our reasonable costs and expenses incurred in the approval process and on-going monitoring of the supplier's compliance with our requirements. We do not act as an agent, representative or in any other intermediary or fiduciary capacity for you in our relationship with an alternative supplier you propose and we approve. We may impose limits on the number of approved suppliers. We have the right to monitor the quality of goods or services provided by approved suppliers in a manner we deem appropriate and may terminate any supplier who does not meet our quality standards and specifications, as may be periodically in effect. We may disapprove any supplier whom we previously approved, and you may not, after receipt of notice of disapproval, reorder from any supplier we have disapproved.

We or our affiliate may be approved suppliers for any items. We formulate and modify, at our sole business judgment, specifications and standards we impose on Franchisees and suppliers. Specifications and standards are issued to Franchisees through our Operations Manual and to suppliers by written agreement. Other than us, Kwikrents, Inc., and All County Property Management and Realty, Inc., there are no other suppliers to the Franchise Business in which any of our officers owns an interest.

**Computer Hardware and Software.** You must use specified software and hardware for the Franchise Business. You must use designated real estate management software as part of the Franchise Business. Any computer software and hardware we require you to use is not our proprietary property. We have the right to develop proprietary software.

You must use our required, customized version of Rent Manager® real estate management software as part of the Franchise Business. You will be required to sign an "Activation Agreement" with London Computer Systems, Inc. as a condition of using the Rent Manager® software. A sample copy of the Activation Agreement is included as Exhibit G to this Franchise Disclosure Document.

The total estimated proportion of all required purchases and leases in relation to all purchases and leases you will make in establishing the business is 9% to 13%. The total estimated proportion of all required purchases and leases in relation to all purchases and leases you will make in operating the business is less than 30%.

We do not provide other material benefits to you; for example we do not provide any special renewal privilege or additional franchises based on your use of our designated or approved sources.

We may terminate your Franchise if you purchase services and goods that are not according to our specifications or that are not from our approved suppliers.

Neither we, nor our affiliates, derived any revenue from required purchases or leases during our fiscal year ending December 31, 2018. During our fiscal year ending December 31, 2018, our affiliate Kwikrents, Inc. derived \$14,122.40 from optional franchisee purchases of rental listing services. The source of this information is Kwikrents, Inc.'s internally prepared, unaudited financial statements.

There are no purchasing or distribution cooperatives at this time.

### 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 document.

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	8	7, 11
b. Pre-opening purchases / leases	8, 9, 10	6, 7
c. Site development and other pre-opening requirements	6, 8, 9, 10, 11	7, 11
d. Initial and ongoing training	10	11
e. Opening	6.1	11
f. Fees	2, 3, 10, 13.1.8, 17.1.1, 17.5, 20.4.5, 21.2, 25.9	5, 6
g. Compliance with standards and policies / Operations Manual	4, 12	11

Obligation	Section in Franchise Agreement	Disclosure Document Item
h. Trademarks and proprietary information	14, 15, 23.2, 23.3	13, 14
i. Restrictions on products/services offered	12.2.3, 12.5	16
j. Warranty and customer service requirements	12.2.14	Not applicable
k. Territorial development and sales quotas	4	12
l. Ongoing product/service purchases	13.1.2	8
m. Maintenance, appearance and remodeling requirements	9, 21.1	7, 11
n. Insurance	11.5, 12.2.13	7
o. Advertising	13.1.4, 17	6, 7, 11
p. Indemnification	24.4	Not applicable
q. Owner's participation/management/staffing	4, 5, 12.2.8	11, 15
r. Records/reports	12.2.12, 18	6
s. Inspections/audits	19	6, 11
t. Transfer	20	17
u. Renewal	21	17
v. Post-termination obligations	23	17
w. Non-competition covenants	16, 23.4	17
x. Dispute resolution	25.9, 25.11, 25.12	17
y. Other	Not Applicable	Not Applicable

## ITEM 10

### FINANCING

Neither we nor our Affiliates guarantee your loans or other obligations, nor receive payments or other consideration for the placement of financing. We may provide financing for qualifying prospective franchisees under our guidelines. We may add, change or delete any financing programs at any time. It is not our current practice or intent to sell, assign, or discount to a third party all or part of any financing arrangement. Except as described below in this Item, as of the Issuance Date of this disclosure document, neither we nor our Affiliates offer directly or indirectly any financing arrangements to ALL COUNTY® franchisees.

We may offer you financing of your initial franchise fee through a promissory note with us. A copy of our standard Promissory Note for Initial Franchise Fee is included in Exhibit E to the Franchise Disclosure Document. The table below shows the standard terms of our promissory note.

ITEM FINANCED (SOURCE)	AMOUNT FINANCED	DOWN PAYMENT	TERM (MONTHS)	APR %	MONTHLY PAYMENT	PREPAY PENALTY	SECURITY REQUIRED	LIABILITY UPON DEFAULT	LOSS OF LEGAL RIGHT ON DEFAULT
Initial Franchise Fee (We provide financing) See Note (1) below	Up to \$12,000 of the Initial Franchise Fee	\$27,500	36 Months See Note (1) below	7% See Note (1) below	Varies Depending on the Amount Financed	None	Partner or Shareholder Guarantee and security interest in the Franchise Agreement See Note (2) below	Late Penalty; Acceleration of Amounts Due; Fees See Note (3) below	Waiver of Trial by Jury and Right to Interpose Any Defense, Set-Off or Counterclaim of Any Nature or Description See Note (4) below

**NOTES:**

(1) The initial franchise fee is \$39,500. In order to assist credit-worthy franchisees to purchase and operate the business, we may finance up to \$12,000 of the initial franchise fee. We do not offer financing, however, if you pay a reduced initial franchise fee. The financed amount of the initial franchise fee is evidenced by a Promissory Note (the "Note") and is payable over a term of 3 years in equal monthly installments with an interest rate of 7% per annum on the unpaid principal. Except as described below, there are no other annual finance charges. We have the right to change the terms, interest rate, and amounts financed. (A copy of our Note is included in Exhibit H to the Franchise Disclosure Document).

(2) If your business is a partnership, corporation or other recognized legal entity, the Note must be guaranteed individually by all partners or shareholders. The Note is secured by a security interest in your Franchise Agreement.

(3) If you do not pay on time, we can charge a late penalty of 18% per annum from the due date. In the case of nonpayment or other default under the Note, we can require immediate payment of all unpaid amounts under the Note, and/or terminate the franchise, and we can also collect our reasonable attorneys' fees and all costs and expenses of collection.

(4) Each party that signs the Note, in any litigation arising out of or relating to the Note in which a holder of the Note is an adverse party, waives trial by jury and the right to interpose any defense, set-off or counterclaim of any nature or description.

## ITEM 11

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

**Except as listed below, All County Property Management Franchise Corp. is not required to provide you with any assistance.**

#### Pre-Opening Obligations

Our obligations prior to commencing operation of your ALL COUNTY® Franchise Business (see Franchise Agreement Articles 1, 8.2, 10, 11, 12, 13) may include:

**Operations Manual** (Franchise Agreement Article 12.1). We offer our Operations Manual as guidance in the operation of your Franchise Business. You must follow the terms of the Operations Manual's current edition. We may update or revise the Operations Manual from time to time. We will provide you with these updates. Prior to purchasing a franchise, we will

provide you with the opportunity to view our Operations Manual at our main office in St. Petersburg, Florida.

**Territory and Site Selection** (Franchise Agreement Article 1.2. and Appendix B). If you have not already selected a potential territory, we will assist by providing advice in territory selection. Our concerns regarding your choice of a territory for your Franchise Business include many factors. We must approve your proposed franchise location. Our approval of your franchise location does not guarantee success in the territory, nor does this approval imply a warranty as to any aspect of the location or territory.

We do not provide assistance with conforming your business premises to local ordinances and building codes. We will not provide direct assistance in obtaining any required permits needed to operate the Franchised Business at the business location, and we will not provide direct assistance with constructing, remodeling, or decorating the business premises. We will not provide assistance to you with hiring or training your employees beyond proving general guidance in our Methods of Operation. We will provide written specifications as to how the business premises must appear. Generally we will not own your business premises or lease the business premises to you.

Our approval of your Franchise Business office will be based primarily on proximity to any existing franchise locations, lease terms, suitability of the location for activities of the business, zoning, parking, and general neighborhood. We will provide our decision of the acceptability of any proposed site you submit for your franchise location within 7 days of receipt of all required information concerning the proposed site. We must approve a proposed site within 120 days after you sign the Franchise Agreement or we may terminate the Franchise Agreement and keep your initial franchise fee, unless otherwise in our business judgment we agree to extend the amount of time for you to find a suitable site.

## **Training**

**Pre-Opening** (Franchise Agreement Article 10.1.). Pre-opening training will consist of training at our training location, currently in St. Petersburg, Florida. Training is held during specified times of the year. Typically initial training is held once a month, depending on the need to train new franchisees. Initial training will consist of 4 days of training for your owners you elect to enroll in the training program. Additional individuals decided upon by mutual approval will be charged \$300 per person. We may increase or decrease the amount of time for training at any time. Your Managing Owner must attend and successfully complete pre-opening training within 90 days of signing your Franchise Agreement and prior to the opening of your Franchise. Failure of the Managing Owner to successfully complete the initial training to our satisfaction may result in termination of our Franchise Agreement with you according to Article 10.1. of the Franchise Agreement. The instructional material may consist of our Operations Manual, electronic media, checklists, demonstrations, practice and quizzes. Your initial training must be successfully completed to our satisfaction.

Although there is no additional charge for your pre-opening training, you will be responsible for all expenses incidental to the training, such as travel and lodging expenses. Our initial training program will be provided substantially as follows:

## TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
<b>Administration</b>	2	0	St. Petersburg, Florida
<b>Real Estate Management Operations</b>	2	0	St. Petersburg, Florida
<b>Software Training</b>	4	0	St. Petersburg, Florida
<b>Staff Management</b> - Recruitment - Hiring - Policies - Job Description - Scheduling	4	0	St. Petersburg, Florida
<b>Customer Service and Marketing</b> - Procedures and Policies - Advertising and Marketing - Community Relations	4	16	St. Petersburg, Florida

It is the nature of the ALL COUNTY® business that all subjects are integrated into the training program, and that there are no clear delineations between the subjects being learned. It is the nature of the ALL COUNTY® business that all subjects are integrated into the training program, and that there are no clear delineations between the subjects being learned. Patrick Capozza is our Vice President of Franchise Training and Support and has experience in training our franchisees in all training subject areas since 2011.

**Commencement Assistance** (Franchise Agreement Article 10.1.3.). In addition to the Pre-Opening Training, our representative will provide 2 days of assistance to you in your Territory that will be provided within 60 days after your office opens for business.

**Annual Training** (Franchise Agreement Article 10.2.). Additional training will be provided annually and we require you to attend annual training at your expense at our training location or at another designated location.

**On-site Training** (Franchise Agreement 13.1.8). If we require, our representatives will visit your location and provide additional on-site training. We will furnish additional guidance and assistance through this training. If you request or if we require, we will provide additional training for your employees. All of the expenses that we incur in connection with such on-site

training, including per day charges and travel and lodging expenses for our representatives, will be your responsibility.

**Equipment, Signs, Fixtures, and Supplies** (Franchise Agreement Section 9). We will provide you with indirect assistance in obtaining equipment, signs, fixtures, and supplies by providing a written list of any items needed to operate the Franchised Business. We will provide you with written specifications for any required items and we will provide you with a written list identifying any approved suppliers for equipment, signs, fixtures, or supplies. We will not deliver or install any equipment, signs, fixtures, and supplies.

We estimate the length of time between the signing of the Franchise Agreement or the first payment of consideration for the Franchised Business and the opening of the Franchised Business is 60 to 120 days. This time period may affect by your ability to attend initial training, become properly licensed, obtain a designated broker, find a site to operate the Franchised Business, and/or purchase materials and supplies. You must begin operating the Franchised Business within 120 days after execution of the Franchise Agreement.

### **Continuing Obligations**

**Operating Assistance.** We will respond to your questions regarding operational issues and provide support on an as-needed basis.

**Advertising and Marketing.** We may administer an Advertising Fund, using it to prepare and produce advertising, public relations, market research and promotional programs in media we select, potentially including print, radio, television, or internet, including the ALL COUNTY® website. This may be done in house or through outside vendors. The advertising and marketing efforts may be national, regional or local. There is no guarantee that these efforts will be effective in your geographic area or that any given advertising campaign will be run in your area.

The Advertising Fund is funded by advertising and marketing fees paid by Franchisees. Currently, the monthly Advertising Fund Fee for all franchisees is the greater of 1% of Gross Revenue or \$195 and all franchisees contribute at the same percentage rate. During our most recently concluded fiscal year ending December 31, 2018, of the Advertising Fund monies we collected, 47% was spent on our marketing and public relations, 48% was spent on website development, and 5% was retained in the Advertising Fund for future use. We (or our affiliates) may, in our sole business judgment, contribute to the Advertising Fund. There is no obligation for us to contribute to this fund. The fees contributed by Franchisees are not in a "trust," and are not held by us in any fiduciary or similar special relationship. No relationship is created beyond an ordinary commercial relationship for our mutual economic benefit.

In any fiscal year, we may spend an amount greater or less than the contributions to the Advertising Fund for that year. We may carry over deficits or surpluses from year to year. We will separately account for the Advertising Fund and will provide an annual compiled statement

of the Advertising Fund upon your written request. We are under no obligation to refund any unspent contributions when the Franchise Agreement is terminated or expires.

The Advertising Fund will not be used to defray any of our general operating expenses, except for such reasonable salaries, administrative costs, travel expenses and overhead as we may incur in activities related to the administration and activities of the Advertising Fund and its programs. The Advertising Fund is not audited, and there are no restrictions under the terms of the Franchise Agreement that it must be audited at any time. (Franchise Agreement Articles 17.1. through 17.4.). The Advertising Fund will not be used to solicit the sale of franchises.

In addition to the your contribution to the Advertising Fund, you must spend not less than \$3,000 initially for local advertising and promotion of your Franchise Business and on an ongoing basis each month you must spend not less than \$900 for local advertising and promotion of your Franchise Business.

We will provide you with start-up marketing materials and templates. There is no guarantee of success from these materials. You may use any advertising or promotional materials you have developed after we have approved the materials. You must submit samples of all proposed advertising, promotional and marketing materials to us for approval before you use them and we will approve or disapprove of them within 15 days after our receipt of the proposed materials.

Presently, there are no advertising cooperatives or franchisee advertising councils involved in the advertising process, although there are no restrictions on our right to require advertising cooperatives or franchisee advertising councils to be formed, changed, dissolved or merged. Presently we do not have any existing policies in place regarding the formation of any franchisee advertising council, but if we establish one, we will communicate all the policies of the council to you through written updates to our Operations Manual or to our Methods of Operation. The written policies of any franchisee advertising council may include information on how members of the council are selected and whether the council serves in an advisory capacity only or has operational or decision-making power.

We may establish or approve local and/or regional advertising cooperatives in your local or regional areas, covering the geographical areas we may designate in our sole business judgment. Membership in any advertising cooperative will be defined by a geographic area and we will manage the advertising cooperative. The decision whether to join any advertising cooperative will be voluntary for both company owned and franchisee owned locations and franchisees will not be required to join any advertising cooperative. The maximum amount any franchisee will be required to contribute to an advertising cooperative is 1% of annual Gross Revenue. We will allow you to review any governing documents for any advertising cooperative before you decide whether to join it.

**Computer Requirements.** You must use our required, customized version of Rent Manager® real estate management software as part of the Franchise Business. You will be required to sign an “Activation Agreement” with London Computer Systems, Inc. as a condition of using the Rent Manager® software. A sample copy of the Activation Agreement is included

as Exhibit G to this Franchise Disclosure Document. London Computer Systems, Inc.'s principal business address is 1007 Cottonwood Drive, Loveland, OH 45140, Phone: 800-669-0871.

There is a \$150 per seat initial software setup fee for each seat and you must pay us a monthly software license fee, which is presently \$250 for the first seat and \$65 for each additional seat. Also, you must pay us a website and e-mail hosting and maintenance fee, which is presently \$45 a year. Any software or hardware we require you to use is not proprietary to us. You will need to purchase or lease a desktop personal computer that complies with our specifications. We estimate the cost of purchasing the desktop computer will be \$500 to \$1,000. You will use the personal computer to communicate with us through the Internet, as well as to create correspondence and records related to the franchise. Also, you will need a computer printer and scanner, and we estimate the cost of purchasing or leasing these items will be \$500 to \$1,000. We estimate the annual cost to be less than \$500 for any optional or required maintenance, updating, upgrading, or support contracts relating to your computer system. We approve suppliers for hardware and software. You are responsible, at your own expense, for upgrading all computer hardware and software in order to bring the franchise into compliance with our system standards. There are no restrictions on our ability to require computer hardware or software upgrades during the term of the Franchise Agreement. There are no contractual limitations on our ability to have independent access to any information related to the franchise business that will be generated or stored on any computers required to operate the franchise business. Typically, the types of information we might access could relate to your customer accounts, billing, accounting, required reporting, or compliance with our operating requirements. We have the right, as often as we deem appropriate, including on a daily basis, to access the computer systems that you are required to maintain in connection with the operation of the franchise and to retrieve all information relating to the operation of the franchise. (Article 18.2.)

**Website.** You must participate in the ALL COUNTY® website on the Internet or other on-line communications, including our intranet system. You may not separately register any domain name or operate any website containing any of our Marks without our written approval. We determine the content and use of the website and have the right to establish the rules under which franchisees may or must participate in the website or separately use the Internet or other on-line communications. We retain all rights relating to the ALL COUNTY® website and may alter or terminate the website.

## ITEM 12

### TERRITORY

**Territory.** You will be granted a specific territory (the "Territory") in which to locate your Franchise Business office and market your services. Your Territory will be defined as a specific geographic area identified using commonly understood state, county, municipal, street, landmark or postal area definitions. A typical territory will not contain a population exceeding 250,000 and will contain a population of at least 50,000. We will not establish or locate, or license another person to establish or locate, another ALL COUNTY® business office within your Territory.

The Territory area for your ALL COUNTY® business office you are granted will be determined after negotiation between you and us, carefully considering where you want to be located and whether the proposed area is available. No other ALL COUNTY® business office will be physically located in your Territory and that no other ALL COUNTY® business shall be authorized to conduct grass-roots marketing efforts in your Territory, defined as conducting direct mail campaigns or physically visiting real estate offices or other businesses in your Territory for the purposes of soliciting referrals. 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.

**Activity Outside of Territory.** You have the right to provide services to customer account locations located up to 50 miles from any point on the outside perimeter of your Territory. We have the right to establish ALL COUNTY® business offices anywhere outside your Territory. Except for conducting grass-roots marketing efforts in your Territory, defined as conducting direct mail campaigns or physically visiting real estate offices or other businesses in your Territory for the purposes of soliciting referrals, we, our affiliates, or other franchisees have the right to conduct radio, television, or other advertising, or service customer accounts inside your Territory. We have the right to sell services and any ancillary products, whether or not using the Marks, inside or outside your Territory through distribution channels other than ALL COUNTY® businesses, including offering real estate advertising and listing services through Internet websites or through published materials that are distributed in your Territory. We do not have to pay you any compensation for soliciting or accepting orders inside your Territory.

You do not have the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other directed marketing to make sales outside your Territory, unless we provide you with our prior written consent. You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises. We do not have to pay you any compensation for soliciting or accepting customer accounts from within your Territory.

Neither we nor our affiliate operate or plan to operate or franchise businesses under a different trademark that will sell similar services or goods to those of the Franchised Business.

We or our other franchisees may reasonably enter into agreements to provide services to national or regional companies. These agreements may require our affiliate-operated or franchisee-operated businesses to provide necessary services to all the national or regional company's locations, and some of these locations may be within your Territory. In the case of an agreement under which the customer will pay a fixed amount for services at all locations listed in such agreement, we will reasonably allocate the fixed amount among the businesses performing such services.

**Continuation of Your Territory Rights.** In order to retain the right to operate the Franchise Business in the Territory you must meet the performance standards in the Franchise Agreement. The configuration of your Territory will not change except by mutual agreement of you and us. By signing our standard Franchise Agreement, you do not receive any options, rights of first refusal or similar rights to acquire additional franchises.

We may approve relocation of your office for the Franchise Business within the Territory after you provide us with all required information concerning the proposed site to which you want to relocate. Our approval of the relocation of your office will be based primarily on lease terms, suitability of the location for activities of the business, zoning, parking, and general neighborhood. We will provide our decision of the acceptability of any proposed relocation office site you submit within 20 days of receipt of all required information concerning the proposed site.

**Minimum Performance.** Your rights in and to your Territory and the Franchise Agreement are dependent upon your meeting minimum standards of performance during the term of the Franchise Agreement. You must attain or exceed the requirements for Gross Revenue contained in the Franchise Agreement (Section 4.3). You must attain or exceed each minimum requirement (the "Requirement") for Gross Revenue identified below for each respective specified period. Upon your first failure to attain the required Requirement, you may cure the failure by paying any Royalty Fee and Advertising Fund contribution owed to us. Upon your second failure to attain the specified Requirement, then we may terminate the Franchise Agreement or otherwise we may elect to render all or any portion of the Territory as non-exclusive.

#### Minimum Gross Revenue Requirements.

No minimum total Gross Revenue Requirement for the initial 365 days period during the Term of the Franchise Agreement.

\$150,000 minimum total Gross Revenue Requirement for the next consecutive second 365 days period during the Term of the Franchise Agreement.

\$250,000 minimum total Gross Revenue Requirement for each remaining consecutive 365 days period during the Term of the Franchise Agreement.

These standards are the minimum performance required of you, and are not a guaranty of results by us.

#### ITEM 13

#### TRADEMARKS

The ALL COUNTY® service marks listed below are registered with the United States Patent and Trademark Office ("PTO"). Since we have Principal Register federal registrations for the ALL COUNTY® service marks, we have certain presumptive legal rights granted by a registration.

Our principal trademarks are:

TRADEMARK	REGISTRATION NUMBER	DATE OF REGISTRATION	REGISTER
ALL COUNTY	4,617,268	October 7, 2014	Principal
	3,508,157	September 30, 2008	Principal
	5,637,568	December 25, 2018	Principal

You must follow our operating procedures when you use our trademarks and service marks (collectively "Marks"). You cannot use our Marks as part of your corporate name. You may not use our Marks in the event you wish to advertise the sale of your Franchise.

There are no currently effective material determinations of the PTO, Trademark Trial and Appeal Board, or the trademark administrator of any state or any court. There are no pending infringements, oppositions or cancellations concerning our principal Mark. There is no pending material litigation involving the principal Mark. There are no agreements currently in effect that significantly limit our rights to use or license the use of the principal Mark in a manner material to your ALL COUNTY® Franchise. We have submitted all required affidavits.

We have no actual knowledge of superior prior rights or infringing uses that could materially affect your use of the principal trademark in the state where your ALL COUNTY® Franchise may be located.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark we license to you under the Franchise Agreement, or of any claim by any person of any rights in any Mark, and we have sole business judgment to take the actions we deem appropriate and the right to control exclusively any litigation, PTO proceeding or any other administrative proceeding arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must sign any and all instruments and documents, render assistance and do any acts as may be necessary or advisable to protect and maintain our interests in any litigation or PTO proceeding or other proceeding or otherwise to protect and maintain our interests in our Marks.

If it becomes advisable at any time in our business judgment for us and/or you to modify or discontinue the use of any Marks and/or use one or more additional or substitute trademarks or service marks, you are obligated to comply with our directions within a reasonable time after receiving notice from us. We are not obligated to reimburse you for any loss of revenue attributed to any modified or discontinued Marks or for any expenditures you make to promote a modified or substitute trademark or service mark.

We will indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding arising out of your authorized use of any Mark under the Franchise Agreement and, except as provided in the Franchise Agreement, for all costs you reasonably incur in defending any claim brought against you or any proceeding in which you are named as a party, if you have timely notified us of the claim or proceeding and you and your owners are in compliance with the Franchise Agreement and all other agreements entered into with us and our affiliate(s). In our or our affiliate(s)' sole business judgment, we will be entitled to prosecute, defend or settle any proceeding arising out of your use of any Mark, and, if we or our affiliate(s) decide to prosecute, defend or settle any matter, we will have no obligation to indemnify or reimburse you for any fees or disbursements of counsel you retain.

#### **ITEM 14**

#### **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

At this time, we do not hold any patents and don't have any pending patent applications. We do claim copyright protection for our Operations Manual, advertising materials and certain other proprietary documents. We have not filed a registration of these copyrights due to public disclosures which would be necessary to do so.

We are not obligated to protect any patents, patent applications, or copyrights, nor are we obligated to defend you against any claims arising from your use of any patented or copyrighted items. The Franchise Agreement does not require us to take any affirmative action when notified of a patent or copyright infringement. We have the right to control any litigation relating to any patent or copyright. We are not obligated to participate in the defense of a franchisee or indemnify the franchisee for expenses or damages in a proceeding involving a patent, patent application, or copyright licensed to the franchisee. We may require you to modify or discontinue using any subject matter covered by a patent or copyright and you are required to comply with any instructions we specify to you relating to the use of a patent or copyright.

The Operations Manual, operating methods, business procedures and all client information, including names, addresses and all financial information are considered confidential and proprietary information. You may not use this information in any other business or in any other way not authorized by us in writing.

#### **ITEM 15**

#### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

For each Franchise location, you must designate one Managing Owner, as defined in the Franchise Agreement. You will provide us with the name and necessary contact information, such as address and telephone numbers, of this person. In the event we need to contact you, we will contact the Managing Owner. This person shall have all authority necessary to carry out daily business decisions, answer any questions or requests we have, and bind you. If required in your state, your Franchise Business must at all times have a designated broker of record who is registered with the state authorities in any state in which you will be operating the Franchise Business.

The person responsible for the day to day management and operation of the Franchise must have successfully completed the pre-opening training. This may be your Managing Owner or a designated “on-premises” manager. The “on-premises” manager need not have an equity share in the Franchise. If you have an “on-premises” manager distinct from your Managing Owner, those two people will need to maintain sufficient contact with one another so that we will not need to contact the “on-premises” manager separately from our contact with the Managing Owner.

You and your employees are subject to certain confidentiality requirements. You and your owners are also subject to a covenant not to compete.

You must individually guarantee performance under the Franchise Agreement. Depending on your form of ownership of the Franchise (for example, a corporation, limited liability company, etc.), all your owners may need to sign guarantees of performance, which may include a spouse if the spouse is an owner of the Franchise.

## ITEM 16

### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

**Services and Products.** You may only offer and sell those services and ancillary products that we have approved. You must offer all services and products that we designate as required for all franchisees. We may change, add or discontinue services and products that you must offer through your franchise. There are no limits on our right to do so.

If you propose to us to offer any services or products then not currently authorized by us under the Franchise Agreement and our Methods of Operation, you must submit to us, in writing, sufficient information that we require to determine whether you may offer the proposed services or products. We will notify you, in writing, within 90 days of our receipt of your inquiry, of our decision whether to allow you to offer the alternative services or products.

## 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 Franchise Disclosure Document.

### THE FRANCHISE RELATIONSHIP

<b>PROVISION</b>	<b>SECTION IN FRANCHISE AGREEMENT</b>	<b>SUMMARY</b>
a. Length of the franchise term	1.2	Term is 10 years.
b. Renewal or extension of the term	21	Successive 10 year terms may be granted if you are not in default of any provisions of the Franchise Agreement.
c. Requirements for franchisee to renew or extend	21.1	Renewal means continued rights to operate in the same Territory as identified in the initial Franchise Agreement. You may need to remodel your leasehold or bring the franchise into compliance with our system standards, and will need to sign a new franchise agreement. The renewal franchise agreement may contain terms or conditions that materially differ from your original Franchise Agreement.
d. Termination by franchisee	22.1	You may terminate the Franchise Agreement on any grounds available by law.
e. Termination by franchisor without cause	Not applicable	We will not terminate without cause.
f. Termination by franchisor with cause	22.2	Material, uncured breaches of the Franchise Agreement.
g. "Cause" defined – curable defaults	See 22.2	You may cure certain deficiencies in the operation of the franchise (such as payment to us of overdue amounts, submission of required reports, violation of health, sanitation or safety laws, failure to file the required number of tax returns, etc.) which if uncured would result in the termination of the Franchise Agreement.
h. "Cause" defined – non-curable defaults	See 22.2	Certain deficiencies in the operation of the franchise (such as you or your owners conviction of a felony, your disclosure of Confidential Information, you making a material misrepresentation or omission in connection with your purchase of the franchise, etc.) are inherently incurable and will result in termination of the Franchise Agreement.

<b>PROVISION</b>	<b>SECTION IN FRANCHISE AGREEMENT</b>	<b>SUMMARY</b>
i. Franchisee's obligations on termination/non-renewal	23	Pay us what you owe us; cease using the Marks; and follow our termination procedures; transfer all telephone numbers, clients, and accounts of the Franchise Business to us or our designee; give us all copies of your customer lists; cancel fictitious business names; adhere to the covenant not to compete in the Franchise Agreement.
j. Assignment of contract by franchisor	20.1	Fully transferable by us. 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.
k. "Transfer" by franchisee - definition	20.3	Includes any transfer of ownership.
l. Franchisor approval of transfer by franchisee	20.2	Our approval of any transfer is required prior to your transferring the Franchise to a third party. However, will not unreasonably withhold our approval where the proposed transferee meets all our conditions for approval.
m. Conditions for franchisor approval of transfer	20.4	The proposed transferee must meet our standards as to character, financial resources, and willingness to assume the existing obligations under the Franchise Agreement, sign our then-current form of franchise agreement, and complete training.
n. Franchisor's right of first refusal to acquire franchisee's business	20.9	We can match any offer for your Franchise.
o. Franchisor's option to purchase franchisee's business	23.6	60-day option upon termination or expiration.
p. Death or disability of franchisee	20.6	A replacement Managing Owner must be trained.
q. Non-competition covenants during the term of the franchise	16.1	No direct or indirect interest in a Competitive Business.
r. Non-competition covenants after the franchise is terminated or expires	23.4	After termination or expiration of the Franchise Agreement, you may not operate a similar type of business for a period of 36 months within your Territory or within 50 miles from the outside perimeter of your Territory
s. Modification of the agreement	25.16	Must be in writing.

<b>PROVISION</b>	<b>SECTION IN FRANCHISE AGREEMENT</b>	<b>SUMMARY</b>
t. Integration/merger clause	25.18	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	25.12	All disputes resolved by mediation or arbitration except for actions for declaratory or equitable relief, actions in ejectment or for possession of any interest in real or personal property, or actions which by applicable law can't be arbitrated. This provision is subject to state law.
v. Choice of forum	25.14	Applicable law is that of the State of Florida, unless superseded by state law. State specific appendices are attached to the Franchise Agreement, and state specific addendums to the Disclosure Document are attached as Exhibit "D". This provision is subject to state law.
w. Choice of law	25.13	Florida, except for arbitration which is covered by the Federal Arbitration Act. State specific appendices are attached to the Franchise Agreement and state specific addendums to the Disclosure Document are attached as Exhibit "D". This provision is subject to state law.

### ITEM 18

#### PUBLIC FIGURES

We do not currently use any public figure to promote our franchises or services. In the future we may elect to use a public figure to promote the franchise or services. You may not use any public figure or any other third party to promote your Franchise Business unless expressly authorized by our written consent.

### ITEM 19

#### FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, 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 at a particular location or under particular circumstances.

The information presented below is the only financial performance data provided relative to the purchase of an ALL COUNTY® franchise business, and this information is derived from data reported to us by our franchisees. Results will vary for franchise owners based on a number of factors, i.e., geographic location, demographic of the territory, number of rental units available for lease in the territory, market and economic conditions, amount and degree of competition, etc.

### **HISTORIC PERFORMANCE**

#### **Franchise Gross Revenue for Franchise Businesses Operational for Full 12 Calendar Months of 2018**

The represented subsets below are for all franchise locations that operated the entire calendar year of 2018.

**Average Annual Gross Revenue: \$356,597.71**

**Mean Annual Gross Revenue: \$320,827.75**

#### **Franchise Gross Revenue for Franchise Businesses Operational for Full Calendar Years of 2015 to 2018**

The represented subsets below are for all franchise locations that operated for at least 4 full calendar years, and which operated the entire calendar year of 2018. Our reasonable basis for providing a financial performance representation from data derived from the operating results of developing franchise locations is that the franchise business model is designed to generate a residual income base from repeat services from a portfolio of real property managed by the respective franchise location that takes approximately 3 to 4 years to establish.

**Average Annual Gross Revenue: \$477,396.95**

**Mean Annual Gross Revenue: \$383,771.63**

#### **Franchise Gross Revenue for Franchise Businesses Operational for Full Calendar Years of 2014 to 2018**

The represented subset below is the Average Gross Revenue of all franchise locations that operated for at least 5 full calendar years, and which operated the entire calendar year of 2018. Our reasonable basis for providing a financial performance representation from data derived from the operating results of mature franchise locations is that the franchise business model is designed to generate an increasing residual income base from repeat services from a portfolio of real property managed by the respective franchise location.

**Average Annual Gross Revenue: \$515,384.35**

**Mean Annual Gross Revenue: \$498,620.23**

Written substantiation for the financial performance representation will be made available to prospective franchisees upon reasonable request.

**Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn this much.**

#### **Notes**

1. Factors that could contribute to individual franchise results include geographic location, demographics of the territory, economic stability of the market, number of rental units available for lease in the territory, amount and degree of competition, the amount and medium of advertising selected, and the franchisee's ability to manage the business.
2. The information contained in the historical performance is the only financial data that we will provide. This information should only be used as a tool to conduct your own research and develop your financial models and business plan. We recommend that you consult with a financial advisor to ensure that you understand the tax implications of this business.

Other than the preceding financial performance representation, All County Property Management Franchise Corp. does not make any financial performance representations. 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 Sandra Ferrera, Chief Executive Officer, All County Property Management Franchise Corp., 5922 9<sup>th</sup> Avenue North, St. Petersburg, Florida 33710, 855-245-7368, the Federal Trade Commission, and the appropriate state regulatory agencies.

#### **ITEM 20**

#### **OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1  
Systemwide Outlet Summary  
For Years 2016 to 2018**

<b>Column 1 Outlet Type</b>	<b>Column 2 Year</b>	<b>Column 3 Outlets at the Start of the Year</b>	<b>Column 4 Outlets at the End of the Year</b>	<b>Column 5 Net Change</b>
Franchised	2016	43	44	+1
	2017	44	48	+4
	2018	48	48	0

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Company- Owned*	2016	1	1	0
	2017	1	1	0
	2018	1	1	0
Total Outlets	2016	44	45	+1
	2017	44	49	+4
	2018	49	49	0

\*Our company location is operated by our affiliate All County Property Management and Realty, Inc. Our founders, Sandra Ferrera and Scott McPherson, have less than a 51% ownership interest in one of our franchised outlets, All County Advanced.

**Table No. 2**  
**Transfers From Franchisees to New Owners (Other than the Franchisor)**  
**For Years 2016 to 2018**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Colorado	2016	0
	2017	1
	2018	0
Florida	2016	2
	2017	1
	2018	0
New York	2016	0
	2017	1
	2018	0
Total	2016	2
	2017	3
	2018	0

**Table No. 3**  
**Status of Franchised Outlets For Years 2016 to 2018\***

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Termina- tions	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations- Other Reasons	Column 9 Outlets at End of the Year
Arizona	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
California	2016	6	0	0	0	0	0	6
	2017	6	1	0	0	0	0	7
	2018	7	0	0	0	0	0	7
Colorado	2016	4	0	0	0	0	0	4

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Termina-tions	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations- Other Reasons	Column 9 Outlets at End of the Year
	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
Florida	2016	16	1	0	0	0	0	17
	2017	17	3	0	0	0	0	20
	2018	20	0	0	0	0	0	20
Georgia	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
Illinois	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Maryland	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Massachusetts	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Nevada	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
New York	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
North Carolina	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Ohio	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Pennsylvania	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
South Carolina	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Texas	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Washington	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at End of the Year
Total	2016	43	1	0	0	0	0	44
	2017	44	4	0	0	0	0	48
	2018	48	0	0	0	0	0	48

Our current franchise locations, as of March 29, 2019, are identified in Exhibit F to the Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. We do not have any trademark-specific franchisee organizations associated with the franchise system.

We have communicated with all our franchisees within 10 weeks of March 29, 2019. We do not have any franchisee who ceased to do business under the franchise agreement or had an outlet terminated, canceled, or not renewed within the last fiscal year.

During the previous three fiscal years, no franchisee signed any confidentiality clauses which restricted the franchisee from freely communicating with prospective franchisees concerning the franchisee's experience with the franchise system.

**Table No. 4**  
**Status of Company-Owned Outlets For Years 2016 to 2018**

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of the Year
Florida	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
Total	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1

**Table No. 5**  
**Projected Openings as of December 31, 2018**

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets in the 2018 Fiscal Year	Column 4 Projected New Company-Owned Outlets in the 2019 Fiscal Year
California	0	1	0
Colorado	0	1	0
Florida	0	1	0
Georgia	0	1	0
Illinois	0	1	0
Nevada	0	1	0

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets in the 2018 Fiscal Year	Column 4 Projected New Company-Owned Outlets in the 2019 Fiscal Year
Pennsylvania	0	1	0
Texas	0	1	0
Total	0	8	0

Our Fiscal Year ends on December 31.

### ITEM 21

### FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit B are our audited financial statements as of December 31, 2018, December 31, 2017, and December 31, 2016.

### ITEM 22

### CONTRACTS

Attached to this disclosure document in Exhibit A is our Franchise Agreement. Each of your owners, at any time during the term of the Franchise Agreement, will execute an agreement in the form that we prescribe (see Appendix C to the Franchise Agreement) undertaking to be bound jointly and severally by all provisions of the Franchise Agreement and any ancillary agreements between you and us that bind you.

A sample copy of the current general release form that we use as a condition of renewal or assignment/transfer is provided in Exhibit E to the Franchise Disclosure Document.

A sample copy of the Activation Agreement you will be required to sign as a condition of using the required Rent Manager® software is included in Exhibit G to this Franchise Disclosure Document.

A sample copy of the Promissory Note for Initial Franchise Fee you will be required to sign if we offer you financing of the initial franchise fee is included in Exhibit H to this Franchise Disclosure Document.

### ITEM 23

### RECEIPTS

The Receipts to be signed by all prospective franchisees are attached in duplicate at the very end of this Franchise Disclosure Document in Exhibit I. You will sign and date one copy

and give it to us at the time we present it to you. Your copy of the receipt is attached at the end of this Franchise Disclosure Document.

**[THE DISCLOSURE DOCUMENT ENDS HERE]**

**ALL COUNTY®**

**EXHIBIT A**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**

**FRANCHISE AGREEMENT**

## FRANCHISE AGREEMENT

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## ALL COUNTY® FRANCHISE AGREEMENT

This **FRANCHISE AGREEMENT** ("Agreement") is made and entered into this day of \_\_\_\_\_, 20\_\_\_\_\_, by and between All County Property Management Franchise Corp., a Corporation formed under Florida law, with its principal business address at 5922 9th Avenue North, St. Petersburg, Florida 33710 (referred to in this Agreement as "Franchisor," "we," "us" or "our"), and \_\_\_\_\_, a [STATE/TYPE OF ENTITY] with its principal business address at \_\_\_\_\_ (referred to in this Agreement as "Franchisee," "you," "your" or "owner").

**DEFINITIONS.** Words and phrases used frequently in this Agreement will have the meaning indicated:

**"Accounting Period"** means one calendar month.

**"Ad Fee"** means the amount of money that you are required to contribute to the Advertising Fund.

**"Advertising Fund"** means the pool of money controlled by All County Property Management Franchise Corp. for the purpose of advertising, marketing and other promotional activities to promote ALL COUNTY® businesses.

**"Affiliated Companies" or "Affiliate(s)"** means any person or company that, directly or indirectly, controls, is controlled by, or is under common control with, the referenced party.

**"Agreement" or "Franchise Agreement"** means this document, all its attachments, exhibits, stipulations and schedules and written modifications whenever made.

**"ALL COUNTY® business"** means a real estate property management services business operating under the Marks and using the Operating System that we, or any of our Affiliates, own and operate or license any other person or entity to own or operate.

**"Broker of Record"** means the designated real estate broker of record who is duly registered with the state authorities in any state in which you will be operating the Franchise Business, if required by your state or jurisdiction.

**"Business"** means your ALL COUNTY® business operated under this Agreement.

**"Competitive Business"** means any business that offers real estate management services, including any business that offers real estate property management services, real estate rental services, real estate listing and advertising services, or any other services that are the same or similar to those offered by ALL COUNTY® businesses, or any business that offers franchises or licenses to others to operate any business that offers real estate management services, including any business that offers real estate property management services, real estate rental services, real estate listing and advertising services, or any other services that are the same or similar to those offered by ALL COUNTY® businesses.

**"Corporation or Partnership"** includes, if applicable, reference to your formation as a limited liability company, limited liability partnership, or any other type of limited liability entity.

**"Effective Date"** means the date this Agreement becomes effective as designated on the Signature Page of this Agreement.

**“Franchisee”** means the individual or entity inserted in the space at the beginning of the Agreement.

**“Franchised Business”** means your ALL COUNTY® business operated under this Agreement.

**“Franchisor”** means All County Property Management Franchise Corp.

**“Gross Revenue”** means the total revenue and other consideration from the Franchised Business, and whether from cash, check, or credit transactions, and including e-commerce transactions, but excluding Maintenance Revenue, excluding all federal, state or municipal sales, use or service taxes collected from customers and paid to the appropriate taxing authority, and excluding customer refunds, adjustments, credits and allowances actually made by the Franchised Business in compliance with our Methods of Operation.

**“Guarantor”** means any person who signs the Guaranty and Assumption of Obligations found in Appendix C to the Agreement.

**“Location(s)”** means your principal place of business and any other places where we authorize you to operate the Franchised Business.

**“Maintenance Revenue”** means all total revenue and other consideration you, any Owner, or any affiliated business entity derive from repairs and maintenance services to real property or equipment, including but not limited to painting, lawn care, preventative maintenance, cleaning, plumbing, and general repairs to real property or equipment.

**“Maintenance Revenue Fee”** means the percentage fee payable from you to us each month for any Maintenance Revenue you derive.

**“Managing Owner”** means the Owner of the Franchised Business that has all the authority necessary to carry out day to day business decisions, answer any questions or requests we have, and bind you.

**“Manual” or “Operations Manual”** means our confidential ALL COUNTY® Operations Manual which contains the required policies and procedures for the operation of the Franchised Business, and includes all specifications contained in the “Information Library” on our intranet site, or such substitute database as we may use, and all supplemental bulletins, memoranda, revisions and replacements.

**“Marks”** means the current and future trade names, trademarks, service marks and trade dress used to identify ALL COUNTY® businesses and the services and products offered by ALL COUNTY® businesses, including the “ALL COUNTY” mark.

**“Marks Standards”** means standards specified in the Manual for interior and exterior Mark-bearing signs, advertising, and other items and the use of these items in the Franchised Business.

**“Methods of Operation”** means the mandatory and suggested specifications, standards, operating procedures and rules that we prescribe for the operation of the Franchised Business.

**“Minimum Gross Revenue Requirement”** means the minimum Gross Revenue you must derive from the operation of the Franchised Business each calendar year during the Term of the Franchise Agreement.

**“National Accounts”** means regional or national businesses with which we’ve agreed to provide services to customers at certain National Account locations, which may include National Account locations within your Territory.

**“Ongoing Website Hosting and Maintenance Fee”** means the monthly fee you pay to us for ongoing access to our website and online systems.

**“Operating Standards”** means the standards specified in the Manual for customer service, hours, required services and products, and employee training.

**“Operating System”** means the plan and system as updated and revised from time to time for providing our real estate property management services using our software, accounting methods, merchandising, equipment selection, advertising, promotional techniques, personnel training and quality standards that feature the Marks and includes all proprietary materials, our Operating Standards, Marks Standards, and Technology Standards.

**“Owner”** means any person holding a direct or indirect, legal or beneficial ownership interest or voting rights in you (or a transferee of this Agreement and the Business or an interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Agreement, the Franchise or the Business and any person who has any other legal or equitable interest, or the power to vest in himself any legal or equitable interest, in the revenue, profits, rights or assets thereof. References to a “controlling interest” in you mean thirty three and one-third percent (33.33%) or more of your voting shares or other voting rights if you are a corporation or partnership owned by three (3) or more persons; otherwise, fifty percent (50%) or more of your voting shares or other voting rights will constitute a “controlling interest.”

**“Person”** means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative or other legal or functional entity.

**“Professional Organization Fees”** means the fees you pay to join any industry professional organization that we require you to belong during the Term of the Agreement.

**“Reconciliation Assistance Program”** means our designated program in which we will assist you in reconciling specified bookkeeping and accounting data relating to the operation of the Franchised Business, as identified in Appendix E to the Agreement.

**“Reconciliation Assistance Program Fee”** means any amount payable from you to us for your mandatory or voluntary participation in the Reconciliation Assistance Program.

**“Revenue Statements”** means the periodic reports you send us that describes your Gross Revenue and Maintenance Revenue.

**“Software License Fee”** means the license fee you pay to us for use of our required real estate management software.

**“Term”** means the ten (10) year period under which the Agreement is effective, unless otherwise terminated.

**“Territory”** means the area listed on Appendix B in which you may locate the Franchised Business.

“We”, “us” or “our” means All County Property Management Franchise Corp. the Franchisor, our successors and assigns or our Affiliates.

“You”, “your” or “yours” means the Franchisee.

## 1. GRANT OF FRANCHISE AND TERM OF THE AGREEMENT.

We provide real estate management services, including, without limitation, real estate property management services, real estate rental services, real estate listing and advertising services, property maintenance services, and related services and ancillary products. We grant franchises to people or companies who meet our qualifications and are willing to undertake the investment and effort required to own and operate an ALL COUNTY® business through our designated business system, procedures, policies and standards. You have indicated to us by your actions and statements that you desire to own and operate an ALL COUNTY® business.

### 1.1. Acknowledgements.

- 1.1.1. You acknowledge that you have read this Agreement and our Franchise Disclosure Document and understand and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards at each ALL COUNTY® business.
- 1.1.2. You acknowledge that you have conducted an independent investigation of operating an ALL COUNTY® business and recognize that the nature of this business may evolve and change over time and that an investment in an ALL COUNTY® business involves business risks and that your business abilities and efforts are vital to the success of the venture.
- 1.1.3. You acknowledge that any information you acquired from other ALL COUNTY® franchisees relating to their sales, profits or cash flows does not constitute information obtained from us, nor do we make any representation as to the accuracy of any such information. You further acknowledge that we have advised you to seek franchise counsel to review and evaluate this Agreement.

- 1.2. **Grant of Franchise.** You desire a franchise to own and operate an ALL COUNTY® Business. Subject to the terms of and upon the conditions contained in this Agreement, we hereby grant you a franchise (the “Franchise”) to operate an ALL COUNTY® Business solely at the business location address (the “Location”) identified on Appendix B, and a license to use the Marks and the System in the operation thereof, for a term commencing on the Effective Date of this Agreement and expiring on the tenth (10<sup>th</sup>) anniversary of that date (the “Term”), unless sooner terminated. You may not operate the Business from any site other than the Location without our prior written consent. Except as otherwise provided in Article 7, we (and our affiliates) will not establish, or grant to a franchisee the right to establish, another ALL COUNTY® business office to be located within the geographical area set forth in Appendix B attached hereto (the “Territory”). You acknowledge and agree that you have no recourse against us if other Franchisees are granted allowances or rights that are not granted to you.

## 2. FEES AND PAYMENTS.

- 2.1. **Initial Franchise Fee.** You agree to pay us a one time, non-refundable initial franchise fee in the amount of \_\_\_\_\_ (\$\_\_\_\_\_), which must be paid in certified funds

and which will be due upon your execution of this Agreement. The initial franchise fee will be fully earned by us upon the execution of this Agreement.

- 2.2. **Revenue Statements.** We must receive on or before the fifth (5<sup>th</sup>) day following the end of each preceding month your statement of Gross Revenue and Maintenance Revenue, in approved form, via such form of delivery as we may specify under our Methods of Operation.
- 2.3. **Interest on Late Payments.** All amounts which you owe us and do not pay us when due will bear interest from their due date at the highest contract rate of interest permitted by law. You acknowledge that this Article does not constitute our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance your operation of, the Business. Your failure to pay all amounts then due constitutes grounds for termination of this Agreement, despite the provisions of this Article.
- 2.4. **Application of Payments.** Regardless of any designation you might make, we have sole discretion to apply any of your payments to any of your past due indebtedness to us. You acknowledge and agree that we have the right to set off any amounts you owe us against any amounts we might owe you.
- 2.5. **Designated Bank Account.** Prior to the opening of the Business, and as a condition thereof, you shall establish a designated bank account from which we shall be authorized to withdraw in any manner which we prescribe, which may include EFT or wire transfer, any amounts due to us or any affiliate(s) from you under this Agreement, including Royalty Fees due. We have the right to review your sales numbers on a daily basis. By the fifth (5<sup>th</sup>) day of the week following the end of each calendar month, we shall calculate the Royalty Fee due for the preceding month and may withdraw via EFT such amount and any other amounts due under this Agreement, including any advertising and marketing fees set forth under Article 17, directly from the designated account, unless we have agreed with you in writing to some other acceptable method of delivery of amounts due to us. All costs and expenses of establishing and maintaining such designated account, including transaction fees and wire transfer fees, shall be paid by you. You agree to maintain at all times sufficient funds in such designated bank accounts for such withdrawals.

### **3. ROYALTY AND OTHER FEES.**

- 3.1. **Royalty.** You agree to pay us a non-refundable royalty ("Royalty") each calendar month (the "Accounting Period") during the Term of the Agreement in the amount of seven percent (7%) of Gross Revenue. You acknowledge and agree that each Accounting Period you must pay us a minimum Royalty of not less than Two Hundred Dollars (\$200). The initial Accounting Period for which you must pay us the minimum Royalty shall be the earlier of either the Accounting Period in which you open for business or the fourth full Accounting Period after you execute this Agreement.
- 3.2. **Maintenance Revenue Fee.** In addition to the Royalty, each Accounting Period during the Term of the Agreement you agree to pay us a non-refundable maintenance revenue fee ("Maintenance Revenue Fee") in the amount of three percent (3%) of Maintenance Revenue which you, or any Owner, or any entity affiliated with you, derive from any maintenance services of which we have duly approved under our Methods of Operation. The Maintenance Revenue Fee shall be payable in the same manner and at the same time as the Royalty.
- 3.3. **Software License Fee.** In addition to the Royalty, you agree to pay us each Accounting Period a software license fee ("Software License Fee") for use of our required real estate management

software. The Software License Fee presently is Two Hundred Fifty Dollars (\$250) for the first seat and Sixty Dollars (\$60) for each additional seat. Also, you will pay us a one-time setup fee per seat in the amount of One Hundred Fifty Dollars (\$150). We may increase the Software License Fee periodically during the Term of the Agreement, upon thirty (30) days prior written notice from us to you, provided however that any such increase shall not occur more than one (1) time in any period of twelve (12) consecutive Accounting Periods. The Software License Fee shall be payable in the same manner and at the same time as the Royalty.

- 3.4. **Ongoing Website Hosting and Maintenance Fee.** In addition to the Royalty, you agree to pay us each Accounting Period an ongoing website hosting and maintenance fee ("Ongoing Website Hosting and Maintenance Fee") for use and maintenance of our website and online systems. The Ongoing Website Hosting and Maintenance Fee presently is Sixty Five Dollars (\$65) per Accounting Period. We may increase the Ongoing Website Hosting and Maintenance Fee periodically during the Term of the Agreement, upon thirty (30) days prior written notice from us to you, provided however that any such increase shall not occur more than one (1) time in any period of twelve (12) consecutive Accounting Periods. The Software License Fee shall be payable at the same time and in the same manner as the Royalty .
- 3.5. **Reconciliation Assistance Program Fee.** You acknowledge and agree that you must participate in our mandatory Reconciliation Assistance Program. As a condition of your participation in the Reconciliation Assistance Program, you must execute Appendix E to this Agreement. You acknowledge and agree that that you shall pay us any applicable fees for our administration of the Reconciliation Assistance Program (the "Reconciliation Assistance Program Fee"). The Reconciliation Assistance Program Fee presently is Four Hundred Twenty Five (\$425) each Accounting period, plus Forty Five Dollars (\$45) per hour for any work we provide to you relating to your failure to comply with our required Methods of Operation concerning reconciling your client accounts. The Reconciliation Assistance Program Fees shall be payable in the same manner and at the same time as the Royalty. We may increase the Reconciliation Assistance Program Fee and our hourly fee periodically during the Term of the Agreement, upon thirty (30) days prior written notice from us to you, provided however that any such increase shall not occur more than one (1) time in any period of twelve (12) consecutive Accounting Periods.
- 3.6. **Professional Organization Fees.** You acknowledge and agree that at all times during the Term of the Agreement, you must join and belong, in good standing, to such industry professional organizations that we designate, in our sole business judgment. You acknowledge and agree that you are responsible solely for paying any initial and ongoing professional organization fees ("Professional Organization Fees") that any such professional organization may charge in order to belong to such organization.
- 3.7. **Royalty Fees Due Dates.** The Royalty Fees are due and payable monthly on the fifth (5<sup>th</sup>) calendar day of the week immediately following the end of the prior calendar month.

#### **4. PERFORMANCE REQUIREMENTS.**

- 4.1. **Performance Standards.** You agree that you will at all times faithfully, honestly and diligently perform your obligations hereunder, continuously exert your best efforts to promote and enhance the Business and not engage in any other business or activity that conflicts with your obligations to operate the Business in compliance with this Agreement.
- 4.2. **Days of Operation.** You acknowledge and agree that, as required by our Methods of Operation, the Business must operate the entire calendar year, unless otherwise approved in writing by us,

and must be managed at all times by your Managing Owner or an owner or employee approved in writing by us.

4.3. **Minimum Gross Revenue Requirements.** You must attain or exceed each minimum requirement (the “Requirement”) for Gross Revenue identified below for each respective specified period. Upon your first (1<sup>st</sup>) failure to attain the required Requirement, you may cure the failure by paying the Royalty Fee and Advertising Fund contribution and by making the local advertising expenditure required under this Agreement, all calculated with reference to the difference between the actual Gross Revenue of the Business for the specified period and the amount of the Requirement for that period. Upon your second (2<sup>nd</sup>) failure to attain the specified Requirement, then you shall be deemed to be in default under this Agreement and we may, in our sole business judgment, terminate this Agreement and all rights granted in this Agreement, with such termination effective immediately upon notice to you but without prior opportunity to cure the default. Otherwise we may elect to render all or any portion of the Territory as non-exclusive.

4.3.1. **Minimum Gross Revenue Requirements.** You acknowledge and agree that you must attain or exceed the following minimum performance Requirements for total Gross Revenue for the Business during the specified 365 days periods during the Term of the Agreement, as measured from the Effective Date of the Agreement, or we may render all or any portion of your protected Territory as non-exclusive and we may consider you in breach of the Franchise Agreement.

No minimum total Gross Revenue Requirement for the initial 365 days period during the Term of the Franchise Agreement.

\$150,000 minimum total Gross Revenue Requirement for the next consecutive second 365 days period during the Term of the Franchise Agreement.

\$250,000 minimum total Gross Revenue Requirement for each consecutive 365 days period during the remaining Term of the Franchise Agreement.

These standards are the minimum performance required of you, and are not a guaranty of results by us.

## 5. **OWNERSHIP AND MANAGEMENT.**

5.1. **Managing Owner.** You acknowledge and agree that your owners and you will grant to one individual (the “Managing Owner”), the authority to legally bind you in any dealings with us, or our affiliates, and to direct any action necessary to ensure compliance with this Agreement and any other agreements relating to the Business. You acknowledge and agree that the Business must at all times have a designated real estate broker of record, or its equivalent, who is duly registered with the state authorities in any state in which you will be operating the Franchise Business, if required by your state or jurisdiction. The Managing Owner, at all times during the Term of the Agreement, shall maintain management control of the Business, or shall have like authority, ownership, managerial control and voting power in any limited liability company, partnership, or other form of entity, unless otherwise agreed upon in writing by us. You will notify us thirty (30) days in advance of any change in the identity of the Managing Owner. Where such change results from the death or incapacity of the Managing Owner, you shall immediately notify us of such death or incapacity, and you will appoint a new Managing Owner within sixty (60) days after such death or incapacity. We reserve the right to review and disapprove of any newly appointed Managing Owner within ten (10) days of notice. We reserve the right to review and approve the

authority of the Managing Owner with respect to your Articles of Organization, LLC Operating Agreement, Partnership Agreement, Shareholders Agreement, or similar documents. Neither you nor your owners will, directly or indirectly, take any action to avoid or restrict the authority requirement for the Managing Owner.

5.2. **Corporate, Limited Liability Company or Partnership Franchisee.** If you are at any time a corporation, limited liability company, partnership, or other business entity, you agree and represent that:

- 5.2.1. Your charter (if you are a corporation) or partnership agreement (if you are a partnership) will at all times provide that your activities are confined exclusively to operating the Business, you will promptly furnish to us copies of your Articles of Incorporation, bylaws, partnership agreement, and other governing documents, and any amendments thereto, including the resolution of the board of directors authorizing entry into this Agreement, and you will have the authority to execute, deliver and perform your obligations under this Agreement and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation. You will notify us within five (5) days whenever there is a change in your corporate status or whenever you receive service of process for any reason;
- 5.2.2. Your organizational documents or partnership agreement will recite that the issuance and transfer of any ownership interests in you are restricted by the terms of this Agreement, and all certificates and other documents representing ownership interests in you will bear a legend referring to the restrictions of this Agreement;
- 5.2.3. Appendix A to this Agreement will completely and accurately describe all of your owners and their interests in you;
- 5.2.4. Each of your owners, at any time during the Term of this Agreement, will execute an agreement in the form that we prescribe (see Appendix C to this Agreement) undertaking to be bound jointly and severally by all provisions of this Agreement and any ancillary agreements between you and us that bind you. You and your owners agree to execute and deliver to us such revised copies of Appendix A as may be necessary to reflect any changes in the information contained therein and to furnish such other information about your organization or information as we may request within five (5) days of change.

6. **START OF BUSINESS.**

- 6.1. **Opening.** You agree to begin operating the Business within your Territory within one hundred twenty (120) days after the execution of this Agreement. If you fail to begin operating the Business within one hundred twenty (120) days after the execution of this Agreement, then we may terminate the Agreement and you will forfeit the initial franchise fee.

- 6.2. **Training.** You must successfully complete our training program for the Business to our satisfaction prior to beginning to operate the Business.

7. **TERRITORY.**

- 7.1. **Your Territory.** The geographical location where you may operate the Business is referred to as your "Territory" and is described in Appendix B attached to this Agreement. Your Location must be located within your designated Territory. You acknowledge and agree that you have

exclusivity in your Territory only in the respects that no other ALL COUNTY® business office will be physically located in your Territory and that no other ALL COUNTY® business shall be authorized to conduct grass-roots marketing efforts in your Territory, defined as conducting direct mail campaigns or physically visiting real estate offices or other businesses in your Territory for the purposes of soliciting referrals. You acknowledge and agree that under our Methods of Operation, we may restrict you, in our sole business judgment, from advertising or marketing the services of your Franchised Business through any medium that is distributed or directed outside the Territory of your Franchised Business. You acknowledge and agree that, under our Methods of Operation, we or any other franchisee may provide authorized services to customer accounts located inside your Territory, and you will be entitled to no compensation in connection with these services. You acknowledge and agree that you, we, or any other franchisee may provide authorized services to customer accounts located outside your Territory, except that you may not provide services to any customer account located more than 50 miles beyond any point on the outer perimeter of your Territory, without our prior written permission. You acknowledge and agree that we, or any other franchisee, shall have no liability to you and you shall have no recourse against us, or against any other franchisee, in the event another franchisee provides services to a customer account located in your Territory. Other ALL COUNTY® businesses are allowed to manage properties located in your Territory and to place "For Rent" signs and otherwise market these properties. Other ALL COUNTY® businesses, under our Methods of Operation, may, in our sole business judgment, be allowed to conduct radio, television, or other advertising that may pass through or exist in your Territory. Notwithstanding anything to the contrary in this paragraph, we may solicit, market to, advertise to, and build national and regional account relationships, whose offices may be located inside or outside your Territory.

- 7.2. **Other Territories.** You agree that we have the right to establish and grant to other franchisees the right to establish ALL COUNTY® business locations anywhere outside your Territory on such terms and conditions as we deem appropriate. You agree not to do anything that would unreasonably interfere with the ability of other ALL COUNTY® businesses to conduct their operations or to provide services to any customer accounts, whether inside or outside your Territory.
- 7.3. **Other Distribution Channels.** You agree that we, our affiliate, and other franchisees have the right to sell our services and ancillary products, whether or not using the Marks, inside or outside the Territory or through distribution channels other than ALL COUNTY® businesses, including, without limitation, the sale of real estate advertising and real estate listings that are offered in your Territory through the Internet or that are offered in published materials that may be sold to individuals and businesses that are located in your Territory.
- 7.4. **Affiliate and Acquisition Distribution.** You agree that we have the right to operate, directly or through an affiliate, and to grant to others the right to operate, within your Territory and elsewhere businesses that we purchase (or as to which we purchase the rights as franchisor) that are competitive businesses or part of another franchise system or chain, regardless of whether any or all of them are converted to use any or all of the Marks and/or System or continue to be operated independently.
- 7.5. **National Accounts.** You acknowledge that from time to time we may enter into agreements with certain regional or national businesses ("National Accounts") to provide services to customers at certain National Account locations which may include National Account locations within your Territory. We shall identify and designate any such National Accounts in our Operations Manual, and you acknowledge and agree that from time to time during the Term of the Agreement we may add or remove National Accounts, in our sole business judgment.

## 8. LOCATION.

It is your responsibility to find a Location within your Territory to operate the Business. You must submit to us, according to our procedures, a proposed Location for your Business for our approval.

- 8.1. **Business Location.** You must locate a site for the Business and have the Location approved by us. In our sole business judgment we may elect to allow you to operate the Business from a home based office for the initial three hundred sixty five days (365) following the Effective Date of the Agreement. After our approval of your Location, if applicable you must either lease, sublease or purchase the Location within sixty (60) to one hundred twenty (120) days after signing this Agreement. We have the right to approve the terms of any lease, sublease or purchase contract for the Location, and you agree to deliver a copy to us for our approval before you sign it. Our approval of the lease, sublease or purchase contract does not constitute a warranty or representation of any kind, express or implied, as to its fairness or suitability or as to your ability to comply with its terms. We do not, by virtue of approving the lease, sublease or purchase contract, assume any liability or responsibility to you or to any third parties. You further acknowledge that we have advised you to seek legal counsel to review and evaluate the lease. You must deliver a copy of the fully signed lease, sublease or purchase contract to us within fifteen (15) days after its execution.
- 8.2. **Location Approval.** A properly executed site acceptance form is the exclusive means by which we accept a proposed site, and no other direct or indirect representation, approval or acceptance, whether in writing or verbally, by any of our officers, employees or agents, shall be effective or bind us. We will make reasonable efforts to make a determination on your site acceptance form within seven (7) days after receipt of it and any other materials that we have requested. We will furnish you with our standard site selection criteria and assistance for the Business, as we may establish from time to time.
- 8.3. **Qualifying Factors.** Factors used by us in deciding whether to accept or reject a proposed site may include, but is not limited to, the general location and neighborhood, demographic information, traffic patterns, zoning, access, visibility, location of other similar businesses or related establishments (including other ALL COUNTY® businesses) and size, condition, configuration, appearance and other physical characteristics of the site.
- 8.4. **Independent Investigation.** Your decision to develop and operate the Business at any particular site is based solely on your own independent investigation of the suitability of the site for the Business. You acknowledge and agree that your acceptance of the proposed site is based on your own independent investigation of the suitability of the proposed site.
- 8.5. **Disclaimer of Guarantee.** Our recommendation or approval of any proposed site and any information communicated to you regarding such site does not constitute a representation or warranty of any kind, express or implied, as to the suitability or success of such Location. Our recommendation or approval of the proposed site indicates only that the proposed site satisfies the general guidelines and criteria for Locations that we have established.
- 8.6. **General Release.** In consideration of our acceptance of a proposed site, you and your Owners agree to release us, and our affiliates, officers, directors, employees and agents from any and all loss, damages and liability arising from or in connection with the selection and/or acceptance of such site for the development of an ALL COUNTY® business. Any general release required in

the Franchise Agreement as a condition of renewal, sale, and/or assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

## 9. **BUSINESS DEVELOPMENT.**

You are responsible for developing the Business Location. We will furnish you with mandatory specifications and layouts for an ALL COUNTY® business, including requirements for dimensions, design, image, interior layout, decor, fixtures, equipment, signs, furnishings and color scheme and other suggestions.

- 9.1. **Location Development.** You agree, at your own expense, to do the following with respect to developing the Business at the Location:

- 9.1.1. Secure all financing required to develop and operate the Business;
- 9.1.2. Obtain all permits and licenses required to operate the Business;
- 9.1.3. Purchase or lease and install all required fixtures, furniture, equipment, furnishings and signs required for the Business;
- 9.1.4. Purchase an initial inventory of authorized and approved products, materials and supplies; and,
- 9.1.5. Ensure that the Business will be built and operated in compliance with all local, state and federal laws, ordinances, rules and regulations.

- 9.2. **Fixtures, Furniture, Equipment and Signs.** You agree to use in developing and operating the Business only those fixtures, furnishings, equipment, computer hardware and software, and signs that we have approved for ALL COUNTY® businesses as meeting our specifications and standards for quality, design, appearance, function and performance. You agree to place or display at the Location (interior and exterior) only such signs, emblems, lettering, logos and display materials that we approve from time to time. You agree to purchase or lease approved brands, types or models of fixtures, furnishings, equipment and signs only from suppliers we have designated or approved, which may include us and/or our affiliates.

- 9.3. **General Release.** Our review and approval of any proposed business development plans for your Location and any involvement or information communicated to you regarding such business development plans is solely to ensure your compliance with the System. Any general release required in the Franchise Agreement as a condition of renewal, sale, and/or assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

## 10. **TRAINING.**

- 10.1. **Initial Training.** Before the Business begins operation we will provide you with initial training on the operation and management of an ALL COUNTY® business pursuant to our Initial Training program. Before you begin operation of the Business you are required to attend and successfully complete the initial training to our satisfaction. We reserve the right to change or modify the training, as we deem necessary. If we determine that your Managing Owner is unable to complete initial training to our satisfaction, we have the right to terminate this Agreement.

- 10.1.1. **Initial Training.** We agree to provide initial training to your Owners. Additional individuals who attend the initial training by mutual agreement will be charged Three Hundred Dollars (\$300) per person.
  - 10.1.2. **Schedule, Location and Costs.** Initial training consists of four (4) working days of training. The training will be at a location that we designate. You will be responsible for all travel and living expenses, which your Managing Owner and the selected individual(s) incur in connection with training.
  - 10.1.3. **Commencement Assistance.** In addition to your initial training, our designated representative will provide two (2) days of commencement assistance to you in your Territory that shall be provided within sixty (60) days of your franchise opening for business. The commencement assistance shall be provided as part of your initial franchise fee at no additional expense to you. If you are a current franchisee purchasing an additional franchise at a reduced initial franchise fee, you acknowledge and agree that the commencement assistance is waived.
  - 10.1.4. **Additional Activities.** You also must participate in all other activities required to operate the Business.
- 10.2. **Additional Ongoing Required Training.** We may require your Managing Owner and/or previously trained and experienced employees to attend additional required training courses at such times and locations that we designate, and we may charge reasonable fees for such courses. Your Managing Owner or on-premises manager must attend our Annual Conference, and we may charge you our reasonable fees for any individual to attend the Annual Conference.
  - 10.3. **Supplementary Training.** After the commencement of your Business operations, if you have additional employees that require training from us we may charge you a fee for this training.
  - 10.4. **Training Assistance.** We may ask you to provide training or assistance to other ALL COUNTY® franchisees. You agree to give us reasonable assistance with such training. We agree to reimburse you for your reasonable costs and expenses in providing such assistance.
11. **PRE – OPENING REQUIREMENTS.**

Prior to opening the Business you must comply with the pre-opening requirements set forth in the “Operations Manual” and other guidelines that we prescribe. You agree not to open the Business until:

    - 11.1. We approve the Location as developed in accordance with our specifications and standards;
    - 11.2. Your Managing Owner and your owners or employees have completed training to our satisfaction;
    - 11.3. You have given us a copy of your lease for the Location, if applicable;
    - 11.4. The initial franchise fee and all other amounts then due to us have been paid;
    - 11.5. We have been furnished with copies of all agreements and insurance policies required by this Agreement, or such other evidence of insurance coverage and payment of premiums as we request or accept; and

- 11.6. You have obtained and we have been furnished with copies of all required agreements and permits, licenses, and certifications for operating the Business and the Location is in compliance with all laws, rules and regulations.

**12. OPERATION REQUIREMENTS.**

After you have satisfied the Initial Training and pre-opening requirements set forth in the “Operations Manual” and have received our written approval you may begin operation of the Business. You must maintain and operate the Business in accordance with this Agreement and the terms and standards contained in the Operations Manual.

- 12.1. **Operations Manual.** For the operation of your Business we will provide you with electronic access to our Operations Manual. The Operations Manual contains the mandatory and suggested specifications, standards, operating procedures and rules that we prescribe for the operation of the Business. The Operations Manual also contains business and information relating to other obligations under this Agreement and related agreements. The Operations Manual and other specifications, standards, and operating procedures communicated to you shall be deemed a part of this Agreement.

12.1.1. **Modification.** We may modify, edit, delete, update, change and enhance the Operations Manual from time to time to reflect changes in the Methods of Operation.

12.1.2. **Safeguard.** You agree to keep access to the Operations Manual in a secure location at the Business.

12.1.3. **Disputes.** In the event of a dispute relating to its contents, the master copy of the Operations Manual we maintain at our principal office will be controlling.

12.1.4. **Duplication.** You may not at any time copy, duplicate, record or otherwise reproduce any part of the Operations Manual.

12.1.5. **Confidentiality.** You acknowledge and agree that the Operations Manual is our proprietary property and contains Confidential Information.

- 12.2. **Compliance with Methods of Operation.** You agree to operate and maintain the Business in accordance with Methods of Operation, as we periodically modify and supplement them during the Term of this Agreement.

12.2.1. **Facilities.** Our Methods of Operation may regulate the design, layout, decor, appearance and lighting; periodic maintenance, cleaning and sanitation; periodic remodeling; replacement of obsolete or worn out leasehold improvements, fixtures, furnishings, equipment and signs; periodic painting; and use of interior and exterior signs, emblems, lettering and logos and the illumination thereof.

12.2.2. **Types.** Our Methods of Operation may regulate the types, models and brands of required fixtures, furnishings, equipment, signs, materials and supplies.

12.2.3. **Services and Products.** Our Methods of Operation may regulate the required or authorized services and ancillary product categories (the sale of merchandise other than

ALL COUNTY® merchandise, without our express written approval, is a material breach of the terms of the Agreement).

- 12.2.4. **Suppliers.** Our Methods of Operation may regulate the designated or approved suppliers (which may be limited to or include us) of fixtures, furnishings, equipment, services, signs, products, materials and supplies (the use of suppliers other than us, our subsidiaries or affiliates, or our other approved suppliers, without our express written approval, is a material breach of the terms of this Agreement).
- 12.2.5. **Terms and Conditions.** Our Methods of Operation may regulate the terms and conditions of the sale and delivery of, including, without limitation, credit terms and letter of credit amounts, and terms and methods of payment for, and security deposits, for products, materials, supplies and services including direct labor, that you obtain from us, our affiliates or others.
- 12.2.6. **Advertising and Marketing.** Our Methods of Operation may regulate the sales, marketing, advertising and promotional programs and materials and media used in such programs, including, without limitation, the right to enforce price policies and timing and duration of price reduction periods. Any Internet marketing companies and services you use must be pre-approved by us in writing.
- 12.2.7. **Marks.** Our Methods of Operation may regulate the use and display of the Marks.
- 12.2.8. **Staffing.** Our Methods of Operation may regulate the staffing levels for the Business and matters relating to managing the Business; communication to us of the identities of the Business' personnel and any and all payroll information; and qualifications, training, dress and appearance of employees.
- 12.2.9. **Hours of Operation.** Our Methods of Operation may regulate the days and hours of operation of the Business.
- 12.2.10. **Program Participation.** Our Methods of Operation may regulate your participation in market research and testing and product and service development programs.
- 12.2.11. **Payment Methods.** Our Methods of Operation may regulate the acceptance of credit cards, other payment systems and check verification services.
- 12.2.12. **Records.** Our Methods of Operation may regulate the bookkeeping, accounting, data processing and record keeping systems and forms; methods, formats, content and frequency of reports to us of sales, revenue, financial performance and condition; and furnishing tax returns and other operating and financial information to us.
- 12.2.13. **Insurance.** Our Methods of Operation may regulate the types, amounts, terms and conditions of insurance coverage required to be carried for the Business and standards for underwriters of policies providing required insurance coverage; our protection and rights under such policies as an additional named insured; required or impermissible insurance contract provisions; assignment of policy rights to us; periodic verification of insurance coverage that must be furnished to us; our right to obtain insurance coverage for the Business at your expense if you fail to obtain required coverage; our right to defend claims; and similar matters relating to insured and uninsured claims. Our Methods of Operation minimum requirements for insurance coverage levels are:

\$500,000 general liability per occurrence with a \$1,000,000 aggregate limit, \$500,000 professional liability (Errors and Omissions), worker's compensation as the law requires, \$500,000 vehicle liability for non-company owned automobiles and business interruption covering loss of income, extra expenses, crime and fraud, all policies naming us as an additional insured.

- 12.2.14. **Laws and Standards.** Our Methods of Operation may regulate compliance with applicable laws; obtaining required licenses and permits; adhering to good business practices; observing high standards of honesty, integrity, fair dealing and ethical business conduct in all dealings with customers, suppliers and us; and notifying us if any action, suit or proceeding is commenced against you or the Business.
- 12.2.15. **Other.** Our Methods of Operation may regulate other aspects of the operation and maintenance of the Business that we determine from time to time to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and ALL COUNTY® businesses.
- 12.3. **Provisions of this Agreement.** You agree that the Methods of Operation prescribed from time to time in the Operations Manual, or otherwise communicated to you in writing or other tangible form, constitute provisions of this Agreement as if fully set forth herein. All references to this Agreement include all Methods of Operation as periodically modified.
- 12.4. **Modification of Methods of Operation.** We may periodically modify Methods of Operation, which may accommodate regional or local variations as we determine, and you acknowledge and agree any such modifications may obligate you to invest additional capital in the Business and/or incur higher operating costs.
- 12.5. **Authorized Services and Products.** It is our mutual and all other ALL COUNTY® businesses' interest to adhere fully to the uniform standards, methods, procedures, techniques and specifications of the System. You shall offer for sale only the services and products authorized by us in writing.
  - 12.5.1. **Unauthorized Services and Products.** In the event you propose to offer any services or products that are not currently authorized by us you must submit to us such a request in writing accompanied with sufficient information for us to review your proposal. Thereafter, within ninety (90) days of receipt of this information, in our sole business judgment, we will determine whether you may offer such proposed services or goods and notify you in writing of our determination.
  - 12.5.2. **Submissions.** All ideas, concepts, techniques or materials submitted for our review relating to any alternative services or goods that we may allow you to offer, whether created by or on behalf of you or your owners, will be deemed to be our sole and exclusive property and part of the System and deemed to be works made for hire for us. You and your owners agree to sign whatever assignment or other documents we may request from time to time to evidence our ownership or to assist us in securing intellectual property rights in such ideas, concepts, techniques or materials.

### **13. GENERAL GUIDANCE.**

- 13.1. Once you commence operation of the Business you will be required to submit to us reports, records and other financial statements regarding the performance of the Business. Also, we may

conduct on-site inspections. Based on the information that we receive and review we may provide you with further direction and guidance by providing you with additional written materials, telephone consultations, or training. General guidance as to the operation of the Business will be found primarily in the Operations Manual or given to you through other written materials or bulletins from us. Guidance may be provided to you in any of the following ways:

- 13.1.1. Telephone and Internet e-mail consultation during such times as are outlined in the Operations Manual;
- 13.1.2. Buying advisory services whereby we may provide you with lists of sources and approved suppliers for our products, merchandise, accessories, services, fixtures, furnishings, equipment, signs, etc.;
- 13.1.3. Wholesaling services whereby we may ourselves act as an approved or designated source for products, merchandise, accessories, fixtures, furnishings, equipment, signs, etc.;
- 13.1.4. Ongoing marketing programs to fulfill our obligations of this Agreement;
- 13.1.5. Newsletter services whereby we may inform you periodically about the current events in the ALL COUNTY® franchise program;
- 13.1.6. Meetings, whereby we may convene with you and other ALL COUNTY® franchisees for business or social purposes;
- 13.1.7. Research and development regarding Methods of Operation; and/or
- 13.1.8. At your request, we will furnish additional guidance and assistance and, in such a case, may charge the per diem fees and charges we establish from time to time. If you request, or if we require, additional or special training for your employees, all of the expenses that we incur in connection with such training, including per diem charges and travel and living expenses for our personnel, will be your responsibility.

#### **14. MARKS.**

All provisions of this Agreement applicable to the Marks apply to any additional proprietary trademarks and service marks and commercial symbols that we authorize you to use.

- 14.1. **Ownership of Marks.** You do not have an ownership interest in the Marks used with the Business. It is our right or license to use, license or sublicense the Marks. Your right to use the Marks is derived solely from this Agreement and limited to your operation of the Business pursuant to and in compliance with this Agreement and Methods of Operation, which we prescribe from time to time during its Term. Your unauthorized use of the Marks is a breach of this Agreement and an infringement of our rights in and to the Marks.
- 14.2. **Use of Marks.** You agree to use the Marks as the sole identification of the Business, except that you agree to identify yourself as the independent owner thereof in the manner we prescribe.
- 14.3. **Goodwill of Marks.** This Agreement does not confer any goodwill or other interests in the Marks to you. Any goodwill established by use of the Marks will be exclusively for our benefit. You will not represent in any manner that you have any ownership in the Marks or the right to

use the Marks except as provided in this Agreement and the Operations Manual. At the termination of this Agreement you will not receive any compensation for goodwill.

- 14.4. **Display of Marks.** You agree to display the Marks prominently in the manner we prescribe at the Business, on supplies or materials we designate and in connection with forms and advertising and marketing materials.
- 14.5. **Limitations on Use of Marks.** You may not use any Marks as part of any corporate or legal business name or Internet domain name or Internet e-mail address or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to you hereunder), or in any modified form, nor may you use any Marks in connection with the performance or sale of any unauthorized services or products or in any other manner we have not expressly authorized in writing. No Marks may be used in any advertising concerning the transfer, sale or other disposition of the Business or an ownership interest in you. You agree to give such notices of trademark and service marks registrations, e.g., “®”, “™”, as we specify and to obtain any fictitious or assumed name registrations required under applicable law. You agree to withdraw any fictitious or assumed name registrations immediately upon termination or expiration of this Franchise Agreement.
- 14.6. **Modification or Replacement of Marks.** You agree to modify or replace any Marks when notified by us. You agree to comply with our directions within a reasonable time after receiving notice. You are responsible for all expenses associated with modifying or replacing the Marks. We will not be obligated to reimburse you for any lost revenue attributable to any modified or discontinued Marks or for any expenditure you make to promote a modified or substitute Mark.
- 14.7. **Discontinuance of Marks.** You must discontinue the use of the Marks immediately upon termination or expiration of this Agreement.
- 14.8. **Infringement and Claims of Marks.** You shall promptly notify us of any suspected unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Marks. You acknowledge that we have the sole right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement thereof. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks. We shall defend you against any third party claim, suit, or demand arising out of your use of the Marks. If we, in our sole business judgment, determine that you have used the Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by us. If we, in our sole business judgment, determine that you have not used the Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by you. In the event of any litigation relating to your use of the Marks, you shall execute any and all documents and do such acts as may, in our opinion, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Marks in a manner inconsistent with the terms of this Agreement, we agree to reimburse you for your out-of-pocket costs in doing such acts;

## 15. **CONFIDENTIAL INFORMATION.**

- 15.1. **Determination of Confidential Information.** We possess and will continue to develop and acquire certain confidential information relating to the development and operation of ALL

COUNTY® businesses. Confidential information is proprietary to us. Confidential information may be disclosed to you that may include, but is not limited to:

- 15.1.1. **Locations.** Our location selection criteria;
  - 15.1.2. **Business Practices.** Our trade secrets, methods, formats, specifications, standards, systems, procedures, the Operations Manual, any other proprietary materials, and knowledge of and experience in developing and operating ALL COUNTY® businesses;
  - 15.1.3. **Marketing and Advertising.** Our marketing and advertising programs for ALL COUNTY® businesses and the sales and marketing techniques used;
  - 15.1.4. **Materials and Supplies.** Knowledge of our specifications for and suppliers of certain fixtures, furnishings, equipment, products, materials and supplies; and
  - 15.1.5. **Reports and Records.** Knowledge of the operating results and financial performance of ALL COUNTY® businesses other than your Business.
- 15.2. **Business Purposes Only.** You will not acquire any interest in confidential information, other than the right to utilize confidential information disclosed to you in operating the Business during the Term of this Agreement. Use or duplication of any confidential information in any other business will constitute an unfair method of competition and a violation of this Agreement. Confidential information is disclosed to you solely on the condition that you agree that you:
    - 15.2.1. **Business Only.** You will not use confidential information in any other business or capacity.
    - 15.2.2. **Term.** You will maintain the absolute confidentiality of confidential information during and after the Term of this Agreement.
    - 15.2.3. **Copies.** You will not make unauthorized copies of any portion of confidential information disclosed to you in any format.
    - 15.2.4. **Safeguards.** You will adopt and implement all reasonable safeguard procedures, including those that we prescribe from time to time to prevent unauthorized use or disclosure of confidential information, including, without limitation, restrictions on disclosure to the Business' personnel and others.
  - 15.3. **Ideas, Concepts, Techniques or Materials.** All ideas, concepts, techniques or materials relating to an ALL COUNTY® business, whether or not constituting protected intellectual property, and whether created by or on behalf of you or your owners, will be promptly disclosed to us, deemed to be our sole and exclusive property and part of the System and deemed to be works made for hire for us. You and your owners agree to sign whatever assignment or other documents we may request from time to time to evidence our ownership or to assist us in securing intellectual property rights in such ideas, concepts, techniques or materials.
16. **EXCLUSIVE RELATIONSHIP.**
  - 16.1. **Exclusive Dealings.** We have granted the Franchise to you in consideration of and reliance upon your agreement to deal exclusively with us and not to be involved with a Competitive Business. "Competitive Business" means any business that offers real estate property management services

or products or other services that are the same or similar to those offered by ALL COUNTY® businesses, or any business that offers franchises or licenses to others to operate any business that offers real estate property management services or products or other services that are the same or similar to those offered by ALL COUNTY® businesses. You agree that during the Term of this Agreement neither you nor any of your owners including any of your or your owners' spouses, children or other first degree relatives by blood or marriage will not engage in any of the following:

- 16.1.1. **Interest or Involvement.** You will not have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business, wherever located.
- 16.1.2. **Performance.** You will not perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business, wherever located. You are prohibited from selling or transferring any of the accounts or clients of the Business to anyone except to us or to one of our designees or to another ALL COUNTY® business that has been approved in writing by us.
- 16.1.3. **Recruiting.** You will not recruit or hire any person who is our employee or the employee of any other ALL COUNTY® business without obtaining the prior written permission of that person's employer.

## 17. **MARKETING.**

- 17.1. **Advertising Fund.** We may establish an advertising fund ("Advertising Fund") for such advertising, marketing and public relations programs and materials as we deem necessary or appropriate in our sole business judgment. The Advertising Fund is intended to maximize recognition of the Marks and patronage of ALL COUNTY® businesses. We will endeavor to utilize the Advertising Fund to develop advertising and marketing materials and programs and to place advertising that will benefit all ALL COUNTY® businesses. You will be required to contribute to the Advertising Fund as set forth in this Agreement.
  - 17.1.1. **Contribution.** Each Accounting Period during the Term of the Agreement, you agree to contribute to the Advertising Fund an amount which shall be calculated as either the greater of one percent (1%) of Gross Revenue the Business derived during the respective Accounting Period or One Hundred Ninety Five Dollars (\$195) (the "Ad Fee"). The Ad Fee shall be payable monthly at the same time and in the same manner as the Royalty due hereunder.
  - 17.1.2. **Control.** We will direct and control all programs financed by the Advertising Fund, with sole business judgment over the creative concept materials and endorsements used therein and the geographic market and media placement and allocation thereof. We may do the marketing and advertising or we may elect to outsource the marketing and advertising to an agency.
  - 17.1.3. **Purpose of Advertising Fund.** The Advertising Fund may be used to pay the costs of maintaining, administering, directing, conducting and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which we believe will enhance the image of the System, including, among other things, the costs of preparing and conducting radio, cable television and print advertising campaigns; developing, maintaining, and updating a Website on the Internet; direct mail advertising; marketing surveys; employing advertising and/or public relations agencies to

assist therein; purchasing promotional items; and providing promotional and other marketing materials and services to the businesses operating under the System. The Advertising Fund will furnish you with samples of advertising, marketing formats, promotional formats and other materials at no additional cost to you when we deem appropriate. Multiple copies of such materials will be furnished to you at our direct cost of producing them plus any related shipping, handling and storage charges.

- 17.2. **Accounting of Advertising Fund.** The Advertising Fund will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for such reasonable salaries, administrative costs, travel expenses and overhead as we may incur in activities related to the administration and operation of the Advertising Fund and its programs. This may include, without limitation, conducting market research, preparing advertising promotion and marketing materials, and collecting and accounting for contributions to the Advertising Fund.
- 17.2.1. **Expenditure of Advertising Fund.** We may spend, on behalf of the Advertising Fund, in any fiscal year, an amount that is greater or less than the aggregate contribution of all ALL COUNTY® businesses to the Advertising Fund in that year and the Advertising Fund may borrow from us or others to cover deficits or invest any surplus for future use.
- 17.2.2. **Interest Earned.** All interest earned on monies contributed to the Advertising Fund will be used to pay advertising costs before other assets of the Advertising Fund are expended.
- 17.2.3. **Reporting.** We will prepare an annual compiled statement of monies collected and costs incurred by the Advertising Fund and furnish the statement to you upon written request.
- 17.2.4. **Operation.** We have the right to cause the Advertising Fund to be incorporated or operated through a separate entity at such time as we deem appropriate and such successor entity will have all of the rights and duties specified herein.
- 17.3. **Proportionality.** We undertake no obligation to ensure that expenditures by the Advertising Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Advertising Fund by ALL COUNTY® businesses operating in that geographic area. Nor are we under any obligation to ensure that any ALL COUNTY® business will benefit directly or in proportion to its Ad Fees paid to the Advertising Fund from the development of advertising and marketing materials or the placement of advertising. Except as expressly provided in this Article, we assume no direct or indirect liability or obligation to you with respect to collecting amounts due to, maintaining, directing, or administering the Advertising Fund.
- 17.4. **Deferrals or Reductions.** We reserve the right to defer or reduce contributions of an ALL COUNTY® business franchisee and, upon thirty (30) days' prior written notice to you, to reduce or suspend your payment of Ad Fees to and suspend operations of the Advertising Fund for one or more periods of any length and to terminate (and if terminated to reinstate) the Advertising Fund. If the Advertising Fund is terminated, all unspent monies on the date of termination will be distributed to our franchisees in proportion to their respective contributions to the Advertising Fund during the preceding three (3) month period.
- 17.5. **Business Promotion.** You acknowledge and agree that either before opening the business or within 60 days of opening the Business, you must spend not less than Three Thousand Dollars (\$3,000) for local advertising and promotion of your Business. You acknowledge and agree that

each month during the Term of the Agreement you must spend not less than Nine Hundred Dollars (\$900) for local advertising and promotion of your Business.

- 17.6. **Proof of Expenditure.** You are required to provide proof of payment for the Business Promotion, as outlined in Article 17.5. We may periodically review your books and records to verify your expenditures for advertising and promotion as required by this Agreement. Proof of expenditures is your burden. If we determine that you have not spent the requisite amounts, we may require you to pay such unexpended amounts into the Advertising Fund.
- 17.7. **Telephone Listings.** At your option, you may elect to obtain and maintain a telephone number for the Business in the principal regular (white pages) and classified (yellow pages) directories covering the area in which the Business is located. The costs of any telephone directory advertising will not be credited toward the advertising and promotion obligations described in this Agreement, unless such ad is a pre-approved display or in-column ad.
- 17.8. **Advertising Approval.** You may not use any advertising or promotional materials unless we have approved them. Samples of all advertising, promotional and marketing materials, which we have not prepared or previously approved, must be submitted to us for approval before you use them. We own the copyrights to anything so submitted, whether approved by us or not. If you do not receive written approval within fifteen (15) days after our receipt of such materials, we will be deemed to have NOT given the required approval.
- 17.9. **Truthful Advertising, Marketing and Promotion.** You agree that any advertising, promotion and marketing conducted will be completely clear and factual and not misleading and conform to the highest standards of ethical marketing and the promotion policies which we prescribe.
- 17.10. **Franchisee Websites.** You will be provided a listing on our website. You may not promote, offer or sell any products or services relating to your Business through a website that is independent of our own website. You agree not to promote, offer or sell any products or services relating to your Business, or to use any of the Marks, through the Internet or through the use of an Internet website without our prior written consent. In connection with any such consent we provide for you to establish a website, we may establish such requirements as we deem appropriate, in our sole business judgment, including obtaining our prior written approval of any Internet domain name and home page addresses; submission for our approval of all website pages, materials and content; use of all hyperlinks and other links; restrictions on use of any materials (including text, video clips, photographs, images and sound bites) in which any third party has any ownership interest; and obtaining our prior written approval of any modifications.

## **18. RECORDS, REPORTS AND FINANCIAL STATEMENTS.**

- 18.1. **Bookkeeping.** You agree to establish and maintain at your own expense a bookkeeping, accounting and record keeping system conforming to the requirements and formats we prescribe. You agree to produce records, reports and financial statements upon our request that adequately represent your financial position and that of the Guarantors. We may require you to use approved computer hardware and software in order to maintain the Business' records and reports. Records and reports must be furnished to us in the form and frequency as specified in this Agreement and the Operations Manual.
  - 18.1.1. **Sales Records.** You agree to provide us, by the fifth (5<sup>th</sup>) day after the end of each calendar month, with copies of all signed sales tax returns and signed withholding tax

returns for the Business and copies of the canceled checks for the required sales taxes and withholding taxes.

- 18.1.2. **Revenue Statements.** You agree to provide us, by the fifth (5<sup>th</sup>) day after the end of each calendar month, with a report of the Business' Gross Revenue and Maintenance Revenue for the preceding calendar month.
  - 18.1.3. **Monthly Financial Statements.** You agree to provide us, by the fifth (5<sup>th</sup>) day after the end of each calendar month, a profit and loss statement for the Business for the preceding calendar month and a year-to-date balance sheet.
  - 18.1.4. **Annual Financial Statements.** You agree to provide us, within ninety (90) days after the end of the Business' fiscal year, reviewed annual profit and loss and source and use of funds statements and a reviewed balance sheet for the Business as of the end of such fiscal year signed by you or your principal operating officer or operating partner.
  - 18.1.5. **Tax Returns.** You agree to provide us, within ten (10) days after filing, exact copies of federal and state income and other tax returns of the Business and such other forms, records, books and other related information.
  - 18.1.6. **Credit Reports.** You agree to allow us to obtain credits reports as deemed necessary during the period of this Agreement.
  - 18.1.7. **Maintenance of Records.** You are required to maintain reports, records and financial statements as prescribed in the Operations Manual for your Business.
- 18.2. **Verification.** You agree to verify and sign each report and financial statement in the manner we prescribe. We have the right to disclose data derived from such reports without identifying you or the location of the Business. We also have the right to require you to have reviewed or audited financial statements prepared on an annual basis at your expense by an independent third party. Moreover, we have the right, as often as we deem appropriate, including on a daily basis, to access the computer systems, data, and software that you maintain in connection with the operation of the Business and to retrieve all information relating to the Business' operations. You grant us permission to monitor or record any telephone conversation for quality assurance purposes, and you agree to make any and all employees of the Business aware of this requirement. You must provide us with all required passwords, logins, or security codes, if necessary, to be able to access and download all information relating to the Business' operations.

## **19. INSPECTIONS AND AUDITS.**

- 19.1. **Right to Audit.** Our designated agents and we have the right to, at any time during your regular business hours and without prior notice to you, to inspect and/or audit, or cause to be inspected and/or audited, all records relating to the Business and operation practices of the Business in order to verify that you are complying with this Agreement, Collateral Agreements, the Methods of Operation and that you are maintaining the uniformity and quality of the services associated with the Marks. We have the right to observe, photograph and videotape the operations of the Business for such consecutive or intermittent periods, as we deem necessary. We have the right to interview personnel and customers of the Business. We have the right to inspect and copy any books, records and documents relating to your operation of the Business. You agree to cooperate with any such inspection.

- 19.2. **Audit Expense.** In the event such inspection and/or audit is made necessary by your failure to furnish reports, supporting records or other information as herein required, or to furnish such items on a timely basis, you agree to reimburse us for the reasonable cost of such inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and compensation of our employees.
- 19.3. **Cure.** In the event an inspection or audit reveals that any payments have been understated in any report to us, then you must immediately pay to us the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the highest contract rate of interest permitted by law. If an inspection or audit discloses an understatement in any report of two percent (2%) or more, you shall, in addition to repayment of monies owed with interest, reimburse us for any and all costs and expenses connected with the inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and compensation of our employees. The foregoing remedies are in addition to our other remedies and rights under this Agreement and applicable law.

## **20. TRANSFER AND ASSIGNMENT.**

- 20.1. **Assignment by Us.** This Agreement is fully transferable by us and will inure to the benefit of any transferee or other legal successor to our interests herein.
- 20.2. **Assignment by You.** This Agreement and the Franchise are granted personally to you. You may only assign or transfer any interest or ownership that you may have in the Business with our prior written approval. Any transfer without such approval constitutes a breach of this Agreement and is void. Our approval is conditioned on the prospective transferee agreeing to sign our then-current franchise agreement with us and meeting our qualifying conditions and requirements. We will not unreasonably withhold the approval of a prospective franchisee.
- 20.3. **Assignments.** An assignment, transfer, sale, gift or other disposition includes the following events:
  - 20.3.1. transfer of ownership of capital stock, partnership interest, or other equity interest in you;
  - 20.3.2. merger or consolidation or issuance of additional securities or interests representing an ownership interest in you;
  - 20.3.3. any issuance or sale of your stock or any security convertible to your stock to any person or entity other than an existing owner;
  - 20.3.4. transfer of an interest in you, this Agreement or the Business in a divorce, insolvency or corporate or partnership dissolution proceeding or otherwise by operation of law;
  - 20.3.5. transfer of an interest in you, this Agreement or the Business, in the event of your death or the death of one of your owners, by will, declaration of or transfer in trust or under the laws of intestate succession;
  - 20.3.6. pledge of this Agreement (to someone other than us) or of an ownership interest in you as security, foreclosure upon the Business or your transfer, surrender or loss of possession, control or management of the Business; or

- 20.3.7. transferring any of the accounts or clients of the Business to anyone except to another ALL COUNTY® business that has been approved in writing by us or to us or our designees.
- 20.4. **Conditions for Approval of Transfer.** If you and all owners are in full compliance with this Agreement, we will approve a transfer that meets all of our applicable requirements and otherwise meets our applicable standards for ALL COUNTY® business franchisees. A transfer of ownership, possession or control of the Business may be made only in conjunction with a transfer of this Agreement. If the transfer is of this Agreement or a controlling interest in you, or is one of a series of transfers which in the aggregate constitute the transfer of this Agreement or a controlling interest in you, all of the following conditions must be met prior to or concurrently with the effective date of the transfer:
- 20.4.1. **Abilities.** The transferee and its direct and indirect owners have the moral character, skill, aptitude, attitude, experience, references, credentials, acumen and financial capacity to operate the Business.
- 20.4.2. **Current Accounts.** You have paid all Royalties, Ad Fees, amounts owed for purchases from us and all other amounts owed to us or to third party creditors and have submitted all required reports and statements.
- 20.4.3. **Training.** The transferee's Managing Owner has agreed to complete training to our satisfaction and does complete training to our satisfaction prior to closing.
- 20.4.4. **Franchise Agreement.** The transferee has agreed to be bound by all of the terms and conditions of this Agreement for the remainder of its Term or, at our option, must execute our then current standard form of franchise agreement and related documents used in the state in which your Business is located (which may provide for different royalties, advertising contributions and expenditures, duration and other rights and obligations than those provided in this Agreement).
- 20.4.5. **Transfer Fee.** You pay us a transfer fee in the amount of Ten Thousand Dollars (\$10,000) at the time of the proposed transfer. In addition to the transfer fee, you agree to pay us our reasonable legal fees and administrative costs incurred, and our reasonable out-of-pocket expenses, including, without limitation, travel, meals, lodging and other investigative expenses involved in meeting with or qualifying the transferee. If the proposed transfer is among your owners or first or second degree relatives, the transfer fee will be waived, although you are required to reimburse us for any reasonable legal and administrative costs we incur in connection with the transfer.
- 20.4.6. **General Release.** You (and your transferring owners) have executed a general release, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents. Any general release required in the Franchise Agreement as a condition of renewal, sale, and/or assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
- 20.4.7. **Approval.** We have approved the material terms and conditions of such transfer and determined that the price and terms of payment will not adversely affect the transferee's operation of the Business.

- 20.4.8. **Priority.** If you or your owners finance any part of the sale price of the transferred interest, you and/or your owners have agreed that all of the transferee's obligations pursuant to any promissory notes, agreements or security interests that you or your owners have reserved in the Business are subordinate to the transferee's obligation to pay Royalties, Advertising Fund contributions and other amounts due to us and otherwise to comply with this Agreement.
- 20.4.9. **Collateral Agreement.** You and your transferring owners have executed an agreement in favor of us agreeing to be bound, commencing on the effective date of the transfer, by the restrictions contained in this Agreement pertaining to the Marks (Article 14), Confidential Information (Article 15) and a Covenant not to Compete (Article 23.4).
- 20.4.10. **Representation.** You and your transferring owners have agreed that you and they will not directly or indirectly at any time or in any manner (except with respect to other ALL COUNTY® businesses you own and operate) identify or represent yourself or themselves or any business as a current or former ALL COUNTY® business, or as one of our licensees or franchisees, use any Marks, any colorable imitation thereof or other indicia of an ALL COUNTY® business in any manner or for any purpose or utilize for any purpose any trade name, trademark or service mark or other commercial symbol that suggests or indicates a connection or association with us.
- 20.5. **Transfer to a Wholly Owned Corporation.** If you are in full compliance with this Agreement, you may transfer this Agreement to a wholly-owned corporation, limited liability company, or other entity which conducts only the ALL COUNTY® Business. You agree to maintain management control and own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding capital stock. All assets and operations of the Business are to be owned and controlled by a single corporation. Transfers of shares in such corporation will be subject to the provisions of this Agreement. You agree to remain personally liable under this Agreement as if the transfer to such corporation had not occurred.
- 20.6. **Operation Upon the Death or Disability of the Managing Owner.** If, upon the death or permanent disability of the Managing Owner, the Business is not being managed by a manager trained by us, you or such Managing Owner's executor, administrator, conservator, guardian or other personal representative must within a reasonable time, not to exceed thirty (30) days from the date of death or permanent disability of the Managing Owner, appoint a manager to operate the Business, subject to our written approval. Such manager must successfully complete our required initial training at your expense within thirty (30) days of being appointed to operate the Business. This manager is not necessarily the transferee of Article 20.4., but an interim manager to keep the Business operational until a transfer can be completed.
- 20.7. **Effect of Consent to Transfer.** Our consent to a transfer of this Agreement and the Business or any interest in you does not constitute a representation on our behalf as to the fairness of the terms of any contract between you and the transferee, a guarantee of the prospects of success of the Business or transferee or a waiver of any claims we may have against you (or your owners) or of our right to demand the transferee's exact compliance with any of the terms or conditions of this Agreement.
- 20.8. **Bona Fide Offers.** If you (or any of your owners) at any time determine to sell, assign or transfer for consideration an interest in this Agreement and the Business or an ownership interest in you, you agree to obtain a bona fide, executed written offer and earnest money deposit (in the amount of five percent (5%) or more of the offering price) and a completed franchise application from a

fully disclosed offeror (including lists of the owners of record and beneficial owners of any corporate or limited liability company, or all general and limited partners of any partnership, or, in the case of a publicly held corporation or limited partnership, copies of the most current annual and quarterly reports and Form 10K) and immediately submit to us a true and complete copy of such offer, which includes details of the payment terms of the proposed sale. To be a valid, bona fide offer, the proposed purchase price must be denominated in a dollar amount. The offer must apply only to an interest in you or in this Agreement and the Business and may not include an offer to purchase any of your (or your owners') other property or rights. However, if the offeror proposes to buy any other property or rights from you (or your owners) under a separate, contemporaneous offer, such separate, contemporaneous offer must be disclosed to us, and the price and terms of purchase offered to you (or your owners) for the interest in you or in this Agreement and the Business must reflect the bona fide price offered therefor and not reflect any value for any other property or rights.

- 20.9. **Our Right of First Refusal.** We have the right, exercisable by written notice delivered to you or your selling owners within thirty (30) days from the date of the delivery to us of both an exact copy of such bona fide offer and all other information we request, to purchase such interest for the price and on the terms and conditions contained in such bona fide offer, provided that:

- 20.9.1. we may substitute cash for any form of payment or non-cash consideration proposed in such offer;
- 20.9.2. our credit will be deemed equal to the credit of any proposed purchaser;
- 20.9.3. we will have not less than sixty (60) days after giving notice of our election to purchase to prepare for closing; and
- 20.9.4. we are entitled to receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the capital stock of an incorporated business, as applicable, including, without limitation, representations and warranties as to:
  - 20.9.4.1. ownership and condition of and title to stock or other forms of ownership interest and/or assets;
  - 20.9.4.2. liens and encumbrances relating to the stock or other ownership interest and/or assets; and
  - 20.9.4.3. validity of contracts and the liabilities, contingent or otherwise, of the corporation whose stock is being purchased.

- 20.10. **Exercise.** If we exercise our right of first refusal, you and your selling owner(s) agree that, for a period of twenty four (24) months commencing on the date of the closing, you and they will be bound by the non-competition covenant contained in Article 23.4. You and your selling owner(s) further agree that you and they will, during this same time period, abide by the restrictions of Article 23 of this Agreement.

- 20.11. **Non-Exercises.** If we do not exercise our right of first refusal, you or your owners may complete the sale to such purchaser pursuant to and on the exact terms of such bona fide offer, subject to our approval of the transfer as provided in Article 20.4. If the sale is not completed within one hundred twenty (120) days after delivery of such bona fide offer to us, or if there is a material

change in the terms of the sale (which you agree promptly to communicate to us), the sale will be treated as a new sale subject to our right of first refusal as provided in Article 20.9.

**21. RENEWAL.**

You may renew this Agreement at the expiration of the initial term for an additional successive term of ten (10) years, provided you have: (1) complied with the provisions of this Agreement during the Term of this Agreement; (2) notified us in writing of your intent to renew at least six (6) months before the end of the Term; (3) complied with our then-current qualifications and training requirements; (4) executed a general release in the form prescribed by us, of any and all claims against us, our subsidiaries, parent, or affiliates, and their respective officers, directors, agents, shareholders and employees; and (5) executed our then-current form of Franchise Agreement, which Agreement shall supersede in all respects this Agreement, and the terms of which may differ materially from the terms of this Agreement; provided, however, you shall not be required to pay a renewal franchise fee.

**22. TERMINATION OF AGREEMENT.**

22.1. **BY YOU.** You and your owners may not terminate this Agreement except by operation of law. Your termination of this Agreement for any other reason or without availing yourself of legal redress will be deemed a termination without cause.

22.2. **BY US.** We have the right to terminate this Agreement, effective upon delivery of written notice of termination to you, if:

- 22.2.1. your Managing Owner fails to successfully complete initial training to our satisfaction;
- 22.2.2. you fail to begin operating the Business within one hundred twenty (120) calendar days after the execution of this Agreement;
- 22.2.3. you surrender or transfer control of the operation of the Business without our prior written consent;
- 22.2.4. you (or any of your owners) have made any material misrepresentation or omission in connection with your purchase of the Franchise;
- 22.2.5. you (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded guilty or no contest to, a felony or any crime involving moral turpitude;
- 22.2.6. you (or any of your owners) engage in any dishonest or unethical conduct which may adversely affect the reputation of the Business or another ALL COUNTY® business or the goodwill associated with the Marks;
- 22.2.7. you (or any of your owners) make an unauthorized assignment of this Agreement or of an ownership interest in you or the Business;
- 22.2.8. in the event of the death or permanent disability of the Managing Owner, a manager is not appointed within thirty (30) days after the death or permanent disability of your Managing Owner or any such manager fails to complete our training within thirty (30) days after being appointed;

- 22.2.9. you (or any of your owners) make any unauthorized use or disclosure of any confidential information or use, duplicate or disclose any portion of the Operations Manual in violation of this Agreement;
- 22.2.10. you violate any health, safety, sanitation or other applicable law, ordinance or regulation and do not immediately begin to cure the noncompliance or violation, and correct such noncompliance or violation within twenty-four (24) hours after written notice thereof is delivered to you;
- 22.2.11. you fail to make payments of any amounts due to us and do not correct such failure within seven (7) days after written notice of such failure is delivered to you;
- 22.2.12. you fail to pay when due any federal or state income, service, sales, employment related or other taxes due on the operations of the Business, unless you are, in good faith, legally contesting your liability for such taxes;
- 22.2.13. you (or any of your owners) fail to comply with any other provision of this Agreement or Methods of Operation and do not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to you;
- 22.2.14. you (or any of your owners) fail on three (3) or more separate occasions within any period of twelve (12) consecutive months to submit when due reports or other data, information or supporting records, to pay when due any amounts due to us or otherwise to comply with this Agreement, whether or not such failures to comply were corrected after written notice of such failure was delivered to you;
- 22.2.15. you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee or liquidator of all or the substantial part of your property; the Business or any of its assets is attached, seized, subjected to a writ or distress warrant or levied upon, unless such attachment, seizure, writ, warrant or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee or liquidator of you or the Business is not vacated within thirty (30) days following the entry of such order; or
- 22.2.16. you fail to meet your obligations with respect to minimum performance requirements.

**23. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.**

- 23.1. **Payment of Amounts Owed to Us.** Any money which you owe us as of the termination date of this Agreement shall be paid to us by you within fifteen (15) days of the effective date of the termination.
- 23.2. **Marks.** Upon the termination, for any reason, or expiration of this Agreement:
  - 23.2.1. you may not directly or indirectly at any time or in any manner (except with respect to other ALL COUNTY® businesses you own and operate) identify yourself or any business as a current or former ALL COUNTY® business, or as one of our licensees or franchisees, use any Marks, any colorable imitation thereof or other indicia of an ALL COUNTY® business in any manner or for any purpose or utilize for any purpose any

- trade name, trademark or service mark or other commercial symbol that indicates or suggests a connection or association with us;
- 23.2.2. you agree to take such action as may be required to cancel all fictitious or assumed names or equivalent registrations relating to your use of any Marks;
  - 23.2.3. if we do not exercise our option to purchase the Business pursuant to Article 23.6., you agree to deliver to us within thirty (30) days after the Notification Date (as defined in Article 23.6.1.) all signs, sign-faces, sign-cabinets, marketing materials, forms, packaging and other materials containing any Marks or otherwise identifying or relating to an ALL COUNTY® business and allow us, without liability to you or third parties, to remove all such items from the Business;
  - 23.2.4. if we do not exercise our option to purchase the Business pursuant to Article 23.6., you agree that, after the Notification Date, you will promptly and at your own expense make such alterations as we may specify to distinguish the Business clearly from its former appearance and from other ALL COUNTY® businesses so as to prevent confusion therewith by the public;
  - 23.2.5. if we do not exercise our option to purchase the Business pursuant to Article 23.6., you agree that, after the Notification Date, you will notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone, facsimile or other numbers and any regular, classified or other telephone directory listings associated with any Marks, authorize the transfer of such numbers and directory listings to us or at our direction and/or instruct the telephone company to forward all calls made to your telephone numbers to numbers we specify;
  - 23.2.6. you agree to provide us with current copies of all your customer lists and transfer ownership of all existing clients and accounts to us or our designee; and
  - 23.2.7. you agree to furnish us, within thirty (30) days after the Notification Date, with evidence satisfactory to us of your compliance with the foregoing obligations.
- 23.3. **Confidential Information.** You agree that, upon termination, for any reason, or expiration of this Agreement, you will immediately cease to use any of our confidential information in any business or otherwise and return to us all copies of the Operations Manual and any other confidential materials, including, without limitation, computer software and any mechanisms (electronic key) used to access the software, that we have allowed you to use.
- 23.4. **Covenant Not to Compete.** Upon the termination or expiration of this Agreement in accordance with its terms and conditions, including the transfer or assignment of this Agreement or any interest in the Business, you agree that, for a period of thirty-six (36) months commencing on the effective date of termination or expiration neither you nor any of your owners will have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee in a management or sales capacity, consultant, representative or agent or in any other capacity in any Competitive Business operating or providing services within your Territory or within 50 miles of any point on the outer perimeter of your Territory. You are prohibited from selling or transferring any of the accounts or clients of the Business to anyone except to another All County® business that has been approved in writing by us or to us or our designees.

23.5. **Commencement by Order.** If it becomes necessary to enforce the Covenant Not to Compete by court order, we will seek to enjoin competition for two years from the date of issuance of the order. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Article will not deprive you of your personal goodwill or ability to earn a living.

23.6. **Our Rights to Purchase the Business.**

- 23.6.1. **Exercise of Option.** Upon termination or expiration of this Agreement in accordance with its terms and conditions or your termination of this Agreement without cause, we have the option, exercisable by giving written notice to you within sixty (60) days from the date of such termination or expiration, to purchase the Business from you, including the leasehold rights to the Location, free and clear of all liens, restrictions or encumbrances. (The date on which we notify you whether or not we are exercising our option is referred to in this Agreement as the "Notification Date.") We have the unrestricted right to assign this option to purchase the Business. We will be entitled to all customary warranties and representations in connection with our asset purchase, including, without limitation, representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise.
- 23.6.2. **Leasehold Rights.** You agree, at our election, to assign your leasehold interest in the Location to us or, to enter into a sublease for the remainder of the lease term on the same terms (including renewal options) as the prime lease.
- 23.6.3. **Purchase Price.** The purchase price for the Business will be its fair market value, determined in a manner consistent with reasonable depreciation of the Business' equipment, signs, inventory, materials and supplies, provided that the Business will be valued as an independent business and its value will not include any value for the Franchise or any rights granted by this Agreement; the Marks; or participation in the network of ALL COUNTY® businesses. The length of the remaining term of the lease for the Location will also be considered in determining the Business' fair market value.
- 23.6.4. **Exclusions.** We may exclude cash or its equivalent and any equipment, signs, inventory, materials and supplies that are not reasonably necessary (in function or quality) to the Business' operation or that we have not approved as meeting standards for ALL COUNTY® businesses from the assets purchased, and the purchase price will reflect these exclusions.
- 23.6.5. **Appraisal.** If we and you are unable to agree on the Business' fair market value, its fair market value will be determined by three (3) independent appraisers who collectively will conduct one (1) appraisal. We will appoint one appraiser, you will appoint one appraiser and the two party appointed appraisers will appoint the third appraiser. You and we agree to select our respective appraisers within fifteen (15) days after the date we determine that we are unable to agree on the Business' fair market value, and the two appraisers so chosen are obligated to appoint the third appraiser within fifteen (15) days after the date on which the last of the two party appointed appraisers was appointed. You and we will bear the cost of our own appraisers and share equally the reasonable fees and expenses of the third appraiser chosen by the two party appointed appraisers. You and we will take

reasonable actions to cause the appraisers to complete their appraisal within thirty (30) days after the third appraiser's appointment.

23.6.6. **Closing.** The purchase price will be paid at the closing of the purchase, which will take place not later than ninety (90) days after determination of the purchase price. We have the right to set off against the purchase price, and thereby reduce the purchase price by, any and all amounts you or your owners owe to us.

23.6.7. **Instruments.** At the closing, you agree to deliver instruments transferring:

23.6.7.1. good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and other transfer taxes paid by you; and

23.6.7.2. all licenses and permits of the Business which may be assigned or transferred; and

23.6.7.3. the leasehold interest in the Location and improvements thereon.

23.6.8. **Escrow.** If you cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, the closing of the sale will, at our election, be accomplished through an escrow arrangement with an independent escrow agent selected by us.

23.6.9. **Releases.** You and your owners agree to execute general releases, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees, agents, successors and assigns. Any general release required in the Franchise Agreement as a condition of renewal, sale, and/or assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

23.7. **Continuing Obligations.** All of our and your (and your owners' and affiliates') obligations which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

#### **24. RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION.**

24.1. **Independent Contractors.** You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that we and you are and will be independent contractors and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner or employee of the other for any purpose. You agree to conspicuously identify yourself in all dealings with customers, suppliers, public officials, Business personnel and others as the owner of the Business under a franchise we have granted and to place such notices of independent ownership on such forms, checks, business cards, stationery and advertising and other materials as we may require from time to time.

24.2. **No Liability For Acts of Other Party.** You agree not to employ any of the Marks in signing any contract or applying for any license or permit, or in a manner that may result in our liability for any of your indebtedness or obligations, and that you will not use the Marks in any way we have not expressly authorized. Neither we nor you will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or on behalf of the other, represent that our respective relationship is other than Franchisor and Franchisee or be obligated

by or have any liability under any agreements or representations made by the other that are not expressly authorized in writing. We will not be obligated for any damages of any nature whatsoever to any person or property directly or indirectly arising out of the Business' operation or the business you conduct pursuant to this Agreement.

- 24.3. **Taxes.** We will have no liability for any sales, use, service, occupation, excise, employment related, gross receipts, income, property or other taxes, whether levied upon you or the Business, in connection with the business you conduct (except any taxes we are required by law to collect from you with respect to purchases from us). Payment of all such taxes is your responsibility.
- 24.4. **Indemnification.** You, and each of the Guarantors identified in Appendix C, agree that you shall, at all times, indemnify, exculpate, defend and hold harmless, to the fullest extent permitted by law, us, our successor, assigns, affiliates and the respective officers, directors, shareholders, agents, representatives, independent contractors, servants, and employees of each of them (the "Indemnified Parties") from all losses and expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation, or inquiry (formal or informal), or any settlement thereof, which arises out of or is based upon any of the following: the infringement, alleged infringement or any other violation by you, your Guarantors or principals of any patent, mark, copyright, or other proprietary right owned or controlled by third parties; the violation, breach, or asserted violation or breach by you, your Guarantors or principals of any federal, state, or local law, regulation, ruling or industry standard; libel, slander, or any other form of defamation by you or your Guarantors or principals; the violation or breach by you or by your Guarantors or principals of any warranty, representation, agreement, or obligation of this Agreement or in any other agreement between you and us or our Affiliates; acts, errors, omissions of you, any of your Affiliates, any of your principals, officers, directors, shareholders, agents, representatives, independent contractors, and employees of you and your Affiliates in connection with the establishment and operation of the Business, including, but not limited to, any acts, errors, or omissions of any of the foregoing in the operation of any motor vehicle or in the establishment or implementation of security for the Business. For purposes of this indemnification, "claims" includes all obligations, damages (actual, consequential or otherwise) and costs incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, reasonable accountants', arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and travel and living expenses. We have the right to defend any such claim against us at your expense. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.
- 24.5. **Mitigation Not Required.** Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

## **25. ENFORCEMENT AND MISCELLANEOUS MATTERS.**

- 25.1. **Severability and Substitution of Valid Provisions.** Except as expressly provided to the contrary herein, each provision of this Agreement, and any portion thereof, will be considered severable, and if, for any reason, any such provision is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which we are a party, that ruling will not impair the operation of, or have any other effect upon, such other portions of this

Agreement as may remain otherwise intelligible, which will continue to be given full force and effect and bind the parties hereto, although any portion held to be invalid will be deemed not to be a part of this Agreement from the date the time for appeal expires, if you are a party thereto, otherwise upon your receipt from us of a notice of non-enforcement thereof.

- 25.2. **Lesser Covenant Enforceable.** If any covenant herein is unenforceable because it is too broad, but would be enforceable by reducing it in scope, time or other manner you and we agree that such covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law is applicable to the validity of such covenant.
- 25.3. **Greater Notice.** If any applicable and binding law or rule of any jurisdiction requires a greater prior notice than is required herein, this Agreement is deemed modified to comply with the applicable law.
- 25.4. **Waiver of Obligations.** We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other or such other effective date stated in the notice of waiver. Any waiver we grant will be without prejudice to any other rights we may have, will be subject to our continuing review and may be revoked, in our sole business judgment, at any time and for any reason, effective upon delivery to you of ten (10) days' prior written notice.
- 25.5. **Non-Waiver.** We and you will not be deemed to have waived or impaired any right, power or option reserved by this Agreement.
- 25.6. **Force Majeure.** Neither we nor you will be liable for loss or damage or deemed to be in breach of this Agreement if our or your failure to perform our or your obligations is not our or your fault and results from:
  - 25.6.1. unforeseeable transportation shortages, inadequate supply of equipment, products, merchandise, supplies, labor, material or energy or the voluntary foregoing of the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency thereof;
  - 25.6.2. acts of nature;
  - 25.6.3. fires, strikes, embargoes, war or riot; or
  - 25.6.4. any other similar event or cause.
- 25.7. **Extend Performance.** Any delay resulting from any force majeure causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payments of amounts owed.
- 25.8. **Discontinued Programs/Promotions.** We are not liable to you for any loss or damage, or deemed to be in breach of this Agreement, if we discontinue any programs or promotions and they are no longer a part of our Methods of Operation or if we cannot deliver, or cause to be delivered, or if our affiliates or designated sources or approved suppliers cannot deliver, all of your orders for products, merchandise, equipment, supplies, etc., where such things are out-of-stock or discontinued.

- 25.9. **Costs and Attorneys' Fees.** If we incur expenses in connection with your failure to pay when due amounts owed to us, to submit when due any reports, information or supporting records or otherwise to comply with this Agreement, you agree to reimburse us for any of the costs and expenses which we incur, including, without limitation, reasonable accounting, attorneys', arbitrators' and related fees.
- 25.10. **You May Not Withhold Payments Due to Us.** You agree that you will not withhold payment of any amounts owed to us on the grounds of our alleged nonperformance of any of our obligations hereunder. You agree that all such claims will, if not otherwise resolved by us, be submitted to arbitration as provided in Article 25.12.
- 25.11. **Rights of Parties are Cumulative.** Our and your rights hereunder are cumulative, and no exercise or enforcement by us or you of any right or remedy hereunder will preclude our or your exercise or enforcement of any other right or remedy hereunder which we or you are entitled by law to enforce.
- 25.12. **DISPUTE RESOLUTION.**
- 25.12.1. **Mediation.** Except as provided in Article 25.12.3., prior to filing any demand for arbitration, the parties agree to mediate any dispute, controversy or claim between the parties and any of our or your affiliates, officers, directors, shareholders, members, guarantors, employees or owners arising under, out of, in connection with or in relation to this Agreement, any lease or sublease for your Business, any loan or other finance arrangement between us or our affiliates and you, the parties' relationship, your Business, or any Methods of Operation, Operating System or Operating Standard, in accordance with the following procedures:
- 25.12.1.1. The party seeking mediation must commence mediation by sending the other party, in accordance with Article 26, a written notice of its request for mediation headed "Notification of Dispute". The Notification of Dispute will specify, to the fullest extent possible, the party's version of the facts surrounding the dispute, the amount of damages and the nature of any injunctive or other relief such party claims. The party (or parties as the case may be) receiving a Notification of Dispute will respond within twenty (20) days after receipt thereof, in accordance with Article 26, stating its version of the facts, and, if applicable, its position as to damages sought by the party initiating the dispute procedure; provided, however, that if the dispute has been the subject of a default notice given under Article 22 of this Agreement, the other party will respond within ten (10) business days.
- 25.12.1.2. Upon receipt of a Notification of Dispute and response under Article 25.12.1., the parties will endeavor, in good faith, to resolve the dispute outlined in the Notification of Dispute and response. If the parties have been unable to resolve a dispute outlined in a Notification of Dispute or a response thereto within twenty (20) days after receipt of the response, either party may initiate a mediation procedure in accordance with the American Arbitration Association ("AAA"), pursuant to its Commercial Mediation Procedures, and unless otherwise agreed by the parties will take place in the city of our then-current corporate headquarters. The parties must select a mediator jointly.

- 25.12.1.3. All mediation sessions will occur in Florida at a mutually agreed location and must be attended by your Principal Owners or Managing Owner (and any other persons with authority to settle the dispute on your behalf) and our representatives(s) who is/are authorized to settle the dispute. The parties may be represented by counsel at the mediation. The parties agree to participate in the mediation proceedings in good faith and with the intention of resolving the dispute if at all possible within thirty (30) days of the notice from the party seeking to initiate the mediation procedures. If the dispute is not resolved within thirty (30) days, the parties are free to pursue arbitration. In addition, if the party receiving notice of mediation has not responded within five (5) days of delivery of the notice or a party fails to participate in the mediation, this Article 25.12.1. will no longer be applicable and the other party can pursue arbitration. The parties agree that the costs of the mediator will be split equally between the parties. Each party must pay its own fees and expenses incurred in connection with the mediation. The mediation proceeding and any negotiations and results thereof will be treated as a compromise settlement negotiation and the entire process is confidential. At least five (5) days prior to the initial mediation session, each party must deliver a written statement of positions.
- 25.12.2. **Arbitration.** Except as provided in Article 25.12.3., any dispute, controversy or claim between you and us and any of our or your affiliates, officers, directors, shareholders, members, guarantors, employees or owners arising under, out of, in connection with or in relation to this Agreement, any lease or sublease for your Business, any loan or other financial arrangement between us or our affiliates and you, the parties' relationship, your Business, or any System Standard or the scope or validity of the arbitration obligation under this Article not resolved by mediation must be submitted to binding arbitration in accordance with the Federal Arbitration Act. The arbitration will be administered by the AAA pursuant to its Commercial Arbitration Rules then in effect by one arbitrator.
- 25.12.2.1. In connection with any arbitration proceeding, each party will submit or file any claim which would constitute a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such a proceeding will be barred.
- 25.12.2.2. Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any claim or any other proceeding involving third parties. If a court or arbitrator determines that this limitation or joinder of or class action certification of claims is unenforceable, then the agreement to arbitrate the dispute will be null and void and the parties must submit all claims to the jurisdiction of the courts, in accordance with Article 25.14.
- 25.12.2.3. The arbitration must take place in the city closest to where our headquarters is located at the time of the dispute.

- 25.12.2.4. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least five (5) years of significant experience in commercial law. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. The arbitrator may not under any circumstances (a) stay the effectiveness of any pending termination of this Agreement, (b) assess punitive or exemplary damages, (c) certify a class or a consolidated action, or (d) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. The arbitrator will have the right to make a determination as to any procedural matters as would a court of competent jurisdiction be permitted to make in the state in which the main office of Franchisor is located. The arbitrator will also decide any factual, procedural, or legal questions relating in any way to the dispute between the parties, including, but not limited to: any decision as to whether Article 25.14 is applicable and enforceable as against the parties, subject matter, timeliness, scope, remedies, unconscionability, and any alleged fraud in the inducement.
- 25.12.2.5. The arbitrator can issue summary orders disposing of all or part of a claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships, and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, etc. by any court having jurisdiction.
- 25.12.2.6. The arbitrator will have subpoena powers limited only by the laws of the state in which the main office of the Franchisor is located.
- 25.12.2.7. The parties to the dispute will have the same discovery rights as are available in civil actions under the laws of the state in which the main office of Franchisor is then located.
- 25.12.2.8. All other procedural matters will be determined by applying statutory, common laws, and rules of procedure that control a court of competent jurisdiction in which the main office of Franchisor is then located.
- 25.12.2.9. Other than as may be required by law, the entire arbitration proceedings (including, but not limited to, any rulings, decisions or orders of the arbitrator) will remain confidential and will not be disclosed to anyone other than the parties to this Agreement.
- 25.12.2.10. The judgment of the arbitrator on any preliminary or final arbitration award will be final and binding and may be entered in any court having jurisdiction.
- 25.12.2.11. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have

waived or relinquished our right to seek recovery of those costs in accordance with Article 25.9. or 25.12.4.

25.12.3. **Exceptions to Arbitration.** Notwithstanding Articles 25.12.1. and 25.12.2., the parties agree that the following claims will not be subject to arbitration or mediation.

- 25.12.3.1. any action for equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, declaratory relief, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceeding initiated hereunder,
- 25.12.3.2. any action in ejectment or for possession of any interest in real or personal property;
- 25.12.3.3. any action which by applicable law cannot be arbitrated; or
- 25.12.3.4. our decision in the first instance to issue a notice of default and/or notice of termination, or undertake any other conduct with respect to the franchise relationship that might later result in a dispute or controversy between us.

25.12.4. **Costs and Attorneys' Fees.** The prevailing party in any action or proceedings arising under, out of, in connection with, or in relation to this Agreement will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrator's fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in connection with the claims on which it prevailed.

25.12.5. **Survival.** The provisions of this Article 25.12. are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

25.12.6. **Tolling of the Statute of Limitations.** All applicable statutes of limitations and defenses based on the passage of time are tolled while the dispute resolution procedures in this Article 25.12. are pending. The parties will take such action, if any, required to effectuate tolling.

25.12.7. **Performance to Continue.** Each party must continue to perform its obligations under this Agreement pending final resolution of any dispute pursuant to this Article 25.12., unless to do so would be impossible or impracticable under the circumstances.

25.13. **Governing Law.** All matters relating to arbitration will be governed by the FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 *et. seq.*). Except to the extent governed by the Federal Arbitration Act as required hereby, the UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 *et seq.*) or other federal law, this Agreement, the Franchise and all claims arising from the relationship between us and you will be governed by the laws of Florida, without regard to its conflict of laws principles, except that any law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless jurisdictional requirements are met independently without reference to this Article.

- 25.14. **Consent to Jurisdiction.** Subject to Article 25.12, you and your owners agree that we may institute any action against you or your owners in any state or federal court of general jurisdiction in Florida, and you (and each owner) irrevocably submit to the jurisdiction of such courts and waive any objection you (or he or she) may have to either the jurisdiction of or venue in such courts.
- 25.15. **Waiver of Punitive Damages and Jury Trial.** Except with respect to your obligation to indemnify us pursuant to Article 24 hereof and claims we bring against you for your unauthorized use of the Marks or unauthorized use or disclosure of any confidential information, we and you and your 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 us, the party making a claim will be limited to equitable relief and to recovery of any actual damages it sustains. We and you irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either party.
- 25.16. **Binding Effect.** This agreement is binding upon us and you and our respective executors, administrators, heirs, beneficiaries, assigns and successors in interest and may not be modified except by written agreement signed by you and us.
- 25.17. **Limitations of Claims.** Except for claims arising from your nonpayment or underpayment of amounts you owe us pursuant to this Agreement or claims related to your unauthorized use of the Marks, any and all claims arising out of or relating to this Agreement or our relationship with you will be barred unless a judicial or arbitration proceeding is commenced within one (1) year from the date on which the party asserting such claim knew or should have known of the facts giving rise to such claims.
- 25.18. **Construction.** The preambles and exhibits are a part of this Agreement which, together with the Operations Manual and our other written policies, constitute our and your entire agreement except as provided below, and there are no other oral or written understandings or agreements between us and you relating to the subject matter of this Agreement, except that you acknowledge that we justifiably have relied on your representations made prior to the execution of this Agreement. Except as contemplated by the arbitration provisions of Article 25.12., nothing in this Agreement is intended, nor is deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. Nothing in the Agreement or in any related agreement is intended to disclaim our representations made in the Franchise Disclosure Document.
- 25.19. **Withhold Approval.** Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed or effected actions that require our approval.
- 25.20. **Headings.** The headings of the Articles are for convenience only and do not define, limit or construe the contents of the Articles.
- 25.21. **Joint and Several Owner's Liability.** If two or more persons are at any time the owner of the Business, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several.
- 25.22. **Multiple Copies.** This Agreement may be executed in multiple copies, each of which will be deemed an original.

26. **NOTICES AND PAYMENTS.**

- 26.1. **Notices.** All written notices and reports permitted or required to be delivered by the provisions of this Agreement or the Operations Manual will be deemed so delivered:
- 26.1.1. at the time delivered by hand;
  - 26.1.2. one (1) business day after transmission by telecopy, facsimile or other electronic system, provided there is evidence of delivery;
  - 26.1.3. one (1) business day after being placed in the hands of a commercial courier service for next business day delivery, provided there is evidence of delivery; or
  - 26.1.4. five (5) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days prior thereto) will be deemed delinquent.
- 26.2. **Payments.** All payments required to be delivered by the provisions of this Agreement or the Operations Manual will be deemed so delivered as provided in Article 26.1. above and will be deemed delivered by bank-wire transfer upon telephone or electronic confirmation with the receiving bank.

[THE SPACE BELOW IS LEFT BLANK BY INTENTION]

**IN WITNESS WHEREOF**, the parties hereto have executed and delivered this Agreement on the date stated on the first page hereof.

All County Property Management Franchise Corp.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

**EFFECTIVE DATE:** \_\_\_\_\_

**EACH OF THE UNDERSIGNED PARTIES WARRANTS AND REPRESENTS THAT HE/SHE HAS NOT RELIED UPON ANY GUARANTEES CONCERNING REVENUE, PROFIT OR THE SUCCESS OF THIS FRANCHISE IN SO SIGNING.**

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

As Individuals:

\_\_\_\_\_  
Dated: \_\_\_\_\_

\_\_\_\_\_  
Dated: \_\_\_\_\_

\_\_\_\_\_  
Dated: \_\_\_\_\_

\_\_\_\_\_  
Dated: \_\_\_\_\_

## APPENDIX A

TO THE FRANCHISE AGREEMENT  
BETWEEN All County Property Management Franchise Corp.  
AND

---

DATED \_\_\_\_\_, 20\_\_\_\_

1. **MANAGING OWNER.** The name, home address, phone numbers and social security number of the Managing Owner is:
- 

2. **FORM OF OWNER.**

- 2.1. **Business Entity.** What is the form of your business entity, e.g. corporation, partnership?

---

Date of Formation of Entity (Date of Incorporation, if applicable):  
\_\_\_\_\_

Federal Identification Number of Entity:  
\_\_\_\_\_

The following is a list of your directors, if applicable, and officers as of the effective date of Appendix A shown above:

Name of Each Director/Officer/Partner

Position(s) Held

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3. **OWNERS.** The following list includes the full name and mailing address of each person who is one of your owners (as defined in the Franchise Agreement) and fully describe the nature of each owner's interest.

Owner's Name and Address

Description of Interest  
(Must total 100%)

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**APPENDIX A**

TO THE FRANCHISE AGREEMENT  
BETWEEN All County Property Management Franchise Corp.  
AND

(continued)

**IN WITNESS WHEREOF, the parties hereto have executed this Appendix A to the Franchise Agreement on the date(s) set forth below.**

All County Property Management Franchise Corp.

By: \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

*As Individuals:*

\_\_\_\_\_  
Name Printed: \_\_\_\_\_

\_\_\_\_\_  
Dated: \_\_\_\_\_

\_\_\_\_\_  
Name Printed: \_\_\_\_\_

\_\_\_\_\_  
Dated: \_\_\_\_\_

\_\_\_\_\_  
Name Printed: \_\_\_\_\_

\_\_\_\_\_  
Dated: \_\_\_\_\_

## APPENDIX B

### TO THE FRANCHISE AGREEMENT BETWEEN All County Property Management Franchise Corp. AND

DATED \_\_\_\_\_, 20\_\_\_\_

#### I. AUTHORIZED BUSINESS LOCATION.

The business address of the approved location ("Location") is:

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If no Location is approved at the time this Agreement is executed, this Appendix B will be updated when a Location has been designated by you and duly approved by us.

#### II. TERRITORY.

1. **DEFINITION.** The Territory referred to in the Franchise Agreement shall be as follows, which contains a population of less than 250,000:  

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2. **AS OF TODAY.** If the Territory is identified by counties, other political subdivisions, or Zip Code boundaries, the Territory will be fixed by the boundaries as they exist today, as shown in the map in Appendix B-1. Any later changes to the definition of any boundaries shall not change the boundaries of the Territory.

All County Property Management Franchise Corp.

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

As Individuals:

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**APPENDIX B-1**

TO THE FRANCHISE AGREEMENT  
BETWEEN All County Property Management Franchise Corp.  
AND

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DATED \_\_\_\_\_, 20\_\_\_\_

**MAP OF FRANCHISE TERRITORY**

## APPENDIX C

TO THE FRANCHISE AGREEMENT  
BETWEEN All County Property Management Franchise Corp.  
AND

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DATED \_\_\_\_\_, 20\_\_\_\_

### **GUARANTY AND ASSUMPTION OF OBLIGATIONS.**

1. **GUARANTORS.** THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS (the "Guaranty") is given this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_
2. **GUARANTEES.** In consideration of, and as an inducement to, the execution of the Franchise Agreement (the "Agreement") dated today between \_\_\_\_\_ ("Franchisee") and All County Property Management Franchise Corp. ("us" "we" or "our"), each of the undersigned guarantors (the "Guarantor") hereby personally and unconditionally:
  - 2.1. guarantees to us and our successors and assigns, for the Term of the Agreement and thereafter as provided in the Agreement, that  

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will punctually pay, perform and satisfy each and every obligation, undertaking, agreement and covenant of Franchisee set forth in the Agreement; and
  - 2.2. agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities; and
  - 2.3. agrees to pay reasonable attorney's fees and all costs incurred by us in collecting, or attempting to collect, any sums owed by Franchisee under the Agreement, or otherwise enforcing, or attempting to enforce, any provision of the Agreement, or owed by the Guarantor as a result of, or in connection with this Guaranty. Each Guarantor's liabilities and obligations hereunder are primary and direct and are independent of Franchisee's obligations, and separate actions may be brought and prosecuted against the Guarantor. This is a Guaranty of payment and performance and not of collection.
3. **CONSENT AND AGREEMENT.** Each Guarantor consents and agrees that:
  - 3.1. his direct and immediate liability under this Guaranty will be joint and several;
  - 3.2. he will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses, for any reason, punctually to do so;

## APPENDIX C

### TO THE FRANCHISE AGREEMENT BETWEEN All County Property Management Franchise Corp. AND

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(continued)

- 3.3. such liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person; and
- 3.4. such liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which we may from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the Term of the Agreement and thereafter.
- 3.5. This Guaranty shall be binding on each Guarantor and his respective successors and assigns, and shall inure to our benefit and the benefit our successors and assigns. The Guarantor may not assign his obligations hereunder without our prior written consent.

The obligations of Franchisee and Guarantor, as described herein and in the Agreement, shall not be considered fully paid, performed and discharged unless and until all payments by Franchisee to us are no longer subject to any right on the part of any person to set aside such payments or to seek to recoup the amount of such payments. The foregoing shall include, by way of example and not by way of limitation, all rights to recover preferences voidable under Title 11 of the United States Code. If any such payments by Franchisee to us are set aside in whole or in part after being made, or are settled without litigation, to the extent of such settlement, all of which is in our business judgment, the Guarantor shall be liable, jointly and severally for the full amount of our costs, interest, attorney's fees and any and all expenses which we pay or incur in connection therewith.

4. **WAIVERS.** Each Guarantor waives all rights to payments and claims for reimbursement or subrogation which any of the Guarantor may have against Franchisee arising as a result of the Guarantor's execution of and performance under this Guaranty.

**IN WITNESS WHEREOF,** each of the undersigned Guarantors has affixed his signature on the same day and year as the Agreement was executed.

**GUARANTOR(S)**

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## APPENDIX D

TO THE FRANCHISE AGREEMENT  
BETWEEN All County Property Management Franchise Corp.  
AND

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DATED \_\_\_\_\_, 20\_\_\_\_

### COMMUNICATIONS ASSIGNMENT.

The undersigned Franchisee, hereby nominates All County Property Management Franchise Corp. as Attorney-In-Fact to transfer all of Franchisee's right, title, and interest in all telephone numbers, facsimile numbers, and e-mail addresses to All County Property Management Franchise Corp.

This nomination is only effective where Franchisee is in default of the Franchise Agreement to which this Communications Assignment is attached and Franchisee has failed to cure such defaults under the terms of the Franchise Agreement or where the Term of the Franchise Agreement to which this Communication Assignment is attached has expired.

Franchisee: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

As Individuals:

  

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Date: \_\_\_\_\_

  

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Date: \_\_\_\_\_

  

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Date: \_\_\_\_\_

## APPENDIX E

### TO THE FRANCHISE AGREEMENT BETWEEN All County Property Management Franchise Corp. AND

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DATED \_\_\_\_\_, 20\_\_\_\_

#### RECONCILIATION ASSISTANCE PROGRAM.

The undersigned Franchisee hereby acknowledges and agrees that under the terms of the Franchise Agreement, All County Property Management Franchise Corp. ("All County") requires Franchisee to participate in All County's mandatory Reconciliation Assistance Program (the "Program"). The Program shall be administered by All County in compliance with All County's designated Operating Standards concerning the Program.

Franchisee acknowledges and agrees that each Accounting Period during the Term of the Franchise Agreement, Franchisee shall pay All County a required fee (the "Reconciliation Assistance Program Fee").

Franchisee hereby acknowledges and agrees that in administering the Program, All County will perform reconciliations of Franchisee's designated account(s) in compliance with All County's Operating Standards concerning the Program. Franchisee hereby acknowledges and agrees that if Franchisee uses a debit card instead of a credit card to pay business expenses or has not entered required information or has not entered required information correctly into any accounting software or system specified by All County, in its sole business judgment, then Franchisee shall pay All County an additional amount (the "Hourly Fee") to rectify any such issues or otherwise to perform other services on behalf of Franchisee as may be necessary to fulfill the requirements of Franchisee's participation in the Program. Franchisee hereby acknowledges and agrees that periodically during the Term of the Franchise Agreement, All County may reasonably increase reasonably the Hourly Fee and Reconciliation Assistance Program Fees upon prior written notice to Franchisee.

Franchisee hereby acknowledges and agrees that under the Operating Standards concerning the Program, All County has the right, but not the obligation, on Franchisee's behalf to enter any applicable data relating to the Franchised Business into any software or system specified by All County under the Operating Standards of the Program. Franchisee acknowledges and agrees that All County shall not provide Franchisee with any advice or otherwise consult in any manner with Franchisee regarding any federal, state or local tax issue or amounts due to any taxing authority. Franchisee shall be solely responsible to bear the cost of and to ensure compliance with all laws and regulations relating to the recordkeeping of all its property management accounts.

Franchisee hereby acknowledges and agrees that All County shall have full access to and administrator rights in any software or system specified by All County under the Operating Standards of the Program. Franchisee agrees that All County may use any of the data of Franchisee for any business purposes, in its sole business judgment, including but not limited to calculating Royalties, determining and analyzing the financial condition of the Franchised Business, and creating financial performance representations for the All County Franchise Disclosure Document.

## APPENDIX E

### TO THE FRANCHISE AGREEMENT BETWEEN All County Property Management Franchise Corp. AND

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(continued)

Franchisee acknowledges and agrees that it shall pay all applicable Reconciliation Assistance Program Fees during any period during the Term of the Agreement in which Franchisee participates in the Program. Franchisee hereby acknowledges and agrees that All County may terminate the Reconciliation Assistance Program at any time, for any reason, in its sole business judgment, upon 30 days prior written notice from All County to Franchisee.

Franchisee, and each of the Guarantors identified in Appendix C to the Franchise Agreement, agrees that it shall, at all times, indemnify, exculpate, defend and hold harmless, to the fullest extent permitted by law, All County, its successor, assigns, affiliates and the respective officers, directors, shareholders, agents, representatives, independent contractors, servants, and employees of each of them (the "Indemnified Parties") from all losses and expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation, or inquiry (formal or informal), or any settlement thereof, which arises out of or is based upon the Reconciliation Assistance Program. For purposes of this indemnification, "claims" includes all obligations, damages (actual, consequential or otherwise) and costs incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, reasonable accountants', arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and travel expenses. All County has the right to defend any such claim at your expense. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of the Franchise Agreement.

Franchisee: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

As Individuals:

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

**ACKNOWLEDGMENT ADDENDUM TO  
ALL COUNTY® FRANCHISE AGREEMENT**

**Acknowledgments and Representations.**

As you know, you and we are entering into a Franchise Agreement for the operation of an ALL COUNTY® franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.

1. Have you received and personally reviewed our Franchise Agreement and each exhibit and schedule attached to it?

Yes.  No.

- 2 Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?

Yes.  No.

If "No," what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary)

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3. Did you receive a copy of the Franchise Agreement at least seven (7) days prior to signing it?

Yes.  No.

4. Have you received and personally reviewed the Disclosure Document we provided to you?

Yes.  No.

5. Do you understand all of the information contained in the Disclosure Document?

Yes.  No.

If "No," what parts of the Disclosure Document do you not understand? (Attach additional pages, if necessary)

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6. Did you receive a copy of the Disclosure Document at least fourteen (14) days prior to signing any agreement with us or paying us any money?

Yes.  No.

7. Have you discussed the benefits and risks of operating a Franchised Business with an attorney, accountant or other professional advisor and do you understand those risks?  
 Yes.  No.
8. Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other Businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?  
 Yes.  No.
9. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a Franchised Business operated by us or our franchisees?  
 Yes.  No.
10. Has any employee or other person speaking on our behalf made any statement or promise concerning the Franchised Business that is contrary to, or different from, the information contained in the Disclosure Document?  
 Yes.  No.
11. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating a Franchised Business?  
 Yes.  No.
12. Has any employee or other person speaking on our behalf made any statement or promise concerning the total amount of revenue a Franchised Business will generate?  
 Yes.  No.
13. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs you may incur in operating a Franchised Business that is contrary to, or different from, the information contained in the Disclosure Document?  
 Yes.  No.
14. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?  
 Yes.  No.
15. Has any employee or other person speaking on our behalf made any statement, promise, or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish you that is contrary to, or different from, the information contained in the Disclosure Document?  
 Yes.  No.

16. If you have answered "Yes" to any of questions nine (9) through fifteen (15), please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of such questions, please leave the following lines blank.

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17. Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and such dealings are solely between you and the Franchisor?

Yes.  No.

18. Do you understand that nothing in the Franchise Agreement or in our communications with one another is intended to make, or in fact makes, either you or us a general or limited partner, general or special agent, joint venturer, or employee of the other for any purpose, that the Franchise Agreement does not create a fiduciary relationship between you and us, and that we and you are and will be independent contractors during the term of the Franchise Agreement?

Yes.  No.

By signing this Questionnaire, you agree that you understand that your answers are important to us and that we will rely on them, and you are representing that you have responded truthfully to the above questions.

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH. 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 liability incurred under the Maryland Franchise Registration and Disclosure Law. **NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.**

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED ON BEHALF OF  
All County Property Management Franchise Corp.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ALL COUNTY®**

EXHIBIT B  
TO THE FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

## **All County Property Management Franchise Corp.**

**Financial Statements as of and for the  
Years Ended December 31, 2018, 2017, & 2016, and  
Independent Auditor's Report**



# All County Property Management Franchise Corp.

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**Joe Teston CPA Advisors  
Certified Public Accountant & Advisors  
9720 N. Armenia Avenue, Suite J Tampa, FL 33612**

**Independent Auditor's Report**

**To the Stockholders of  
All County Property Management Franchise Corp.  
St. Petersburg, Florida**

**Report on the Financial Statements**

We have audited the accompanying financial statements of All County Property Management Franchise Corp. (the "Company"), which comprise the balance sheets as of December 31, 2018, 2017, & 2016, and the related statements of income, stockholders' equity, and cash flows for the years then ended, and related notes to the 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 audits. We conducted our audits 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 of 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 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 statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2018, 2017, & 2016, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America

*Joe Teston CPA Advisors*

**Joe Teston CPA Advisors  
St. Petersburg, Florida  
February 20, 2019**

**ALL COUNTY PROPERTY MANAGEMENT FRANCHISE CORP.**
**Balance Sheets**
**at December 31, 2018, 2017, & 2016**

	<u>Year 2018</u>	<u>Year 2017</u>	<u>Year 2016</u>
<b><u>ASSETS</u></b>			
<b>CURRENT ASSETS:</b>			
Cash and Cash Equivalents	\$ (1,013)	\$ 23,813	\$ 4,683
Commissions Receivable, net	92,261	88,207	77,064
Due from Shareholder	1,000	22,000	22,000
Notes Due from Franchisees	18,000	-	-
Total Current Assets	<u>110,248</u>	<u>134,020</u>	<u>103,747</u>
<b>PROPERTY &amp; EQUIPMENT:</b>			
Furniture, Fixtures & Equipment (net of accumulated depreciation)	<u>24,095</u>	<u>16,110</u>	<u>10,691</u>
<b>OTHER ASSETS:</b>			
National Ad Fund Account	<u>2,438</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>136,781</u></b>	<b><u>150,130</u></b>	<b><u>114,438</u></b>
<b><u>LIABILITIES AND MEMBERS' EQUITY</u></b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	86,714	75,052	61,265
Payroll Taxes Payable	-	-	-
Deferred Revenue	18,827	18,827	-
Total Current Liabilities	<u>105,541</u>	<u>93,879</u>	<u>61,265</u>
<b>Long-Term Liabilities</b>			
Accrued Interest due to Stockholders	26,653	20,796	8,800
Note Payable to Stockholders	<u>73,216</u>	<u>129,993</u>	<u>129,993</u>
Total Long-Term Liabilities	<u>99,869</u>	<u>150,789</u>	<u>138,793</u>
<b>TOTAL LIABILITIES</b>	<b><u>205,410</u></b>	<b><u>244,668</u></b>	<b><u>200,058</u></b>
<b><u>STOCKHOLDERS' EQUITY (DEFICIT):</u></b>			
Common Stock, \$1 par value	200	200	200
(1000 shares authorized / 200 issued & outstanding)			
Additional Paid in Capital	142,008	142,008	142,008
Retained Earnings (Deficit)	<u>(210,837)</u>	<u>(236,746)</u>	<u>(227,828)</u>
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>	<b><u>(68,629)</u></b>	<b><u>(94,538)</u></b>	<b><u>(85,620)</u></b>
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY (DEFICIT)</b>	<b><u>\$ 136,781</u></b>	<b><u>\$ 150,130</u></b>	<b><u>\$ 114,438</u></b>

See accompanying Auditor's Report and Notes to the Financial Statements

**ALL COUNTY PROPERTY MANAGEMENT FRANCHISE CORP.**

Statements of Income and Members' Equity  
 For Years Ended December 31, 2018, 2017, & 2016

	<u>Year 2018</u>	<u>Year 2017</u>	<u>Year 2016</u>
<b><u>REVENUES</u></b>			
Sales of Franchises	\$ 59,450	\$ 87,000	\$ 856,220
Royalties, Training, & Other Income	1,516,271	1,135,918	212,987
Total Revenues	<u>1,575,721</u>	<u>1,222,918</u>	<u>1,069,207</u>
<b><u>OPERATING EXPENSES</u></b>			
Marketing & Selling Expenses	302,545	282,582	72,250
Travel & Related Expenses	163,177	113,518	213,329
Payroll & Related Expenses	617,921	437,493	305,006
Facilities & Office Space Support	88,231	32,525	35,000
General & Administrative Expenses	395,559	222,805	394,288
Total Expenses	<u>1,567,433</u>	<u>1,088,923</u>	<u>1,019,873</u>
<b><u>OPERATING INCOME (LOSS)</u></b>	<u>8,288</u>	<u>133,995</u>	<u>49,334</u>
<b><u>OTHER INCOME (EXPENSES)</u></b>			
Depreciation Expense	(1,740)	(1,655)	(476)
Interest Expense - Operations	(8,224)	22,082	(4,964)
Interest Expense - Stockholder	-	-	-
Total Other Income (Expenses)	<u>(9,964)</u>	<u>20,427</u>	<u>(5,440)</u>
<b><u>NATIONAL ADVERTISING FUND</u></b>			
National Advertising Fund Revenues	158,221		
National Advertising Fund Expenses	(119,208)		
Total National Advertising Fund	<u>39,013</u>		
<b><u>NET INCOME</u></b>	<u>37,337</u>	<u>154,422</u>	<u>43,894</u>

**ALL COUNTY PROPERTY MANAGEMENT FRANCHISE CORP.**
**Statements of Stockholders' Equity (Deficit)**

For Years Ended December 31, 2018, 2017, &amp; 2016

	<u>Year 2018</u>	<u>Year 2017</u>	<u>Year 2016</u>
	\$ 200	\$ 200	\$ 200
<b><u>COMMON STOCK</u></b>			
Balance, Beginning & End of Year	<u>142,008</u>	<u>142,008</u>	<u>142,008</u>
<b><u>ADDITIONAL PAID IN CAPITAL</u></b>			
Balance, Beginning & End of Year	<u>142,008</u>	<u>142,008</u>	<u>142,008</u>
<b><u>RETAINED EARNINGS (DEFICIT)</u></b>			
Balance, Beginning of Year	(236,746)	(227,828)	(181,666)
Distributions to Stockholders	(31,427)	(163,340)	(90,056)
Net Income	<u>37,337</u>	<u>154,422</u>	<u>43,894</u>
Balance, End of Year	<u>(210,837)</u>	<u>(236,746)</u>	<u>(227,828)</u>
<b>TOTAL STOCKHOLDER'S EQUITY (DEFICIT), END OF YEAR</b>	<b><u>\$ (68,629)</u></b>	<b><u>\$ (94,538)</u></b>	<b><u>\$ (85,620)</u></b>

**ALL COUNTY PROPERTY MANAGEMENT FRANCHISE CORP.**  
**Statements of Cash Flows**  
For Years Ended December 31, 2018, 2017, & 2016

	Year 2018	Year 2017	Year 2016
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Net Income (Loss)	\$ 37,337	\$ 154,422	\$ 43,894
Adjustments to reconcile Net Income (Loss)			
to net cash provided (used) by operating activities:			
Depreciation	1,740	1,655	476
(Increase) decrease in:			
Accounts Receivable	(4,054)	(23,615)	63,154
National Ad Fund Account	(2,438)	-	-
Due to Shareholder	21,000	-	-
Prepaid Expenses	-	(1,179)	-
Note Due from Franchisee	18,000	-	-
Accounts Payable	11,662	13,787	(32,559)
Payroll Taxes Payable	-	-	(3,751)
Accrued Interest due to Stockholders	5,857	11,998	-
Deferred Revenue	-	18,827	1,317
Net cash provided by operating activities	<u>89,104</u>	<u>175,893</u>	<u>72,531</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Purchase of property and equipment	(9,725)	(5,419)	(8,180)
Net cash provided by investing activities	<u>(9,725)</u>	<u>(5,419)</u>	<u>(8,180)</u>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Net Repayments of Advances from Stockholders	(56,777)	-	16,143
Accrued Interest Due to Stockholders	(16,001)	11,886	(11,812)
Distributions to Stockholders	(31,427)	(163,340)	(80,056)
Net cash provided by financing activities	<u>(104,205)</u>	<u>(151,344)</u>	<u>(85,825)</u>
NET CHANGE IN CASH	(24,826)	19,130	(21,474)
CASH AT BEGINNING OF YEAR	<u>\$ 23,813</u>	<u>\$ 4,683</u>	<u>\$ 26,157</u>
CASH AT END OF YEAR	<u>\$ (1,013)</u>	<u>\$ 23,813</u>	<u>\$ 4,683</u>
<b><u>Supplemental Disclosure of Cash Flow Information</u></b>			
Interest Paid	<u>\$ 8,224</u>	<u>\$ 22,082</u>	<u>\$ 4,984</u>

**ALL COUNTY PROPERTY MANAGEMENT FRANCHISE CORP.****Notes to Financial Statements****As of and for years ended December 31, 2018, 2017, & 2016****NOTE 1: NATURE OF OPERATIONS**

All County Property Management Franchise Corp. ("Company") was originally incorporated on February 18, 2008, as a Florida corporation. The Company's principal executive offices are located in St. Petersburg, Florida. The Company is engaged in the business of selling franchises to franchisees to operate real estate management services. The Franchise Agreement grants franchisees their initial website, licensing fees for software, detailed marketing plan specific to their territory, operations manual, all forms necessary to do business in their regions, the business model, and on-going training and support. Franchisees are licensed to use the All County® brand name, within a conditionally designated geographic territory for initial terms of 7-10 years, with renewal rights for franchisees.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Basis of Accounting**

The Company's policy is to prepare its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when earned, and expenses are recognized as they are incurred.

**Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, cash and cash equivalents include demand deposits, time deposits, certificates of deposits, and the Company also considers all highly liquid assets purchased with an initial maturity of three months or less to be cash equivalents.

**Revenue Recognition**

Revenue from sale of individual franchises is recognized and earned for the initial non-recurring and nonrefundable fee upon execution of the agreement with the franchisee whenever allowable under applicable state laws. For the years 2018, 2017, and 2016 all franchise sales were allowable and recognized under this method. Revenues from royalties are earned each calendar month as a percentage of gross revenues and are payable the following month. The Company recognizes income for financial statement purposes and records the receivable in the accounting period it was earned.

**Accounts Receivable**

Accounts receivable are recorded net of an allowance for doubtful accounts to approximate their net realizable value. Management continuously reviews accounts receivable for uncollectible accounts and writes them off accordingly. The Company considers the accounts receivable to be fully collectible, and, accordingly, no allowance for doubtful accounts is considered necessary for the years ended December 31, 2018, 2017, and 2016.

**ALL COUNTY PROPERTY MANAGEMENT FRANCHISE CORP.**

**Notes to Financial Statements**

**As of and for years ended December 31, 2018, 2017, & 2016**

**Property and Equipment**

Property and Equipment are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of individual assets. The Company holds office and computer equipment with estimated useful lives of 5 to 7 years.

Maintenance and repairs are expensed as incurred. Major renewals and improvements are capitalized. Upon sale or retirement; the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is included in operations.

**Income Taxes**

The Company, with the consent of the stockholders, has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Company does not pay federal or state corporate income taxes on its taxable income. Instead, the stockholders are liable for individual federal income taxes on their respective shares of the Company's income or loss. Therefore, no provision or liability for income taxes has been included in these financial statements.

The Company's financial statements are prepared under Generally Accepted Accounting Principles which include recognizing revenue as earned and expenses as incurred (accrual method). There are certain timing differences for tax purposes, and therefore there were certain expenditures and capitalization of assets recognized for tax purposes that are different than the amount reflected in these financial statements. However, since the corporation is taxed under the provisions of Subchapter S, there are no adjustments for deferred income taxes expense or asset.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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.

**Advertising and National Advertising Fund**

The Company's franchise agreements allow for the establishment of an Advertising Fund for such advertising, marketing, and public relations programs and materials as the Company deems necessary or appropriate to maximize recognition of the Marks and patronage of All County franchisees' businesses. The Company started requiring contributions from the franchisees in October of 2012. The amounts collected for this purpose are segregated in a separate bank account which is held in trust and related expenditures are paid out of this account. The funds and expenditures related to this Advertising Fund are included in the Income Statement, reported as follows:

National Advertising Fund Revenues for 2018:	\$ 158,221
<u>National Advertising Fund Expenditures for 2018:</u>	<u>\$ (119,208)</u>
Net Income from National Advertising Fund	\$ 39,019

**ALL COUNTY PROPERTY MANAGEMENT FRANCHISE CORP.**

**Notes to Financial Statements**

**As of and for years ended December 31, 2018, 2017, & 2016**

**NOTE 3: PROPERTY AND EQUIPMENT**

The following is a summary of property and equipment at December 31, 2018, 2017, and 2016:

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Property & Equipment, Net	\$24,095	\$16,110	\$10,691
Depreciation Expense	\$ 1,740	\$ 1,655	\$ 476

The Company depreciates Property and Equipment using the Straight-Line Method, over terms ranging from 5 to 7 years.

**NOTE 4: NOTE PAYABLE TO STOCKHOLDER**

The Company issued an unsecured note payable to a stockholder for \$113,850 on December 31, 2008. The note bears interest at 8% per year. The terms of the note require interest only payments until December 31, 2020, when the entire balance of the principal and interest is due. For the years ended December 31, 2018, 2017, and 2016, the company accrued interest related to the note of \$5,857, \$0-, and \$9,108 respectively. As of December 31, 2018, 2017, and 2016, the total accrued interest owed to the stockholder was, \$26,653, \$20,796 and \$8,800

The principal balance of the stockholder note at December 31, 2018 is \$73,216 does not mature or become fully due until December 31, 2020. The minimum note payment due for the next two consecutive years is \$0-.

**NOTE 5: DUE TO STOCKHOLDERS AND RELATED PARTY TRANSACTIONS**

The Company is owned and operated by the same shareholders and management personnel as All County Property Management and Realty, Inc. For the years ended December 31, 2016, 2015, and 2014, the Company paid, \$30,000, \$32,525, and \$35,000, respectively, for office space, overhead, and support services. There is no formal lease agreement for these payments under which the Company would be liable.

**NOTE 6: DATE OF MANAGEMENT'S REVIEW**

The Company has evaluated subsequent events through the date of this report and has determined that there are no material subsequent events that require recognition or additional disclosure in these financial statements.

**ALL COUNTY®**

**EXHIBIT C**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF STATE ADMINISTRATORS AND  
LIST OF STATE AGENTS FOR SERVICE OF PROCESS**

## LIST OF STATE AGENCIES

***California***

Department of Business  
Oversight  
320 West 4<sup>th</sup> Street  
Los Angeles, CA 90013  
866-275-2677

***Connecticut***

Connecticut Dept. of  
Banking  
Securities & Business  
Investments Division  
260 Constitution Plaza  
Hartford, Connecticut 06103  
860-240-8230

***Florida***

Florida Department of  
Agriculture & Consumer  
Services  
Div. of Consumer Services  
2005 Apalachee Parkway  
Tallahassee, FL 32399-6500  
850-410-3807

***Hawaii***

Business Registration  
Division  
Securities Compliance  
Dept. of Commerce &  
Consumer Affairs  
335 Merchant Street  
Honolulu, Hawaii 96813  
808-586-2744

***Illinois***

Illinois Office of the  
Attorney General  
500 South Second Street  
Springfield, IL 62706  
217-782-1090

***Indiana***

Franchise Section  
Indiana Securities Division  
Secretary of State  
Room E-111  
302 West Washington Street,  
Indianapolis, Indiana 46204  
317-232-6681

***Kentucky***

Kentucky Attorney General  
700 Capitol Avenue  
Frankfort, Kentucky 40601-  
3449  
502-696-5300

***Maine***

Bureau of Banking  
Securities Division  
121 State House Station  
Augusta, Maine 04333  
207-624-8551

***Maryland***

Office of the Attorney  
General  
Securities Division  
200 Saint Paul Place  
Baltimore, MD 21202  
410-576-6360

***Michigan***

Michigan Dept. of Attorney  
General  
Consumer Protection Div.  
Antitrust & Franchise Unit  
670 Law Building  
Lansing, Michigan 48913  
517-373-7117

***Minnesota***

Minnesota Dept. of  
Commerce  
85 7<sup>th</sup> Place East, Suite 500  
Saint Paul, Minnesota 55101  
651-539-1600

***Nebraska***

Nebraska Department of  
Banking and Finance  
1200 N Street – Suite 311  
Post Office Box 95006  
Lincoln, Nebraska 68509  
402-471-3445

***New York***

NYS Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, NY 10005  
212-416-8236

***North Carolina***

Secretary of State  
Legislative Office Building  
2 South Salisbury Street  
Raleigh, NC 27601-2903  
919-807-2000

***North Dakota***

North Dakota Office of  
Securities Commission  
600 East Boulevard  
Bismarck, North Dakota  
58505  
701-328-2910

## LIST OF STATE AGENCIES

***Rhode Island***

Rhode Island Department of  
Business Regulation  
Securities Division  
1511 Pontiac Avenue  
John Pastore Complex-69-1  
Cranston, RI 02920-4407  
(401) 462-9527

***South Carolina***

Secretary of State  
1205 Pendleton Street  
Suite 525  
Columbia, SC 29201  
803-734-1728

***South Dakota***

South Dakota Division of  
Securities  
445 East Capitol Avenue  
Pierre, SD 57501-3185  
605-773-4823

***Texas***

Secretary of State  
Statutory Document Section  
1719 Brazos  
Austin, Texas 78701  
512-475-1769

***Utah***

Department of Commerce  
Division of Consumer  
Protection  
160 East 300 South  
Post Office Box 45804  
Salt Lake City, Utah  
84145-0804  
801-530-6601

***Virginia***

State Corporation  
Commission  
Division of Securities and  
Retail Franchising  
1300 East Main Street  
9<sup>th</sup> Floor  
Richmond, Virginia 23219  
804-371-9051

***Washington***

Washington Department of  
Financial Institutions  
Securities Division  
PO Box 9033  
Olympia, Washington 98507-  
9033  
360-902-8760

***Wisconsin***

Wisconsin Department  
Financial Institutions  
201 West Washington Ave.  
Post Office Box 1768  
Madison, Wisconsin 53703  
608-261-9555

## LIST OF STATE AGENTS FOR SERVICE OF PROCESS

***California***

California Commissioner of  
Business Oversight  
320 West 4<sup>th</sup> Street  
Los Angeles, CA 90013  
213-576-7500

***Connecticut***

Commissioner of Department  
of Banking  
Securities & Business  
Investments Division  
260 Constitution Plaza  
Hartford, Connecticut 06103  
860-240-8230

***Florida***

Florida Department of  
Agriculture & Consumer  
Services  
Division of Consumer  
Services  
2005 Apalachee Parkway  
Tallahassee, FL 32399-6500  
850-410-3807

***Hawaii***

Commissioner of Securities  
Dept. of Commerce &  
Consumer Affairs  
335 Merchant Street  
Honolulu, Hawaii 96813  
808-586-2727

***Illinois***

Illinois Attorney General  
500 South Second Street  
Springfield, IL 62706  
217-782-1090

***Indiana***

Indiana Secretary of State  
Room E-111  
201 State House  
200 W. Washington Street  
Indianapolis, Indiana 46204  
317-232-6531

***Kentucky***

Kentucky Attorney General  
700 Capitol Avenue  
Frankfort, Kentucky 40601  
502-696-5300

***Maine***

Bureau of Banking  
Securities Division  
121 State House Station  
Augusta, Maine 04333  
207-624-8551

***Maryland***

Maryland Securities  
Commissioner  
Securities Division  
200 Saint Paul Place  
Baltimore, MD 21202-2020  
410-576-6360

***Michigan***

Michigan Dept. of  
Commerce, Corporations and  
Securities Bureau  
6546 Mercantile Way  
Lansing, Michigan 48910  
517-334-6212

***Minnesota***

Minnesota Commissioner of  
Commerce  
85 7<sup>th</sup> Place East, Suite 500  
Saint Paul, Minnesota 55101  
651-539-1600

***Nebraska***

Nebraska Department of  
Banking and Finance  
1200 N Street – Suite 311  
Post Office Box 95006  
Lincoln, Nebraska 68509  
402-471-3445

***New York***

Secretary of State of  
New York  
99 Washington Avenue  
Albany, New York 12231  
518-474-4750

***North Carolina***

Secretary of State  
Legislative Office Building  
2 South Salisbury Street  
Raleigh, NC 27601-2903  
919-807-2000

***North Dakota***

North Dakota Office of  
Securities Commission  
600 East Boulevard  
Bismarck, ND 58505  
701-328-2910

## LIST OF STATE AGENTS FOR SERVICE OF PROCESS

***Rhode Island***

Director of Rhode Island  
 Department of Business  
 Regulation  
 1511 Pontiac Avenue  
 John Pastore  
 Complex-69-1  
 Cranston, RI 02920-4407  
 (401) 462-9527

***Virginia***

Clerk of the State  
 Corporation Commission  
 1300 East Main Street  
 1<sup>st</sup> Floor  
 Richmond, Virginia 23219  
 804-371-9672

***Washington***

Director, Department of  
 Financial Institutions  
 Securities Division  
 150 Israel Rd SW  
 Tumwater WA 98501  
 360-902-8760

***South Carolina***

Secretary of State  
 1205 Pendleton Street  
 Suite 525  
 Columbia, SC 29201  
 803-734-1728

***Wisconsin***

Wisconsin Department  
 Financial Institutions  
 201 West Washington Ave.  
 Post Office Box 1768  
 Madison, Wisconsin 53703  
 608-261-9555

***South Dakota***

Director of South Dakota  
 Division of Securities  
 445 East Capitol Avenue  
 Pierre, SD 57501-3185  
 605-773-4823

***Texas***

Secretary of State  
 Statutory Document Section  
 1719 Brazos  
 Austin, Texas 78701  
 512-475-1769

***Utah***

Department of Commerce  
 Division of Consumer  
 Protection  
 160 East 300 South  
 Post Office Box 45804  
 Salt Lake City, Utah  
 84145-0804  
 801-530-6601

**ALL COUNTY®**

**EXHIBIT D**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**

**STATE ADDENDA**

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF CALIFORNIA**

The following information applies to franchises and franchisees subject to the California Franchise Investment Act. Item numbers correspond to those in the main body:

**THE CALIFORNIA INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE 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](http://www dbo ca gov).**

**SECTION 31125 OF THE CALIFORNIA INVESTMENT LAW REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF BUSINESS OVERSIGHT BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.**

**Item 3.**

Item 3 is amended to provide that neither we nor any other person identified in Item 2 is 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.

**Item 17.**

1. California Business & Professions Code Sections 20000 through 20043 provide rights to you concerning termination or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
2. Termination of the Franchise Agreement by us because of your insolvency or bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).
3. 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.
4. You must sign a general release if you are granted a successor franchise or transfer your franchise. These provisions may be unenforceable under California law. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

ADDENDUM TO  
**ALL COUNTY®**  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF CALIFORNIA  
(continued)

5. The Franchise Agreement requires the application of the laws of Florida. This provision may not be enforceable under California law.

6. The Franchise Agreement requires binding arbitration. The arbitration will occur in the office of the American Arbitration Association that is nearest to our principal business address with the costs being borne as determined by the arbitrator. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE AGREEMENT FOR THE  
STATE OF CALIFORNIA**

This Addendum pertains to franchises sold in the State of California and is for the purpose of complying with California statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended to include the following:

1. Article 23.4. of the Franchise Agreement contain a covenant not to compete which extends beyond the term of the franchise. This provision may not be enforceable under California law.
2. Article 25.13. of the Franchise Agreement requires the application of the laws of Florida. This provision may not be enforceable under California law.

In all other respects, the Franchise Agreement will be construed and enforced according to its terms. Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

All County Property Management Franchise Corp.

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF HAWAII**

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

On the basis of their review of the financial information disclosed in this Franchise Disclosure Document and all financial statements contained in Item 21 of the disclosure document and attached to the disclosure document as Exhibit "B", the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division has required that your franchise have completed your initial training and the franchise is open for business. We will defer our receipt of all initial franchise fees until such time as we have completed our pre-opening obligations to you, including the provision of initial training, and you have opened the franchise.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities  
Dept. of Commerce & Consumer Affairs  
335 Merchant Street, Room 205  
Honolulu, Hawaii 96813

**ADDENDUM TO THE  
ALL COUNTY®  
FRANCHISE AGREEMENT FOR THE  
STATE OF HAWAII**

This Addendum pertains to franchises sold in the State of Hawaii and is for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended to include the following:

1. Article 2.1. is revised to add the following language: On the basis of their review of the financial information disclosed in this Franchise Disclosure Document and all financial statements contained in Item 21 of the disclosure document and attached to the disclosure document as Exhibit "B", the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division has required that your franchise fee and all other fees payable to us prior to opening the business will not be due to us until after you have completed your initial training and the franchise is open for business. We will defer our receipt of all initial franchise fees until such time as we have completed our pre-opening obligations to you, including the provision of initial training, and you have opened the franchise.

All County Property Management Franchise Corp.

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF ILLINOIS**

The following information applies to franchises and franchisees subject to the Illinois Franchise Disclosure Act. Item numbers correspond to those in the main body.

**Item 5.**

On the basis of their review of the financial information disclosed in this Franchise Disclosure Document and all financial statements contained in Item 21 of the disclosure document and attached to the Franchise Disclosure Documents as Exhibit "B", the Illinois Attorney General's Office has required that your franchise fee and all other fees payable to us prior to opening the business will not be due to us until after you have completed your initial training and the franchise is open for business. We will defer our receipt of all initial franchise fees until such time as we have completed our pre-opening obligations to you, including the provision of initial training, and you have opened the franchise.

**Item 17.**

For Illinois franchisees, Illinois law governs the Franchise Agreement. The conditions under which the franchise can be terminated and rights upon nonrenewal may be affected by Illinois law. Any provision in a Franchise Agreement that designates exclusively jurisdiction or venue in a forum outside Illinois is void.

**ADDENDUM TO THE  
ALL COUNTY®  
FRANCHISE AGREEMENT FOR THE  
STATE OF ILLINOIS**

This Addendum pertains to franchises sold in the State of Illinois and is for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended to include the following:

1. Article 2.1. is revised to add the following language: On the basis of their review of the financial information disclosed in this Franchise Disclosure Document and all financial statements contained in Item 21 of the disclosure document and attached to the disclosure document as Exhibit "B", the Illinois Attorney General's Office has required that your franchise fee and all other fees payable to us prior to opening the business will not be due to us until after you have completed your initial training and the franchise is open for business. We will defer our receipt of all initial franchise fees until such time as we have completed our pre-opening obligations to you, including the provision of initial training, and you have opened the franchise.
2. Article 25.13. is revised to provide that Illinois law will govern the Agreement.
3. Article 25.14. regarding consent to jurisdiction is hereby deleted in its entirety, and the following substituted in lieu thereof:

Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties must be brought in Illinois federal or state court.

4. Article 25.15 is hereby amended by adding the following language to the end of the Article:

This Article is subject to Section 41 of the Illinois Franchise Disclosure Act of 1987 which provides: Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

**ADDENDUM TO THE  
ALL COUNTY®  
FRANCHISE AGREEMENT FOR THE  
STATE OF ILLINOIS**  
(continued)

5. Article 25.17 is hereby amended by adding the following language to the end of the Article:

This Article is subject to Section 27 of the Illinois Franchise Disclosure Act of 1987 which provides: No action shall be maintained under Section 26 of this Act to enforce any liability created by this Act unless brought before the expiration of 3 years after the act or transaction constituting the violation upon which it is based, the expiration of one year after the franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by this Act, or 90 days after delivery to the franchisee of a written notice disclosing the violation, whichever shall first expire. No cause of action barred under existing law on the effective date of this Act shall be revived by this Act. Every cause of action under this Act survives the death of any person who might have been a plaintiff or defendant.

6. Except as amended herein, the Franchise Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all its terms.

All County Property Management Franchise Corp.

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF MARYLAND**

The following applies to franchises and franchisees subject to Maryland statutes and regulations. Item numbers correspond to those in the main body:

**Item 5.**

1. All initial fees and payments shall be deferred until such time as the franchisor completes its initial obligations under the franchise agreement.

**Item 17.**

1. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
2. Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.)
3. Any general release required in the Franchise Agreement as a condition of renewal, sale, and/or assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE AGREEMENT FOR THE  
STATE OF MARYLAND**

This Addendum pertains to residents of the State of Maryland and franchises to be located in the State of Maryland and is for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended as follows:

1. All initial fees and payments shall be deferred until such time as the franchisor completes its initial obligations under the franchise agreement.
2. Article 25.14. is amended to provide that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
3. Article 25.17. is amended to provide that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the date of the Franchise Agreement.
4. 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 liability incurred under the Maryland Franchise Registration and Disclosure Law.
5. Any general release required in the Franchise Agreement as a condition of renewal, sale, and/or assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
6. Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

All County Property Management Franchise Corp.

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF MICHIGAN**

**NOTICE REQUIRED BY  
STATE OF MICHIGAN**

**THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE 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 documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that the 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 terms 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 or 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 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 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 the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, Telephone (517) 373-7117.

**THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.**

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF MINNESOTA**

The following applies to franchises and franchisees subject to Minnesota statutes and regulations. Item numbers correspond to those in the main body:

1. Item 5 and Item 7:

We will defer the collection of all initial franchise fees from you until after we have provided all our pre-opening obligations and the Franchised Business is open.

2. Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

3. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) 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 and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

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

5. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

6. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE AGREEMENT FOR THE  
STATE OF MINNESOTA**

This Addendum pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended to include the following:

1. Article 2.1. is revised to add the following language: We will defer the collection of all initial fees from you until after we have provided all our pre-opening obligations to you and the Franchised Business is open.

2. Article 14.8. of the Franchise Agreement is hereby modified the addition of the following to the last sentence thereof:

“Minnesota Law requires us to protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.”

3. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibits us from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Franchise Agreement can abrogate or reduce your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. With Respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3 and 4 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

5. The Franchise Agreement is hereby modified by the addition of the following statement: “According to Minnesota law, you cannot waive any rights under the Minnesota Franchises Law. You cannot consent to us obtaining injunctive relief. We may seek injunctive relief.

To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Franchise Agreement or Exhibits or Attachments thereto, the terms of this Addendum shall govern. Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

ADDENDUM TO  
**ALL COUNTY®**  
FRANCHISE AGREEMENT FOR THE  
STATE OF MINNESOTA  
(continued)

All County Property Management Franchise Corp.

By: \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
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 THE STATE ADMINISTRATORS LISTED IN EXHIBIT A 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 THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21<sup>ST</sup> FLOOR, NEW YORK, NY 10005. 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, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, 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 10 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, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

ADDENDUM TO  
**ALL COUNTY®**  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF NEW YORK  
(continued)

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a 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 other 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 to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. 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 or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 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 causes 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 General Business Law Sections 687.4 and 687.5 be satisfied.

ADDENDUM TO  
**ALL COUNTY®**  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF NEW YORK  
(continued)

6. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”:

You may terminate the 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 foregoing 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.

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF VIRGINIA**

The following applies to franchises and franchisees subject to Virginia statutes and regulations. Item numbers correspond to those in the main body:

**Item 5.**

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE AGREEMENT FOR THE  
STATE OF VIRGINIA**

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

All County Property Management Franchise Corp.

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

ADDENDUM TO  
**ALL COUNTY®**  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF WASHINGTON

1. Item 5 of the Franchise Disclosure Document is hereby amended with the addition of the following language:

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all initial training that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

2. Item 17 of the Franchise Disclosure Document is hereby amended with the addition of the following language:

Washington law RCW 19.100.180(2)(i) and (j) provides certain rights and remedies to franchisees in connection with termination or renewal of a franchise. More specifically Washington law provides that it is unlawful for a franchisor to:

(i) Refuse to renew a franchise without fairly compensating the franchisee for the fair market value, at the time of expiration of the franchise, of the franchisee's inventory, supplies, equipment, and furnishings purchased from the franchisor, and good will, exclusive of personalized materials which have no value to the franchisor, and inventory, supplies, equipment, and furnishings not reasonably required in the conduct of the franchise business: PROVIDED, That compensation need not be made to a franchisee for good will if (i) the franchisee has been given one year's notice of nonrenewal and (ii) the franchisor agrees in writing not to enforce any covenant which restrains the franchisee from competing with the franchisor: PROVIDED FURTHER, That a franchisor may offset against amounts owed to a franchisee under this subsection any amounts owed by such franchisee to the franchisor.

(j) Terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include, without limitation, the failure of the franchisee to comply with lawful material provisions of the franchise or other agreement between the franchisor and the franchisee and to cure such default after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty days, to cure such default, or if such default cannot reasonably be cured within thirty days, the failure of the franchisee to initiate within thirty days substantial and continuing action to cure such default: PROVIDED, That after three willful and material breaches of the same term of the franchise agreement occurring within a twelve-month period, for which the franchisee has been given notice and an opportunity to cure as provided in this subsection, the franchisor may terminate the agreement upon any subsequent willful and material breach of the same term within the twelve-month period without providing notice or opportunity to cure: PROVIDED FURTHER, That a franchisor may terminate a franchise without giving prior notice or opportunity to cure a default if the franchisee: (i) Is adjudicated a bankrupt or insolvent; (ii) makes an assignment for the benefit of creditors or similar disposition of the assets of the franchise business; (iii) voluntarily abandons the franchise business; or (iv) is

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE DISCLOSURE DOCUMENT FOR THE  
STATE OF WASHINGTON  
(continued)**

convicted of or pleads guilty or no contest to a charge of violating any law relating to the franchise business. Upon termination for good cause, the franchisor shall purchase from the franchisee at a fair market value at the time of termination, the franchisee's inventory and supplies, exclusive of (i) personalized materials which have no value to the franchisor; (ii) inventory and supplies not reasonably required in the conduct of the franchise business; and (iii), if the franchisee is to retain control of the premises of the franchise business, any inventory and supplies not purchased from the franchisor or on his or her express requirement: PROVIDED, that a franchisor may offset against amounts owed to a franchisee under this subsection any amounts owed by such franchisee to the franchisor.

3. Washington law RCW 19.100.180(2)(g) provides that it is unlawful to require the franchisee to assent to a release, assignment, violation or waiver which would relieve the franchisor from any liability imposed by the Washington Franchise Investment Protection Act.

**ADDENDUM TO  
ALL COUNTY®  
FRANCHISE AGREEMENT FOR THE  
STATE OF WASHINGTON**

This Addendum pertains to franchises sold in the State of Washington and is for the purpose of complying with Washington statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended to include the following:

1. Section 2.1 of the Franchise Agreement is hereby amended with the inclusion of the following language:

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all initial training that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

2. 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.

3. 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.

4. Article 25.13. of the Franchise Agreement is amended by the addition of the following language:

If any of the provisions in the Franchise Disclosure Document or Franchise Agreement are inconsistent with the relationship provisions of R.C.W. 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the Franchise Disclosure Document and Franchise Agreement with regard to any franchise sold in Washington.

5. Article 25.15. of the Franchise Agreement is amended by the addition of the following language:

A release or waiver of rights executed by you will 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.

ADDENDUM TO  
**ALL COUNTY®**  
FRANCHISE AGREEMENT FOR THE  
STATE OF WASHINGTON  
(continued)

6. Article 23.6. of the Franchise Agreement is amended by adding the following sentence:

We will purchase your inventory and supplies for their fair market value at the time of termination of the Franchise Agreement for good cause, subject to and in compliance with RCW 19.100.180(2)(j).

7. Article 20.4.5. of the Franchise Agreement is deleted in its entirety and replaced by the following language:

**Transfer Fee.** You pay us a transfer fee in the amount of our reasonable legal fees and administrative costs incurred, and our reasonable out-of-pocket expenses, including, without limitation, travel, meals, lodging and other investigative expenses involved in meeting with or qualifying the transferee. If the proposed transfer is among your owners or first degree relatives, the transfer fee will be waived, although you are required to reimburse us for any reasonable legal and administrative costs we incur in connection with the transfer.

8. Each provision of this Addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this addendum.

9. Except as amended herein, the Franchise Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

All County Property Management Franchise Corp.

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**ALL COUNTY®**

**EXHIBIT E**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**  
**COPY OF CURRENT FORM OF GENERAL RELEASE**

## RELEASE OF CLAIMS

**THIS IS A CURRENT FORM THAT IS SUBJECT TO CHANGE OVER TIME.**

For and in consideration of the Agreements and covenants described below, All County Property Management Franchise Corp. ("All County") and \_\_\_\_\_ ("Franchisee") enter into this Release of Claims ("Agreement").

### RECITALS

A. All County and Franchisee entered into an All County Franchise Agreement dated \_\_\_\_\_, \_\_\_\_\_.

B. [NOTE: Describe the circumstances relating to the release.]

C. Subject to and as addressed with greater specificity in the terms and conditions set forth below, All County and Franchisee now desire to settle any and all disputes that may exist between them relating to the Franchise Agreement.

### AGREEMENTS

1. **Consideration.** [NOTE: Describe the consideration paid.]

2-3. [NOTE: Detail other terms and conditions of the release.]

4. **Release of Claims by All County.** In consideration of, and only upon full payment of \$ \_\_\_\_\_ to All County, and the other terms and conditions of this Agreement, the receipt and sufficiency of which is hereby acknowledged, All County, for itself and for each of its affiliated corporations, subsidiaries, divisions, insurers, indemnitors, attorneys, successors, and assigns, together with all of its past and present directors, officers, employees, attorneys, agents, assigns and representatives does hereby release and forever discharge Franchisee and each of his heirs, executors, successors, and assigns of and from any and all actions, suits, proceedings, claims (including, but not limited to, claims for attorney's fees), complaints, judgments, executions, whether liquidated or unliquidated, known or unknown, asserted or unasserted, absolute or contingent, accrued or not accrued, disclosed or undisclosed, related to the Franchise Agreement. This release does not release Franchisee from any obligations he may have under this Agreement.

5. **Release of Claims by Franchisee.** In consideration of the other terms and conditions of this Agreement, the receipt and sufficiency of which is hereby acknowledged, Franchisee, for himself and for each of his heirs, executors, administrators, insurers, attorneys, agents, representatives, successors, and assigns, does hereby release and forever discharge All County and each of its respective affiliated corporations, subsidiaries, divisions, insurers, indemnitors, attorneys, successors, and assigns, together with all of their past and present directors, officers, employees, attorneys, agents, assigns and representatives in their capacities as such, of and from any and all actions, suits, proceedings, claims (including, but not limited to, claims for attorney's fees), complaints, charges, judgments, executions, whether liquidated or unliquidated, known or unknown, asserted or unasserted, absolute or contingent, accrued or not accrued, related to the Franchise Agreement.

6. **Reservation of Claims Against Non-Settling Parties.** All County and Franchisee expressly reserve their right and claims against any non-settling persons, firms, corporations, or other entities for whatever portion or percentage their damages are found to be attributable to the wrongful conduct of said non-settling parties.

7. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties relative to the subject matter contained herein, and all prior understandings, representations and agreements made by and between the parties relative to the contents contained in this Agreement are merged into this Agreement.

8. **Voluntary Nature of Agreement.** The parties acknowledge and agree that they have entered into this Agreement voluntarily and without any coercion. The parties further represent that they have had the opportunity to consult with

an attorney of their own choice, that they have read the terms of this Agreement, and that they fully understand and voluntarily accept the terms.

**9. Governing Law and Jurisdiction.** This Agreement will be construed and enforced in accordance with the law of the State of Florida.

**10. Attorneys' Fees.** All rights and remedies under this Agreement shall be cumulative and none shall exclude any other right or remedy allowed by law. In the event of a breach of this Agreement that requires one of the parties to enforce the terms and conditions of this Agreement, the non-prevailing party shall pay the prevailing party's attorneys' fees and costs incurred by reason of the breach.

All County Property Management Franchise Corp.

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

[OWNER CORPORATION OR PARTNERSHIP]

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**ALL COUNTY®**

**EXHIBIT F**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**

**FRANCHISE LOCATIONS**

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

**Arizona**

**All County® Mesa:** Scott Glascock, 2625 Greenway Parkway, Suite 212,, Phoenix, Arizona 85032, Phone: 602-753-0333

**All County® Prestige:** Scott Glascock, 4641 N 12th Street, Suite 200, Phoenix, Arizona 85012, Phone: 602-753-0333

**California**

**All County® Bay Area:** Perry Harmon, 2288 Fulton Street, Suite 314, Berkeley, California 94704, Phone: 510-900-5400

**All County® Beach Cities:** Raul & Sarah Ordóñez, 8929 South Sepulveda Blvd. Suite 206, Los Angeles, California 90045, Phone: 310-216-4400

**All County® Community:** Gene & Kristene Foley and Joseph & Amy Stark, 25090 Jefferson Avenue, Suite 8, Murrieta, California 92562, Phone: 951-800-7000

**All County® Desert:** Nicu & Lisa Coccione, 42575 Melanie Place, Suite J, Palm Desert, California 92260, Phone: 760-993-3100

**All County® Heritage:** Shaun Brown, 2520 Stanwell Drive #144, Concord, CA 94520, Phone: 925-471-9000

**All County® Inland Empire:** Gene & Kristene Foley and Joseph & Amy Stark, 25090 Jefferson Avenue, Suite 8, Murrieta, California 92562, Phone: 951-800-7000

**All County® Pacific:** Max & Kimberly Tennies, 21021 Soledad Canyon Road, #104, Santa Clarita, CA 91351, Phone: 877-469-4600.

**All County® West:** Raymond Zhao, Robert Wu & Ross Thiers, 637 West Garvey Avenue, Monterey Park, California 91754, Phone: 626-623-7368

**Colorado**

**All County® Boulder:** Simon Heart, 6650 Gunpark Drive, Suite 200, Boulder, Colorado 80301, Phone: 720-428-2100

**All County® Colorado Springs:** Scott & Tami Glascock, 5030 Edison Avenue, Suite 1650, Colorado Springs, Colorado 80915, Phone: 719-445-7172

**All County® Denver Metro:** Jon and Laura Baron, 6390 Gardenia Street, Suite 110, Arvada, Colorado 80004, Phone (720) 575-6100

**All County® Fort Collins:** Simon Heart, 126 West Harvard Drive, Suite 314, Fort Collins, Colorado 80521, Phone: 970-825-1000

### Florida

**All County® Advanced:** Hon Wong and Scott McPherson, 50 Belcher Road, Suite 121, Clearwater, FL 33765, Phone: 727-330-3301

**All County® Alliance:** Ashvin & Kitty Maharaj, 5814 Old Pasco Rd, Wesley Chapel, FL 33544, 813-940-7500

**All County® Associates:** Michael & Sally Ovitt, 4881 81st Avenue North, Pinellas Park, Florida 33781, Phone: 727-853-6888

**All County® CFL:** Socrate & Cassandra Exantus, 801 N Magnolia Ave, Suite 401, Orlando, Florida 32803, Phone: 407-802-2379

**All County® Complete:** Socrate Exantus, 2120 Corporate Square Blvd, Suite 18, Jacksonville, FL 32216, Phone: 904-694-9400

**All County® Elite:** David & Tanya Eisen, 5725 Corporate Way, Suite 205, West Palm Beach, Florida 33407, Phone: 561-506-4646

**All County® Emerald Coast:** Jacob & Norma Dixon, 737 Harbor Blvd, Suite 7, Destin, Florida 32541, Phone: 850-659-2728

**All County® First Choice:** Michael & Sally Ovitt, 881 81st Avenue North, Pinellas Park, Florida 33781, Phone: 727-614-0076

**All County® Gator:** Joe Canfora, 1110 Pine Ridge Road, Suite 203, Naples, Florida 34108, Phone: 239-734-5300

**All County® Marion:** Frank Green, 2916 Jacksonville Road, Ocala, FL 34779, Phone: 352-414-1855

**All County® Medallion:** Sean & Jennifer Kelly, 2726 Oak Ridge Court, Suite 501, Fort Myers, FL 33901, Phone: 239-204-4171

**All County® Metro:** Tim & Sandi Davis, 2949 Vineland Road, Kissimmee, Florida 34746, Phone: 407-624-4000

**All County® Polk:** Tim & Sandy Davis, 22 South Ingraham Avenue, Suite 401, Lakeland, Florida 33801, Phone: 863-510-5965

**All County® Preferred:** Njeri Gichia-Broussard and Darryl Broussard, 1802 South Fiske Boulevard, Suite 108, Rockledge, Florida 32955, Phone: 321-607-3700

**All County® Premier:** Terence Worthy, 7535 Ashley Park Court, Suite 503QR, Orlando, Florida 32835, Phone: 407-601-5493

**All County® Professional:** Socrate & Cassandra Exantus, 9900 Stirling Road, Suite 301, Cooper City, Florida 33024, Phone: 954-278-3200

**All County® Pros:** Foxworth Troy, 4163 Clark Road, Sarasota, Florida 34233, Phone: 941-404-2711

**All County® Sterling:** Socrate & Cassandra Exantus, 103 Commerce Street, Suite 120, Lake Mary, Florida 32746, 407-674-5601

**All County® Tampa Bay:** Su Ferrera & Hon Wong, 5421 Beaumont Center Blvd., Suite 685, Tampa, Florida 33634, Phone: 813-884-6400

**All County® University:** Frank Green, 4131 NW 13<sup>th</sup> Street, Suite 107, Gainesville, FL 32609, Phone: 352-505-7186

### Georgia

**All County® Cumberland:** George Johnson, 2675 Paces Ferry Road South, Suite 150, Atlanta, Georgia 30339, Phone: 770-431-4633

**All County® Expert:** Anthony Gioia, 1205 Peachtree Parkway, Suite 1103, Cumming, Georgia 30041, Phone: 770-450-8200

**All County® North Metro:** Lori & Dave Theurer, 700 Abbey Court, Alpharetta, Georgia 30004, Phone: 770-663-4260

### Illinois

**All County® Solutions:** John Wettersten, 3000 Dundee Road Suite 309, Northbrook, IL 60062, Phone: 224-412-5500

### Maryland

**All County® Chesapeake:** Marie Beal, Erica Beal, Harvey Beal III, and Harvey Beal IV, 260 Gateway Drive, Suite 13C, Bel Air, Maryland 21014, Phone: 443-963-3131

### Massachusetts

**All County® Select:** Jeffrey Nichols, 100 Cummings Center, Suite 434-JJ, Beverly, Massachusetts 01915, Phone: 978-704-8200

**New York**

**All County® Great Bay:** Michael West, 80 Orville Drive, Suite 100, Bohemia, New York 11716, Phone: 631-446-6600

**North Carolina**

**All County® Piedmont:** Donald & Mandi Persohn, 220 Westinghouse Blvd, Suite 409, Charlotte, North Carolina 28273, Phone: 980-263-2900

**Ohio**

**All County® NEO:** Roy Guy, 1000 Aurora-Hudson Road, Suite C, Hudson, OH 44236, Phone: (330) 348-5200

**Pennsylvania**

**All County® Delaware Valley:** Michael Carahaly, 13 Marchwood Rd, Exton, PA 19341, Phone: (610) 486-3900

**All County® Resident:** Michael Thompson, 501 Lakeside Park, Southampton, PA 18966, Phone: 215-995-2880

**South Carolina**

**All County® Southern Shores:** Dawn McGarry and Steve Brown, 100 Prather Park Drive, Suite B, Myrtle Beach, SC 29588, Phone: (843)-492-7255

**Texas**

**All County® Alamo:** Darren and Bonnie Grassmuck, 433 Kitty Hawk Rd, Suite 2-221, Universal City, Texas, 78148, Phone: 210-718-0992

**All County® Group:** Kim Miller, 7105 Golf Club Drive, Suite 1204, Fort Worth, Texas 76179, Phone: 817-567-2500

**Washington**

**All County® Evergreen:** Doug and Connie Kittelman, 2020 A Street SE, Suite 200, Auburn, WA 98002, Phone: (253) 238-9590

**ALL COUNTY®**

**EXHIBIT G**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**

**SAMPLE COPY OF RENT MANAGER SOFTWARE CONTRACT**



## Rent Manager Online Agreement

London Computer Systems, Inc. • 1007 Cottonwood Dr. • Loveland, OH. 45140 • Phone: 800-669-0871 • Fax: 513-583-8736

Price per month - \$50 /month      Activation Fee - \$150 /per account    Version: Rent Manager Online  
 (Save 5% off monthly fees by prepaying one year)

The following is an Activation Agreement between London Computer Systems Inc. (LCS), 1007 Cottonwood Dr, Loveland, OH 45140 and the "CUSTOMER". Rent Manager Online (RMO) allows the CUSTOMER to have network access via the Internet to the Rent Manager Software.

By completing and faxing this Activation Agreement to LCS, the CUSTOMER is requesting one concurrent user account to be created. By signing this Agreement the CUSTOMER indicates that they have read and agreed to the one year term of the Rent Manager Service Agreement (SA) and all Terms and Amendments therein. Please request a copy of the SA from your LCS representative.

### Setup procedures:

1. Complete one Activation Agreement for each concurrent user needed. If you need additional copies of this Agreement, please make additional photocopies or request additional copies from your LCS sales representative.
2. Fill-out form(s) as completely as possible, including payment method. Please note that a credit card is required for immediate setup of account(s), otherwise setup will occur upon payment of setup charges and first month service.
3. Fax the signed Agreement(s) to LCS, 513-583-8736. Please sign a copy of the SA and include with this fax.
4. LCS requests 24 hours to complete setup of new accounts. This Agreement begins when the account is created.
5. CUSTOMER will receive an Email with setup instructions for accessing the account.

By signing below, you accept the terms of this Agreement.

Primary Contact Information Main office or Remote Office (please circle one)

Primary Decision Maker: \_\_\_\_\_

Do you have a MAC or PC?  
 (Please circle one)

Alt. Decision Maker: \_\_\_\_\_

Primary Site Contact: \_\_\_\_\_

Site Name: \_\_\_\_\_

Site Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ \*Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Should setup Instructions  
 be emailed to this address?  
 YES or NO  
 (Please circle one)

### Billing Information

Primary Billing Contact: \_\_\_\_\_

Corporate Name: All County Franchise

Address: 5922 9th Ave N

City: St. Petersburg State: FL Zip: 33710

Phone: 7278003700 Fax: 8552437368

Email: lcs@allcountyfranchise.com

By signing below, you accept the terms of this Agreement

X \*Signature: \_\_\_\_\_

X \*Printed Name: \_\_\_\_\_

X \*Date: \_\_\_\_\_

\*Denotes required fields

(For Internal use only)

Username: \_\_\_\_\_

Password: \_\_\_\_\_

Sales Person: \_\_\_\_\_



## Rent Manager Online Service Agreement

The following is a Service Agreement "SA" between London Computer Systems Inc. "LCS", 1007 Cottonwood Dr, Loveland, OH 45140 and the "CUSTOMER". The SA outlines the parameters for operating the Rent Manager "RM" software online. Rent Manager Online "RMO" allows the CUSTOMER to have network access via a direct phone call or the Internet to the Rent Manager Software.

This Agreement begins when the account is created by LCS and this is referred to as the "Start Date". This Agreement shall be in effect for one year from when the account is created by LCS and may not be postponed. Expired SAs shall automatically renew monthly after the first year until the account is terminated.

### I. Services

Services are to include the following (ref. details below):

- Unlimited 24/7 access to RM software via the Internet
- Unlimited Support by trained technicians during business hours (8:00am-7:00pm EST)
- RM software updates (applied by LCS)
- Regular automatic backups
- System Availability

LCS agrees to provide maximum system availability. The service goal for the RMO system is to be available via the Internet not less than 98% of the agreed production hours. Outages will be non-contiguous. Service hours vary and every effort will be made to perform system maintenance or upgrades in evening hours unless otherwise relating to an individual CUSTOMER support request. LCS accepts no liability for outages relating to problems with local telephonic networks and connectivity running through another agency or service provider.

### B. Backups

Snapshot backups are created multiple times a day and kept for a week. Monthly snapshot backups are stored for a year. In addition, the database is synched (mirrored) in real-time to two physical locations in separate states. The CUSTOMER may request a data restoration by contacting LCS Support for a service charge.

Although LCS has taken significant measures to protect CUSTOMER data, LCS accepts no liability for data loss relating to acts of God, misuse of the system by users, or other uncontrollable forces.

### C. Support & Maintenance

RMO includes Unlimited Support and Updates. LCS Support is provided via phone (with optional remote control) at 513-583-1482, email at [support@rentmanager.com](mailto:support@rentmanager.com), and web site User Forums located at <http://www.rentmanager.com/forum.htm>. Regular support hours are 8:00am-7:00pm EST. A 24-hr after-hours number is available for emergency service related issues only and can be reached at the regular phone support number after regular support hours. The service objective during regular support hours is to have a technician available whenever the CUSTOMER calls. In the event a technician is not available, a support ticket is entered and the call will be returned in the order it is received. The ticket is tracked with a ticket number and is not closed until the issue is resolved. CUSTOMER may request the ticket number and status at any time.

Support includes technical issues, setup, and specific usage of the software. Support does not include general RM software training unless otherwise agreed upon outside the terms of this SA. LCS provides a Beginner's Guide, Rent Manager Manual, in-program (F1 key) contextual Help, and supplemental material for learning the software. It is suggested to reference these materials before calling LCS Support. Please indicate to the technician when the issue is resolved to your satisfaction so the ticket may be closed.

### D. Security

LCS agrees to make every effort to secure the Customer's data. RMO data is stored in a highly secured facility that provides the following protection: key card access, bombproof facility, 24hr onsite guard and escort, video surveillance, and locked cabinet space. All RMO servers are physically behind a secure firewall.

X \*CUSTOMER initials: \_\_\_\_\_

\*Denotes required fields



## II. Payment

RMO price is based on the number of concurrent users needing access to the system. Account sharing between different companies is not permitted unless otherwise specified. The one-time activation fee and the first month service fee are non-refundable. The first month service fee is prorated depending on the day of the month the account is setup. Billing begins when the CUSTOMER pays the one time setup fee and the first month's service charge.

The CUSTOMER agrees to pay the monthly fee promptly and agrees to be financially responsible for the entire one year term of this Agreement. Invoices are due and payable on the 1<sup>st</sup> of each month. Failure to pay monthly fee within 45 days of the invoice date will result in a \$35 late charge. Customer accounts that are past due 60 days will result in suspension of service. A reinstatement fee of \$50 per account will apply to reactivate a suspended account. Cancellation of accounts can be made within 30-days of account creation with a penalty of all setup fees and the first month of service charges. Cancellation of accounts after 30-days but within the period of the one year agreement requires payment in full of remaining monthly fees through contract end date. Cancellation of accounts after the one year Agreement requires 30-days written notice.

## III. Confidential Information

LCS and the CUSTOMER will exchange confidential information during sign-up and billing. All CUSTOMER credit card and billing information is identified and stored in a secure LCS environment.

Due to the nature of the software, the CUSTOMER understands it is sometimes necessary for an LCS Support technician to view sensitive CUSTOMER information within their RM installation. LCS does not share this information to outside parties. The LCS Support technician will only view information necessary to resolve the support incident. The LCS Support technician will only view the information during the resolution of a support ticket requiring it.

## IV. Representations and Warranties

LCS will re-perform defective or non-conforming services for a time period indicated. LCS will provide services that will be performed at or above industry standards.

### A. Liability Limit

LCS liability is limited to the maximum amount it receives under the agreement for both direct and indirect damages.

### B. Relationship

The relationship between LCS and the CUSTOMER is not a partnership, joint venture or employer-employee.

## V. The Rent Manager monthly fee does NOT include:

- A. Custom software development**
- B. Custom Word Processing document development**
- C. Custom Report Writer report development**
- D. Setup & Implementation of Metered Utilities Plus**
- E. Dedicated implementation and setup help is available for an additional fee**

Do you prefer we mail an invoice or email it? \_\_\_\_\_

If you prefer Email, what address should we send it to? \_\_\_\_\_

By signing below, you accept the terms of this Agreement

X \*Signature: \_\_\_\_\_

X \*Date: \_\_\_\_\_

\*Denotes required fields



## Final Decision Maker and Owner

LCS recognizes the Final Decision Maker as the only person in your company with the authority to make the final decision regarding the information and possession of your company data.

\*If questions or conflicts arise in these areas we will contact the Final Decision Maker to resolve.

<b>*Final Decision Maker</b>	<i>Signature</i>	<b>Final Decision Maker</b>	<i>Printed</i>	<b>Title</b>
<b>Email Address</b>	<b>Direct Contact Number</b>			<b>Mobile Number</b>

## Credit Authorization Form

In order for us to accept and bill your credit type (credit card or checking account), please complete the following:

- Provide information for ALL fields in the form below;
- SIGN and DATE this form;
- FAX this form to 513-583-8736 or MAIL it to: LCS 1007 Cottonwood Dr., Loveland, OH 45140

All information will be treated as strictly confidential.

**Contact/Billing Information (as shown on credit card or check):**

Company:

Contact Name:

Address:

City/Town:

State/Prov:

Billing Zip/Postal:

Phone:

Email:

Circle one:	Visa	MasterCard	American Express	Discover	Check		
(a voided check must be included with this form)							
<i>Please enter the credit card number in the boxes above.</i>							
CV2# (3-digit number on back of Visa, MC, Discover or 4-digit number on front of AMEX):							
Required							
Exp. Date: _____				Billing Zip Code: _____			

**Amount to be charged (USD\$):** \_\_\_\_\_ (plus tax for Ohio customers)

**Authorization Type:**

**ONE-TIME USE:** I hereby authorize London Computer Systems, Inc. (LCS) to charge the indicated credit card/checking account the amount indicated above. This is a **one-time charge** authorization. I am **NOT** authorizing London Computer Systems, Inc. to setup my account within a recurring billing system. I understand that if I wish London Computer Systems, Inc. to charge any balances to my credit card/checking account in the future, I will need to submit another authorization form at that time or choose the Recurring Billing selection below.

**RECURRING BILLING:** I hereby authorize London Computer Systems, Inc. (LCS) to charge the indicated credit card/checking account for my monthly Rent Manager Online fees **on a recurring basis**. I agree that this charge will be made on the first day of each month of service for the duration of my assigned Rent Manager Online Service Agreement. To terminate the recurring billing process, I must notify London Computer Systems, Inc. in writing of the cancellation. LCS will discontinue the Recurring Billing process upon receipt of my written notice.

**Authorization:** I hereby authorize London Computer Systems, Inc. (LCS) to charge my credit card/checking account on a One-Time Use charge or Recurring Billing as I have indicated above. (If I fail to indicate either Authorization Type option, LCS will use the One-Time Use option as default.)

If I have selected Recurring Billing, I will not dispute London Computer Systems, Inc. recurring billing with my credit card issuer so long as the amount in question was for service rendered prior to my cancelling my account in the manner required.

I agree that if I have any problems or questions regarding my London Computer Systems, Inc. service, I will contact London Computer Systems, Inc. for assistance, using the contact information located below.

I guarantee and warrant that I am the legal cardholder for this credit card or account holder of this checking account, and that I am legally authorized to enter into this one-time or recurring billing agreement with London Computer Systems, Inc.

Cardholder Name (printed) \_\_\_\_\_

Signature of Card/Account Holder: \_\_\_\_\_ Date: \_\_\_\_\_

**Contact Information:**

London Computer Systems, Inc. (LCS)

Accounts Receivable

1007 Cottonwood Drive

Loveland, OH 45140

513-583-1482 (P) 513-583-8736 (F)

**ALL COUNTY®**

EXHIBIT H  
TO THE FRANCHISE DISCLOSURE DOCUMENT  
FINANCING DOCUMENTS

### PROMISSORY NOTE FOR INITIAL FRANCHISE FEE

\$ \_\_\_\_\_ APR: 7% \_\_\_\_\_, 20\_\_\_\_

**1. FOR VALUE RECEIVED:**

Maker	Maker
Name: _____	_____
Address: _____	_____

(each "Maker") promises to pay to the order of All County Property Management Franchise Corp., a Florida Corporation having its principal place of business at 5922 9th Avenue North, St. Petersburg, Florida 33710 (the "Payee"), the principal sum of \$ \_\_\_\_\_ Dollars on \_\_\_\_ / \_\_\_\_ / \_\_\_\_ and \_\_\_\_ successive monthly installments of \$ \_\_\_\_\_ Dollars on \_\_\_\_\_ day of each month thereafter. The payment schedule attached hereto as Schedule "1" shall control.

2. Each installment, when paid, shall be credited first on interest then due and the remainder on principal, and interest shall thereupon cease upon the principal so credited.
3. The acceptance of the Payee, after any default hereunder, shall not operate to extend the time of payment of any amounts then remaining unpaid hereunder or constitute a waiver of any of the other rights of the Payee hereunder.
4. This note and all other obligations, direct or contingent, of the Maker or endorser hereof, to Payee shall become due and payable immediately, at the option of the holder of this note, without demand or notice, upon the happening to or by the Maker of any of the following events:
  - 4.1. Calling of a meeting of creditors;
  - 4.2. Voluntary or involuntary application for or appointment of a receiver, issuance of a warrant of attachment, or of a notice of tax lien entry of judgment;
  - 4.3. Failure to pay, withhold, collect or remit any tax or tax deficiency when assessed or due;
  - 4.4. Death or dissolution;
  - 4.5. Making a bulk sale or giving notice of intent to do so;
  - 4.6. Suspension, liquidation or termination of any ALL COUNTY® business owned wholly or partially by the Maker;
  - 4.7. Transfer or attempted transfer of the ALL COUNTY® business purchased in connection with the execution of this note;
  - 4.8. Failure, after demand, to furnish financial information or to permit inspection of any books or records, default in payment or performance of this note or any contractual or other obligation to, or acquired in any manner by the Payee; or
  - 4.9. If at any time, in the sole opinion of the Payee, financial responsibility shall become impaired or unsatisfactory to the Payee.
5. If the Maker defaults on any payment of this note, the Maker agrees to pay all costs and expenses of collection, including reasonable attorney's fees.

6. Whenever any one of the installments, the maturity of which has not been accelerated, is not paid on the date agreed to above, the undersigned individuals, jointly and severally, promise to pay to the holder hereof a penalty of 18% per annum on any installment that has become due and remains unpaid for a period in excess of five (5) calendar days. The Payee may assess penalties at its discretion.
7. The undersigned shall all be deemed a Maker and will be jointly, severally and individually liable as a Maker. The undersigned individuals personally guarantee payment of this Note.
8. The Maker, in any litigation arising out of or relating to this note in which a holder of the note is an adverse party, waives trial by jury and the right to interpose any defense, set-off or counterclaim of any nature or description.
9. This note is secured by a security interest in the Franchise Agreement between Maker and Payee.
10. This note shall be construed in accordance with Florida law.

MAKER: \_\_\_\_\_  
Signature

Print Name

MAKER: \_\_\_\_\_  
Signature

Print Name

**SCHEDULE "1" TO PROMISSORY NOTE FOR INITIAL FRANCHISE FEE**

Franchise Fee of \$39,500 to be paid as follows:

Down payment: \$ \_\_\_\_\_ Dollars

Payment schedule:

\$ \_\_\_\_\_ Dollars at 7% per annum  
36 payments of \$ \_\_\_\_\_ Dollars

Payment is due on the 1<sup>st</sup> day of each calendar month starting 3 months from the date initial training is completed.

MAKER: \_\_\_\_\_  
Signature \_\_\_\_\_ Print Name \_\_\_\_\_

MAKER: \_\_\_\_\_  
Signature \_\_\_\_\_ Print Name \_\_\_\_\_

**ALL COUNTY®**

**EXHIBIT I**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**

**RECEIPTS**

## 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 All County Property Franchise Management Corp. 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.

New York and Oklahoma law requires that All County Property Franchise Management Corp. provide this Franchise 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, Oregon, and Wisconsin law requires that All County Property Franchise Management Corp. provides this franchise 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 All County Property Franchise Management Corp. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and appropriate state agency listed in Exhibit C. All County Property Franchise Management Corp.'s registered agents authorized to receive service of process are listed in Exhibit C.

<b>The name, principal business address and telephone number of each franchise seller offering the franchise is:</b>		
Sandra Ferrera	Scott McPherson	
Hon Wong	Patrick Capozza	
The contact information for all the individuals listed above is: All County Property Management Franchise Corp., 5922 9 <sup>th</sup> Avenue North, St. Petersburg, Florida 33710, (855) 245-7368		
The principal business address and telephone number for franchise seller _____ is _____		

Date of Issuance: March 29, 2019

I received a disclosure document dated March 29, 2019, that included the following Exhibits:

- A. FRANCHISE AGREEMENT
- B. FINANCIAL STATEMENTS
- C. LIST OF STATE AGENCIES AND LIST OF STATE AGENTS FOR SERVICE OF PROCESS
- D. STATE ADDENDA
- E. COPY OF CURRENT FORM OF GENERAL RELEASE
- F. FRANCHISE LOCATIONS
- G. SAMPLE COPY OF RENT MANAGER SOFTWARE CONTRACT
- H. FINANCING DOCUMENTS
- I. RECEIPTS

DATE DISCLOSURE DOCUMENT RECEIVED: \_\_\_\_\_

Signed: \_\_\_\_\_

Date Signed: \_\_\_\_\_

Print Name and Address: \_\_\_\_\_

Please sign and date this Receipt (with the date you received the Franchise Disclosure Document) and if you received it electronically via email, also: Open the attached Franchise Disclosure Document to verify that you can download it; then immediately Reply to All, with a cc to the email address listed on the cover page of this Franchise Disclosure Document, stating that you received and downloaded this Franchise Disclosure Document.

Also, print, sign and date a copy of this Receipt (with the date you received this Franchise Disclosure Document), and return the signed Receipt by mail to us at: All County Property Management Franchise Corp., 5922 9<sup>th</sup> Avenue North, St. Petersburg, Florida 33710

FRANCHISEE'S COPY

## RECEIPT

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New York and Oklahoma law requires that All County Property Franchise Management Corp. provide this Franchise 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, Oregon, and Wisconsin law requires that All County Property Franchise Management Corp. provides this franchise 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 All County Property Franchise Management Corp. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and appropriate state agency listed in Exhibit C. All County Property Franchise Management Corp.'s registered agents authorized to receive service of process are listed in Exhibit C.

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DATE DISCLOSURE DOCUMENT RECEIVED: \_\_\_\_\_

Signed: \_\_\_\_\_

Date Signed: \_\_\_\_\_

Print Name and Address: \_\_\_\_\_

Please sign and date this Receipt (with the date you received the Franchise Disclosure Document) and if you received it electronically via email, also: Open the attached Franchise Disclosure Document to verify that you can download it; then immediately Reply to All, with a cc to the email address listed on the cover page of this Franchise Disclosure Document, stating that you received and downloaded this Franchise Disclosure Document.

**Also, print, sign and date a copy of this Receipt (with the date you received this Franchise Disclosure Document), and return the signed Receipt by mail to us at: All County Property Management Franchise Corp., 5922 9<sup>th</sup> Avenue North, St. Petersburg, Florida 33710**

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