


FRANCHISE DISCLOSURE DOCUMENT

	<p>Success Tutoring United States, Inc. a Delaware corporation 750 N. San Vicente Blvd. West Hollywood, California 90069 (469) 476 5459 successtutoringfranchise.com</p>
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We offer franchises for the right to operate a single tutoring service business (each a “Success Tutoring Business”) that offers approved personalized English and Math tutoring services for students aged 5 to 17.

The total investment necessary to begin operation of a single Success Tutoring Business ranges from \$111,450 to \$164,000, which includes \$68,000 that must be paid to us or our affiliates.

This 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 the 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 Franchise Development Representative at 750 N. San Vicente Blvd., West Hollywood, California 90069, telephone: (469) 476 5459 or email at michael@successtutoring.com.

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 an 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 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.

Date of Issuance: June 6, 2025

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits G and H.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit I includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Success Tutoring Business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Success Tutoring Business franchisee?	Item 20 or Exhibits G and H list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by litigation only in Texas. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost more to litigate with the franchisor in Texas than in your own state.
2. **Short Operating History.** This Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise with a longer operating history.
3. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” (if any) to see whether your state requires other risks to be highlighted.

DISCLOSURE DOCUMENT
TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
ITEM 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
ITEM 2 BUSINESS EXPERIENCE	4
ITEM 3 LITIGATION	4
ITEM 4 BANKRUPTCY	4
ITEM 5 INITIAL FEES	4
ITEM 6 OTHER FEES	5
ITEM 7 ESTIMATED INITIAL INVESTMENT	9
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	12
ITEM 9 FRANCHISEE'S OBLIGATIONS	16
ITEM 10 FINANCING	18
ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	18
ITEM 12 TERRITORY	29
ITEM 13 TRADEMARKS	32
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	33
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	34
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	35
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	36
ITEM 18 PUBLIC FIGURES	40
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS	40
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION	41
ITEM 21 FINANCIAL STATEMENTS	43
ITEM 22 CONTRACTS	43
ITEM 23 RECEIPTS	44

EXHIBITS:

- A – State Administrators/Agents for Service of Process
- B – Franchise Agreement (including State Addenda)
- C – Financial Statements
- D – Applicant Confidentiality Agreement and Authorization
- E – Franchise Application
- F – Table of Contents of Brand Standards Manual
- G – List of Current Franchisees
- H – List of Former Franchisees
- I – Franchise Compliance Certification (for use only in certain states)
- J – State Addenda to Franchise Disclosure Document
- K – Receipts

ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor is Success Tutoring United States, Inc.. To simplify the Disclosure Document, Success Tutoring United States, Inc. is referred to as “Success Tutoring,” “we,” “us,” or “our”. “You” means the person or legal entity who buys the franchise, the Franchisee. If you are a corporation, limited liability company, partnership or any other type of legal entity, certain of the provisions of the Franchise Agreement (defined below) also will apply to, and be binding upon, certain of your owners (referred to as your “Principals”). We will require that one of your Principals speak for you (the “Controlling Principal”) and that the Controlling Principal and certain of your Principals that we designate personally guarantee, and be personally bound by, some or all of your obligations under the Franchise Agreement.

The Franchisor

We are a Delaware corporation formed on April 29, 2025. Our principal place of business in Australia is '100 Barangaroo Ave', Level 35, Tower One, International Towers, Barangaroo NSW 2000, Australia. Our principal place of business in the United States is 750 N. San Vicente Blvd., West Hollywood, California 90069. We will likely engage with you regarding the franchise offering from Australia or other locations in the United States. We do business under our corporate name and under our trade names “Success Tutoring” and “Success Tutoring Businesses”. We do not do business or intend to do business under any other name. Our corporate registered address is 108 Lakeland Ave, Dover, Kent County, Delaware 19901. Our agents for service of process are listed in Exhibit A.

We do not directly own or operate any Success Tutoring Businesses as of the date of this Disclosure Document. We began offering franchises for the operation of Success Tutoring Businesses in June 2025 with the issuance of this Disclosure Document. As of the date of this Disclosure Document, we have not sold any franchises. We have not offered franchises in any other line of business.

Our Parents, Predecessors and Affiliates

Our parent and predecessor is Black Franchise Group, an Australian Proprietary Limited Company formed on March 12, 2024 with ACN 675706 368 and its principal business address at '100 Barangaroo Ave', Level 35, Tower One, International Towers, Barangaroo NSW 2000, Australia (“BFG”).

We trace our roots back to 2017 when our founder Michael Black created a sole proprietorship and began offering tutoring services to students in and around the Sydney, Australia area. Mr. Black formed our affiliate Success Tutoring Australia Pty Ltd, an Australia limited company formed on July 20, 2020 with ACN 642 779 735 and its principal business address at '100 Barangaroo Ave', Level 35, Tower One, International Towers, Barangaroo NSW 2000, Australia (“ST Australia”) to franchise Success Tutoring Businesses in Australia beginning in July 2020. As of December 31, 2024, ST Australia had 41 franchisees operating 41 franchised Success Tutoring Business in Australia.

ST Australia is also the owner of the Marks (defined below).

We may be a pass through supplier to you for certain of your Approved Equipment and Supplies (as defined and described below) that you will purchase for your Success Tutoring Business.

We have 3 affiliates in Australia that operate three company-affiliated Success Tutoring Businesses in New South Wales, Australia beginning with the opening of the first Success Tutoring Business in Bossley

Park, NSW, Australia in mid-2017, but these affiliates are not franchisors and do not offer or sell any products or services to franchisees in the United States.

Other than ST Australia, we do not have any affiliates required to be disclosed in this Disclosure Document.

The Franchise Offered

We offer franchises for the right to locate, own and operate a Success Tutoring Business that offers and sells approved personalized English and Math tutoring services for students aged 5 to 17 (“Approved Products and Services”) from a fixed, physical location in a specific geographic area (the “Success Tutoring Business Campus”).

Success Tutoring Businesses will typically be located in inline retail malls or buildings in urban and suburban areas, preferably near large residential communities, and normally need approximately 500 to 1,500 square feet of indoor space.

We must approve all equipment, signage, trade dress, products, supplies and any other products and services that are used in developing and operating Success Tutoring Businesses generally (“Approved Equipment and Supplies”), and certain of these items will be commissioned by us and sold to you for use in your Success Tutoring Business.

Success Tutoring Businesses are characterized by a system (the “System”) which includes development and construction guidelines, opening guidelines, operational guidelines, initial and ongoing training programs, business methods, designs, arrangements and Brand Standards for developing, opening and operating Success Tutoring Businesses, including those pertaining to site selection, Approved Equipment and Supplies, Technology and Information Systems, equipment, supplies, signage and trade dress), Approved Products and Services and any other related products, services, supplies and items that are used, offered or sold in Success Tutoring Businesses generally, methods of inventory control and requirements and policies regarding memberships, accounting and financial performance and advertising and marketing programs, all of which Franchisor may improve, further develop or otherwise modify from time to time.

The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including the mark “Success Tutoring” as well as others we may authorize for use by Success Tutoring Businesses (the “Marks”). We expect to continue to improve and further develop the System and provide new information and techniques to all franchisees. You must operate your Success Tutoring Business according to the System as it evolves over time.

We offer franchise agreements (“Franchise Agreements”) which grant the right to construct, own and operate one Success Tutoring Business at a designated site (the “Success Tutoring Business Campus”) within a designated area (the “Territory”) for an initial term of 5 years. Our form of Franchise Agreement is attached to this Disclosure Document as Exhibit B.

We typically require you to sign a confidentiality agreement with us before we begin material discussions with you regarding the franchise offering. Our form of confidentiality agreement is attached as Exhibit D. We may also require you to complete a franchise application and provide us with certain information and documentation regarding you and your Controlling Principals. Our form of franchise application is an online form, but the content is attached as Exhibit E.

Prospective Success Tutoring Business franchisees are typically newly formed entities or individuals wanting to own and operate an education-focused business. Prospective Success Tutoring Business franchisees typically have some prior experience in education or an educational-focused business, but such experience is not required.

Success Tutoring Business franchisees may offer and sell Approved Products and Services to any potential student and related family members (each a “Customer”) that patronizes their Success Tutoring Business, subject to applicable laws.

Market and Competition

The market for educational and tutoring services is competitive and growing driven by increasing private school and college selectivity.

You will compete with a variety of tutoring businesses, from bricks and mortar and online tutoring businesses, to student-lead tutoring businesses, to school-offered tutoring services, to large educational or tutoring business chains. These businesses may compete on the basis of factors such as price, service, location, talent of the tutors and quality. These businesses are often affected by other factors as well, such as changes in the economy and demographics.

Industry Specific Laws

The education and tutoring industry is regulated in the United States by federal, state, and local governments.

Each state has laws and/or regulations which are specific to the childcare industry and to education. These laws and/or regulations may include licensing requirements; "star" ratings or a point system to designate the quality of the facility; specified minimum indoor and outdoor physical facilities and equipment; personnel screening obligations involving background checks and criminal records checks; personnel credentials, age restrictions and training requirements; obligations to report evidence of child abuse and neglect; food service requirements; requirements that structures provide shade; a prohibition on advertising before the operator is licensed or the business opens; and record keeping. You must investigate, keep informed of and comply with these laws as well as other federal, state and local laws regulating childcare and education in the operation and construction of your Success Tutoring Business. Each jurisdiction also will make the final determination of a Success Tutoring Business's license/enrollment capacity

You may also be required to obtain a teacher's certificate or school license in certain states. It is your sole obligation to comply with all state regulations with respect to any educational services in the states that require licensing. It will be your responsibility to ascertain and comply with all federal, state and local governmental requirements. We do not assume any responsibility for advising you on these regulatory matters. Some cities or other local government agencies impose local licensing requirements.

You will also be subject to federal and state laws and regulations that apply to businesses generally, including rules and regulations involving employment practices, wage and hour laws, immigration and employment laws. You must review federal minimum wage and overtime laws, as well as similar laws within your state to ensure compliance with labor and wage laws currently in existence and those that may later be adopted.

We recommend that you check with your state and local agencies to determine which laws apply to the operation of a Success Tutoring Business in your area. You should consider these laws and regulations when evaluating your purchase of a franchise.

ITEM 2 BUSINESS EXPERIENCE

Michael Black, Chief Executive Officer

Michael has served as our Chief Executive Officer since our formation in April 2025. Michael has also served as the Founder and Managing Director of BFG since its formation in March 2024 and ST Australia since its formation in July 2020. Mr. Black founded and operated the original Success Tutoring Business in 2017 and operated it a sole proprietorship until ST Australia was formed in July 2020.

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

Franchise Agreement

Franchise Documentation Fee

You will pay to us a franchise documentation fee of \$3,000 before you sign your Franchise Agreement, generally once we have completed our disclosure obligations to you and we have provided initial approval for you and your franchise Territory. The franchise documentation fee is fully earned and is not refundable unless we unilaterally determine that we will not proceed with your franchise sale for any reason, in which case we will return the franchise documentation fee less any actual expenses we incurred with the proposed transaction.

Initial Franchise Fee

The initial franchise fee for your Success Tutoring Business is \$50,000 and is payable in full upon execution of the Franchise Agreement. The initial franchisee is fully earned and is not refundable under any circumstances.

We are currently offering certain incentives or discounts related to the initial franchise fee, as follows:

1. We offer a reduced initial franchise fee of \$25,000 for pioneering franchisees who become the

first to purchase a Success Tutoring Business franchise in their state.

2. We offer a 30% reduction in the initial franchise fee for your first Success Tutoring Business if you are currently employed as a credentialed teacher or school administrator, or were so employed during the past 5 years.
3. As a participant in the International Franchise Association VetFran Program, we offer a 30% reduction in the initial franchise fee for your first Success Tutoring Business for qualified veterans. This offer is available to qualifying veterans honorably discharged from the U.S. Armed Forces (including the Army, Navy, Air Force, Marines, Coast Guard, and National Guard), or to active-duty members serving at the time the Franchise Agreement is signed.

Success Pack Purchase Requirement

You must purchase from us our initial Success Pack consisting of certain furniture and décor, office supplies and appliances, marketing equipment and company branded merchandise for your Success Tutoring Business. The current price for our Success Pack is \$15,000 (plus shipping, handling and insurance). The purchase price for the Success Pack must be paid in full upon execution of the Franchise Agreement and is non-refundable, and the delivery of the Success Pack is based on availability and timing for the design and construction of your Success Tutoring Business.

ITEM 6 OTHER FEES

Type of Fee (1)	Amount	Due Date	Remarks
Royalty Fee	Greater of 8% of Gross Sales, or \$2,200 per Accounting Period	Payable every Accounting Period by automatic debit from your account on the 7th day following each Accounting Period with respect to your Gross Sales for the preceding Accounting Period.	See Note 1 for the definition of “Accounting Period” and “Gross Sales”.
Local Ad Expenditure	3% of Gross Sales, to be spent directly by you on approved local advertising expenditures	As incurred, but to be reported to us on or before the 7th day after each calendar month with respect to Local Ad Expenditures for the preceding calendar month.	If we create a National Brand Fund and require you to contribute to the National Brand Fund, we will reduce or eliminate your Local Ad Expenditure to account for the monies you will pay to the National Brand Fund.
National Brand Fund Contributions	Currently 0%, but we reserve the right to create a National Brand Fund and require you to contribute up to 3% of Gross Sales to the National Brand Fund	Payable every Accounting Period by automatic debit from your account on the 7th day following each Accounting Period with respect to your	We reserve the right to create a National Brand Fund on at least 90 days’ written notice to you.

Type of Fee (1)	Amount	Due Date	Remarks
		Gross Sales for the preceding Accounting Period.	
Marketing & Grand Opening Expenditure	Up to \$15,000	As incurred.	You must expend the Marketing & Grand Opening Expenditure amount to promote your Success Tutoring Business in accordance with a plan we set with you for your Success Tutoring Business.
Continuing Purchases from us or our affiliates	The then current price charged to franchisees for any Approved Equipment and Supplies that we sell to you for your Success Tutoring Business.		You may in the future be required to purchase from us or our affiliates certain of the continuing Approved Equipment and Supplies you need for your Success Tutoring Business.
Convention Fees	Set before each convention or meeting based on anticipated actual costs	Upon demand.	Payable to offset a portion of our costs in organizing and holding annual or other periodic conventions or meetings.
Maintenance and Alteration	As needed to your Success Tutoring Business, including your Success Tutoring Business Campus	Work to be done within 60 days of notice from us.	Paid to third parties in amount and at times agreed on with third party
Transfer Fee	\$5,000.	Before consummation of transfer.	Payable when you sell the assets of your franchise or a controlling ownership interest in the franchise or when you sell all of your development rights or a controlling interest in yourself.
Renewal Fee	\$5,000.	On entering into a renewal franchise agreement, on expiration of the Franchise Agreement.	The Renewal Fee is in addition to any Success Tutoring Business upgrade costs that may be required.
Additional Persons at Initial Training	If you desire additional persons to attend our initial training, a fee for each additional person is due us. Currently, an amount equal to our actual additional costs (if any) for the additional persons attending our initial training, but no more than \$500 per additional person.	Before or at beginning of initial training for the additional or replacement Training Team participant.	Payable to us only if you request additional trainees be permitted to attend and we consent, or if you have replacement trainees.

Type of Fee (1)	Amount	Due Date	Remarks
Required Education/ Training Programs	If we require your attendance at education programs/training sessions sponsored or held by us, we may charge you a fee for such attendance.	Before or at beginning of said program/seminar.	Payable to us or seminar/ training program sponsor.
FF&E Upgrades	An amount determined by us or your third-party suppliers based on your satisfying our then current furniture, fixtures and equipment standards.	As incurred.	We may require you to incorporate new or upgraded furniture, fixtures and equipment into your Success Tutoring Business periodically based on our then current minimum standards.
Prospectus Review Fee	Reimbursement for our costs.	As incurred.	Payable if you or your Principals go public or raise monies through a stock prospectus.
Indemnification Costs	Reimbursement of defense costs we incur and payment of judgments against us arising from your conduct.	After notice from us.	Only applies if a claim is made against us based on your conduct.
Enforcement Costs	Will vary depending on circumstances.	On demand.	Payable only if we incur fees and costs to enforce the Franchise Agreement after your breach.
Audit and inspection costs	Our reasonable expenses including wages, and any professional fees.	On demand.	We have the right to audit or inspect your Success Tutoring Business, and charge you our costs if you are not in compliance or we have to re-audit or re-inspect to confirm compliance after a default.
Reimbursement of Insurance Costs	Premiums on required insurance we pay on your behalf	Immediately on notice from us.	Only applies if you fail to obtain required insurance and we elect to pay the premiums for your insurance.
Interest and Late Payments	1.5% of past-due amounts per calendar month or maximum rate allowed by law, whichever is less; also our collection costs. Late fee is \$50.	Immediately on receipt of claim from us.	Applies only on past-due amounts. Note: 10% per annum is the highest interest rate allowed in California.
NSF Fees	\$100 per Check or ACH failure	When billed.	Payable if we attempt to collect payment from you and there are not sufficient funds for payment.
Non-Compliance Fees	\$1,000 to \$4,000 per contractual deviation or default.	When billed.	Due if you deviate from any contractual requirement, including Brand Standards. Non-Compliance Fees compensate us for administrative and management costs, not

Type of Fee (1)	Amount	Due Date	Remarks
			for our damages due to your default. The fee is \$1,000 for the first violation, \$2,000 for the first repeat violation, and \$4,000 for second and each subsequent repeat violation on one or more consecutive, subsequent visits to your Success Tutoring Business.
Liquidated Damages for Early Termination (Franchise Agreement)	An amount equal to the average of the Royalty Fees paid (or payable) over the past 12 months times the lesser of 24 or the number of full calendar months remaining in the term of the Franchise Agreement at the time of termination.	Within fifteen days of demand.	Payable if we terminate your Franchise Agreement for cause, or if you terminate without satisfying your conditions for termination.
Liquidated Damages for Breach of Post-Termination Obligations (Franchise Agreement)	200% of the Continuing Fees that you would otherwise have been obligated to us with respect to the operations of your Success Tutoring Business if still a franchisee.	Within fifteen days of demand.	Payable if you breach your post-termination obligations after the expiration or earlier termination of the Franchise Agreement.
Liquidated Damages for Breach of Non-Competition Covenant (Franchise Agreement)	A monthly fee equal to 15% of the competing businesses' revenues.	Within fifteen days of demand.	Payable if you breach your noncompetition covenants.
Shipping, Handling and Insurance Costs	Actual costs	On demand.	Payable in connection with the Success Pack and any other items we or our affiliates sell to you.

Except as otherwise indicated above, all fees and expenses described in this Item 6 are uniformly imposed by, and payable to, us and are non-refundable. Except as listed above, there are no other fees under Franchise Agreements due or payable to us, or which we impose or collect in whole or in part on behalf of any third party.

Notes:

1. Under the Franchise Agreement: "Accounting Period" means each calendar month period or such other period as we designate. We may change the Accounting Period on 30 days' written notice to you. You must adopt our fiscal year, which is June 30th of each year. "Gross Sales" means: means the aggregate of all revenue and income of Franchisee from whatever source derived, whether or not collected by Franchisor or Franchisee and whether it is in the form of check, cash, credit or otherwise,

arising out of, in connection with or relating to Franchisee's Success Tutoring Business including, without limitation, (a) income from the sale of any Approved Products and Services sold from or through the Success Tutoring Business; (b) income from any other products or services provided to Customers; and (c) all proceeds from any business interruption insurance, but excluding i) all refunds, cancellation fees and discounts made in good faith to a Customer; ii) any sales, goods and services and equivalent taxes which are collected by Franchisee for or on behalf of any Governmental Authority and actually remitted to such Governmental Authority; iii) tips paid by Customers to Success Tutoring Business personnel; and iv) the value of any gift card, coupon, voucher or other allowance authorized by Franchisor and issued or granted to Customers of Franchisee's Success Tutoring Business which is received or credited by Franchisee in full or partial satisfaction of the price of any Approved Products and Services offered in connection with Franchisee's Success Tutoring Business. Franchisor reserves the right to institute policies in the Brand Standards Manuals or otherwise in writing and from time to time, regarding the inclusion in Gross Sales of any pre-paid goods or services (including, without limitation, gift cards and gift certificates) and the delivery and redemption thereof.

ITEM 7 ESTIMATED INITIAL INVESTMENT

Your Estimated Initial Investment

YOUR ESTIMATED INITIAL INVESTMENT					
Item	Estimated Cost		Method of Payment	When Due	To Whom Paid
	Low	High			
Franchise Documentation Fee (1)	\$3,000	\$3,000	Cashier's Check or EFT as arranged	Upon Signing Franchise Agreement	Us
Initial Franchise Fee (2)	\$50,000	\$50,000	Cashier's Check or EFT as arranged	Upon Signing Franchise Agreement	Us
Real Property/Site Lease (3)	\$7,500	\$15,000	As arranged	As Incurred	At signing of lease
Leasehold Improvements (4)	\$10,000	\$25,000	As agreed	As Incurred	Contractor/ Architect
Success Pack (5)	\$15,000	\$15,000	Cashier's Check, EFT or as arranged	Upon signing lease for the Success Tutoring Business Campus	Us
Additional Furniture, Fixtures, and Equipment (other than the Success Pack) (6)	\$0	\$5,000	As agreed	As Incurred	Vendors
Signage (7)	\$2,000	\$5,000	As agreed	As Incurred	Vendors

YOUR ESTIMATED INITIAL INVESTMENT					
Item	Estimated Cost		Method of Payment	When Due	To Whom Paid
	Low	High			
Technology and Information Systems (8)	\$2,500	\$4,500	As Arranged	As Incurred	Third party suppliers
Marketing and Grand Opening Expenditure (9)	\$10,000	\$15,000	Cashier's Check or EFT as arranged	As Incurred	Us
Insurance (3 Months) (10)	\$1,200	\$1,500	As Arranged	As Incurred	Insurance Companies
Security and Utility Deposits (11)	\$0	\$2,500	As agreed	As Incurred	Third party suppliers
Business Permits and Licenses (12)	\$250	\$1,000	As Arranged	As Incurred	Government Agencies
Professional Fees (13)	\$0	\$1,500	As Arranged	As Incurred	Third party suppliers
Additional Funds (3 months) (14)	\$10,000	\$20,000	As Arranged	As Incurred	You Determine
TOTAL FOR A SINGLE FRANCHISE (15)	\$111,450	\$164,000			

NOTES:

In general, none of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. We do not currently offer financing for any portion of your initial investment ourselves, although we may advise you of various finance sources that may be available to you.

1. Franchise Documentation Fee. The franchise documentation fee for your Success Tutoring Business is \$3,000.

2. Initial Franchise Fee. The initial franchise fee for your Success Tutoring Business is \$50,000, subject to certain incentives or discounts that may be available. See Item 5.

3. Real Property/Site Lease. Preferred locations for the Success Tutoring Businesses will typically be located in commercial office spaces or retail buildings, and normally need approximately 500 to 1,500 square feet of indoor space. We expect you will lease the premises for your Success Tutoring Business. The cost of leasing real estate will vary, depending on location and other factors. The low number estimates lease payments for a period of 4 months (consisting of 1 month before your anticipated opening and then an additional 3-month period) for a typical, small to medium sized Success Tutoring Business. The high number estimates initial lease acquisition costs (such as security deposits)

and lease payments for a period of 4 months (consisting of 1 months before your anticipated opening and then an additional 3-month period) for a larger sized Success Tutoring Business. We do not typically recommend that you purchase the land and building for your Success Tutoring Business. If you purchase land and/or a building, your cost will be substantially higher, and will vary depending on the market for real estate in your area. We do not provide any cost estimates for the purchase of land and/or the building for your Success Tutoring Business

4. Leasehold Improvements. Your Success Tutoring Business will be established in accordance with our current Success Tutoring Business designs. Our current Success Tutoring Business design consists of approximately 500 to 1,500 square feet of interior space, and we assume that your lessor will provide, or that you will create a shell space through leasehold improvements that includes, at a minimum, a level concrete floor suitable for floor covering, demising walls, and air-conditioning, electricity, gas, sewers, bathroom facilities, kitchen, and water and plumbing suitable for Customers from 5 to 17 years of age. Among other things, you will probably need to arrange for the following items to meet our standard plans and specifications: proper wiring and plumbing, floor covering, wall covering, partitions, lighting and fixtures, storefront modifications, painting, cabinetry, and the like. Costs will vary depending upon various factors, including: the geographic location of your business; the size of the premises; the availability and cost of labor and materials; and the condition of the premises and the work that the lessor will do as a result of the lease negotiations. Lessors may, instead of constructing or installing some of the improvements itself, provide you with credits towards your future rent payments and/or a tenant improvement allowance. The lower amount assumes a smaller space within our design parameters in a suburban area and the higher amount assumes a larger space within our design parameters in an urban area without your landlord contributing to your build-out.

5. Success Pack. This line item includes certain non-Technology and Information Systems focused Approved Equipment and Supplies necessary to stock your Success Tutoring Business before opening. Before you open your Success Tutoring Business, you must purchase the Success Pack from us, which includes furniture and décor, office supplies and appliances, marketing equipment and company branded merchandise needed for the operation of your Success Tutoring Business. A list of specific items and quantities are described in an Exhibit to your Franchise Agreement.

6. Additional Furniture, Fixtures and Equipment (excluding Success Pack). The additional furniture, fixtures and equipment costs are based on any additional approved furniture, fixtures, equipment that you choose to purchase, including (without limitation) desks, tables, whiteboards, audio visual materials, a Closed Circuit Television (CCTV) system, décor items, and other fixtures, furnishings and equipment. We currently purchase and resell some of these required or approved furniture, fixtures and equipment to you.

7. Signage. Your signage costs will depend on whether you lease a commercial or retail space, and whether you have architectural, municipal or lease restrictions on the signage you can use at your Success Tutoring Business premises. In all cases, you are required to meet or exceed our specifications for your signage unless you are restricted by local ordinance from meeting our specifications.

8. Technology and Information Systems. Technology and Information Systems includes our current Success Tutoring Business Operating System, the software applications for use by tutors, parents and students and the computer hardware inside the Success Tutoring Business (such as iPad or tablets). See Items 8 and 11.

9. Marketing and Grand Opening Expenditure. These amounts cover your marketing for the first 3 months of operating the Success Tutoring Business. The amounts include, but are not limited to, social media marketing, management fees, shopping mall promotions, sponsorships and other local

marketing activities. A grand opening is required by all Success Tutoring franchisees. If we agree that a grand opening is needed, then you must submit your grand opening advertising budget and list of proposed vendors to us for approval. You must submit proof of the Marketing & Grand Opening Expenditure upon our request.

10. Insurance. You must carry insurance as required in the Franchise Agreement. The amount in the table represents our best estimate of the premiums required for Commercial General Liability insurance, “All Risk” or “Special Form” Property insurance, Sexual Abuse or Molestation insurance, and Workers’ Compensation insurance during a Success Tutoring Business’s first year of operation. However, your costs may vary from those described in the table.

11. Utility Deposits. Utility deposits include estimated deposits for telephone service and other utilities. The estimate in the chart above includes your first month’s utility deposits (for example, telephone, electricity, gas and water).

12. Business Permits and Licenses. You must research the kinds of permits and/or licenses you need to maintain and to obtain those permits and/or licenses before you begin operating the Success Tutoring Business.

13. Professional Fees. You may wish to consult with an accountant or other business advisors, or retain an attorney to advise you about the franchise opportunity and to ensure that you comply with all applicable laws in any jurisdiction where you will operate the Success Tutoring Business.

14. Additional Funds. Additional funds include expenses for wages, occupancy costs, professional expenses and other recurring expenses from before the opening of the Success Tutoring Business, and during the first 3 months of operation. The estimate assumes that you will employ an attorney to help you negotiate your lease for the Success Tutoring Business premises. In addition, you may choose to employ an attorney, accountant, and other consultants to help you evaluate our franchise offering and your establishment of a new business, and in obtaining all required permits and licenses to establish and operate the Success Tutoring Business. In addition, you may also form a corporation or other entity to operate the business. Your actual costs may vary substantially, for example, depending on the degree to which you rely upon your advisors and upon the licensing requirements that may apply to your Success Tutoring Business.

15. Total for a single Franchise Agreement. This total is an estimate of your initial investment and the expenses you will incur during the first 3 months of operations. As stated in Note 5, we have not included any real estate purchase costs. In compiling this chart, we relied on the experience of our affiliate ST Australia and franchising over 50 Success Tutoring Businesses in Australia since 2020. The amounts shown are estimates only and may vary for many reasons including the capabilities of your management team, and your business experience and acumen. You should review these estimates carefully with an accountant or other business advisor before making any decision to buy a franchise. These are only estimates and your costs may vary. The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General Requirements

You must acquire your Approved Equipment and Supplies and all Approved Products and Services to be

used in your Success Tutoring Business according to the standards and specifications established by us (“Brand Standards”), and as contained in the Franchise Agreement and Brand Standards Manual. We may modify the standards and specifications occasionally. We will promptly notify you of any such modifications to the Brand Standards. We formulate and modify these Brand Standards based on research, industry trends and our general business plan.

Additionally, you must maintain your Approved Equipment and Supplies used in your Success Tutoring Business in good order and repair, and you must promptly replace your Approved Equipment and Supplies as they become worn, damaged, obsolete, out of style or mechanically impaired and when offered or applicable, enter into preventative maintenance programs as further described in the Brand Standards Manual.

The purpose of these requirements is to establish quality control standards for the items used in the development and operation of your Success Tutoring Business and to protect, maintain and promote the product and service consistency, reputation and goodwill of Success Tutoring Businesses.

You must purchase, lease, stock and use only Approved Equipment and Supplies and also offer and sell only Approved Products and Services that meet or exceed the Brand Standards we specify.

You must purchase or obtain your Approved Equipment and Supplies and all Approved Products and Services from an approved source that we designate (which may be us), and exclusively offer and sell only Approved Products and Services that we designate.

Required Purchases from Us or Our Affiliates

As of the date of this Disclosure Document, we are the sole approved vendor for the Success Pack, and may also be an approved vendor for certain other additional Approved Equipment and Supplies as detailed below. We may generate revenue from your purchases of these Approved Equipment and Supplies from us or our affiliates. As of the date of this Disclosure Document, Approved Equipment and Supplies that either must or may be purchased from us or our affiliates include the following:

Related-Party Vendor (mandatory or optional)	Goods or Services Offered (mandatory or optional)	Current Price or Fees to Us
Us (mandatory)	Mandatory Success Pack	See Item 5 for price. The Success Pack is generally sold at a price that is consistent with our costs plus shipping, insurance and handling, but may include a potential markup up to 10% of the total Success Pack price we pay to our suppliers.

You must pay for your Success Pack when you sign the real estate lease for your Success Tutoring Business.

You have certain obligations to update or upgrade your Approved Equipment and Supplies during the term of your Franchise Agreement, including in connection with the renewal or transfer of your Franchise Agreement.

We reserve the right to require or permit you to purchase additional current or future Approved Equipment and Supplies and/or Approved Products and Services directly from us or our affiliates, current vendors or other approved vendors in the future. If as set forth above we or our affiliates are the sole or an approved vendor for any such items, we reserve the right to set the prices for all such Approved Equipment and Supplies and/or Approved Products and Services as we deem appropriate from time to time.

Other Purchases

We may on a case by case basis designate or review and approve additional third party branded or other products or services as Approved Equipment and Supplies and/or Approved Products and Services for use, offer or sale in Success Tutoring Businesses, with review and approval conducted under our approval procedures described below. As noted above, we may purchase third party branded or other Approved Equipment and Supplies and/or Approved Products and Services in bulk and sell them to you at prices we set from time to time (which may include a markup that we set from time to time), or permit you to purchase third party branded Approved Equipment and Supplies and/or Approved Products and Services directly from a third party manufacturer or re-seller.

We may change or expand the list of Approved Equipment and Supplies and/or Approved Products and Services or the list of suppliers for Approved Equipment and Supplies and/or Approved Products and Services in the future, in our discretion.

As of the date of this Disclosure Document, we have designated one or more third party authorized suppliers for the following Approved Equipment and Supplies and/or Approved Products and Services:

Authorized Third Party Vendor	Goods or Services Offered	Your Current Fees and/or Our Received Rebates or Payments (if any)
Hapana	Our Success Tutoring Business Operating System	Currently, \$0

We do not currently have any required distributor for Approved Equipment and Supplies and/or Approved Products and Services, but we reserve the right to designate one or more required distributors for such items in the future. If we designate an approved or required distributor, you must purchase Approved Equipment and Supplies and/or Approved Products and Services to be used in your Success Tutoring Business from the required distributor unless you have first obtained our prior written consent to purchase from another distributor in accordance with our vendor and supplier review process (see below).

We reserve the right to designate other specific distributors, vendors and suppliers for Approved Equipment and Supplies and/or Approved Products and Services in the future. If you desire to purchase any products or services from a supplier that has not already been approved, you must obtain our prior written approval, which may take up to 90 days from our receipt of all requested information, including information regarding the supplier's fiscal strength, demonstrated customer service, product or service quality, product or service safety and a strong regional presence. Additionally, as a condition to granting

approval, we may require you to submit samples of the proposed supplier's services or products, and to arrange for us to visit the supplier's facilities. If we elect to test the samples or inspect the proposed supplier's facilities, you will be charged a fee not to exceed the actual cost of such inspection or testing. We reserve the right to reinspect the facilities and products or services of any approved supplier and to revoke our approval if the supplier fails to continue to meet any of our then-current standards. We will notify you in writing of any revocation of a supplier or their product or service and provide you a reasonable period of time to cease use of the supplier or their product or service, which period of time we will determine based on the amount of inventory you may have and the underlying reason for the revocation.

Purchasing Arrangements

In addition to our supply and financial arrangements with bespoke manufacturers to us or our affiliates described above, we reserve the right to contract with manufacturers, suppliers and distributors who provide us volume discounts, rebates and other cash payments based on volume purchases of Approved Equipment and Supplies and/or Approved Products and Services used by our franchised, company-owned or affiliated Success Tutoring Businesses. We anticipate that certain volume discounts, rebates and other cash payments received by us as a direct result of your purchase of Approved Equipment and Supplies and/or Approved Products and Services will be, in our sole discretion: (a) paid to you, (b) contributed to the development and implementation of our plan for advertising Success Tutoring Business Network services and products, (c) retained by us, or (d) otherwise used to benefit the Success Tutoring Business network. In all cases, we will deduct our expense to coordinate and test products, services or other items.

We do not provide or withhold material benefits to you (such as renewal rights or the right to open additional Success Tutoring Businesses) based on whether or not you purchase Approved Equipment and Supplies and/or Approved Products and Services through us or our affiliates or the other suppliers we designate or approve. However, purchases of any unapproved equipment or supplies and/or products and services and/or purchases from unapproved vendors in violation of the Franchise Agreement will entitle us, among other things, to terminate your Franchise Agreement.

We have not arranged for any purchasing cooperatives for our franchisees, but we reserve the right to do so in the future.

The Brand Standards Manual requires that you obtain and use in your Success Tutoring Business data processing equipment, computer hardware, required dedicated telephone and power lines, modems, printers, and other computer related accessory or peripheral equipment (collectively, your "Technology and Information Systems", as defined in Item 11) that are compatible with our Success Tutoring Business Operating System (if applicable) and any other then current electronic collection and retrieval systems we have designated.

Our then current approved Technology and Information Systems are included in our Approved Equipment and Supplies. We have developed with a third party and require you to use our Success Tutoring Business Operating System and may in the future require replacement or other proprietary operating systems and/or processes relative to point of sale, bookkeeping, operations and financial information, inventory and speed of service processes in connection with the operation of your Success Tutoring Business, and require you to obtain and at all times utilize the services of a credit card processor approved by us. Additionally, we may require that you input and maintain in your computer certain software programs, data and information that we prescribe. See Items 6 and 11.

As of the date of this Disclosure Document, you must purchase a computer system and software that meets our specifications. We require you to install and maintain a hardware and software firewall device on your point-of-sale network that follow closely to the Payment Card Industry (PCI) DSS merchant requirements as stated on the <http://www.pcisecuritystandards.org>. See Item 11 for description of your computer and software requirements.

You must expend the Marketing & Grand Opening Expenditure of up to \$15,000 for an initial opening advertising and promotion program to be conducted in accordance with our standards. The Marketing & Grand Opening Expenditure will be paid directly to the applicable service providers and not to us. You must submit proof of payment of the Marketing & Grand Opening Expenditure on our request.

You must also obtain and maintain at your own expense insurance policies with insurers reasonably satisfactory to us covering the items specified in the Brand Standards Manual, Commercial General Liability insurance, “All Risk” or “Special Form” Property insurance, Sexual Abuse or Molestation insurance, and Workers’ Compensation insurance. You must list us as additional insureds. Our current requirements are described in the Summary Pages to the Franchise Agreement (attached as Exhibit B to this Disclosure Document). If you do not provide proof of insurance to us as required under the Franchise Agreement, we may secure insurance for you and charge the cost to you.

We estimate that the purchases described above will equal approximately 35% to 45% of the total cost to establish your Success Tutoring Business, and approximately 25% to 30% of your ongoing operating expenses.

Revenues from Sales of Products or Services to Franchisees.

We did not start franchising until June 2025 and did not sell any franchises during our last fiscal year ended June 30, 2024, so for our last fiscal year, we did not receive any revenues from franchisee purchases of required products.

One of our officers is one of our owners, and we are a required supplier to our franchise system.

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	Article in Franchise Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	§ 8	7 and 11
(b) Pre-opening purchases/lease	§§ 7 (i) to (iii)	5, 7, 8 and 11
(c) Site development and other pre-opening requirements	§§ 2, 7(i), 8 and 9	7 and 11

Obligation	Article in Franchise Agreement	Disclosure Document Item
(d) Initial and ongoing training	Summary Pages, §§ 7(a)(iv), 9(e), and 9(t)	6, 7 and 11
(e) Opening	Summary Pages, §§ 7(a)(vi), 9(f) and 10(a)	11
(f) Fees	Summary Pages, §§ 2, 5 and 10(b) and (c)	5, 6, 7 and 11
(g) Compliance with standards and policies/Brand Standards Manual	§§ 2, 6, 7(a)(v), 7(b)(iv), 9(a)-(ee), 10(a) and (b), 11(b)-(f), 13(b), 14(a), 15(b) and (c), 16(b), 17(a), 18(a) and 23(f)	8, 11, 14 and 16
(h) Trademarks and proprietary information	§§ 2, 3, 6(a), 9, 11(c), 13, 15(a), 17(a) and 18(a)(ii)	13 and 14
(i) Restrictions on products/services offered	§§ 9, 10, 11 and 13	8 and 16
(j) Warranty and customer service requirements	§§ 9(l)-(o), (t) and (z) and 16	None
(k) Territorial development and sales quotas	§§ 2, 5(b), 14(b), 14(c) and <u>Exhibit B</u>	12
(l) On-going product/service purchases	§§ 2, 3, 6, 7, 9, 13	8
(m) Maintenance, appearance and remodeling requirements	§§ 6(c) and 9(r-t)	None
(n) Insurance	Summary Pages, §§ 9(cc) and 18(a)(iv)	7 and 8
(o) Advertising	Summary Pages, § 10	6, 7 and 11
(p) Indemnification	§ 18	6
(q) Owner's participation/management/staffing	Summary Pages, §§ 2, 7, and <u>Exhibit A</u>	11 and 15
(r) Records/reports	Summary Pages, §§ 2, 5(f), 9(w) to (z) and 11(f)	6

Obligation	Article in Franchise Agreement	Disclosure Document Item
(s) Inspection/audits	§§ 9(x), 9(aa)-(bb) and 11(f)	6
(t) Transfer	§ 15	6 and 17
(u) Renewal	§ 12	6 and 17
(v) Post-termination obligations	§ 17	17
(w) Non-competition covenants	§ 14	17
(x) Dispute resolution	§ 20, 21	17
(y) Liquidated Damages	§ 22, <u>Exhibit A</u> and <u>Exhibit B</u>	6

ITEM 10 FINANCING

We do not currently offer you any direct or indirect financing, nor do we receive any payments from any person offering financing to or arranging financing for a prospective Success Tutoring Business franchisee. We do not guarantee your note, lease or any other financial obligation.

ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Before you open your Success Tutoring Business, we will:

(1) Review the proposed site for your Success Tutoring Business for minimum compliance with our Brand Standards, and in certain instances we may review your design plans for the construction of the Success Tutoring Business. (Franchise Agreement, Section 7(a)(i)).

(2) Furnish you a list that describes the Approved Equipment and Supplies that you must purchase, lease, use and install to initially stock the Success Tutoring Business together with the names of any third party suppliers we have designated or approved for such Approved Equipment and Supplies. (Franchise Agreement, Section 7(a)(ii)).

(3) Sell to you (or cause to be sold to you) the Success Pack and (if applicable) certain proprietary and other Approved Equipment and Supplies and/or Approved Products and Services that you are required to purchase from us or our affiliates; provided that you are solely responsible for installing or stocking all such Approved Equipment and Supplies and/or Approved Products and Services in the Success Tutoring Business (Franchise Agreement, Section 7(a)(iii)).

(4) Provide initial training to your Training Team (Franchise Agreement, Section 7(a)(iv)).

(5) Loan you a copy of our Brand Standards Manual when your Training Team arrives for initial training (Franchise Agreement, Section 7(a)(v)). The table of contents of the Brand Standards Manual is attached to this disclosure document as Exhibit F. As of the date of this Disclosure Document, the Brand Standards Manual contains 250 written pages plus videos totaling approximately 600 minutes of material. Our System does not include any personnel policies or procedures or security-related policies or procedures that we (at our option) may make available to you in the Brand Standards Manual or otherwise for your optional use. You will determine to what extent, if any, these policies and procedures might apply to your operations at the Success Tutoring Business. We neither dictate nor control labor or employment matters for franchisees and their employees and we are not responsible for the safety and security of Success Tutoring Business employees or patrons. You will agree in your Franchise Agreement that we are not joint employers of your employees and other personnel. We do not and will not share or codetermine any of your employees' essential terms and conditions of employment. More specifically, in no case do we have any authority to determine or set your employees': (1) wages, benefits, and other compensation; (2) hours of work and scheduling; (3) the assignment of duties to be performed; (4) the supervision of the performance of duties; (5) work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) the tenure of employment, including hiring and discharge; and/or (7) working conditions related to the safety and health of employees. You alone have sole authority to determine any or all your employees' essential terms and conditions of employment.

(6) Provide opening assistance for your Success Tutoring Business (Franchise Agreement, Section 7(a)(vi)).

(7) Connect you to our web-based Success Tutoring Business Operating System (Franchise Agreement, Section 7(a)(vii)).

After you open your Success Tutoring Business, we will provide the following services and assistance to you:

(1) Maintain and authorize you to use our web-based Success Tutoring Business Operating System (if applicable) (Franchise Agreement, Section 7(b)(i)).

(2) Provide advice and assistance as we deem advisable in planning publicity and promotions for your Success Tutoring Business's promotion, including print media and display advertising (Franchise Agreement, Section 7(b)(ii)).

(3) Provide staff accessible to you and your key employees, to the extent we deem advisable, for consultation by telephone, fax, written communication, e-mail and other forms of electronic communication during regular business hours (Franchise Agreement, Section 7(b)(iii)).

(4) Loan you additions and supplements to the Brand Standards Manual as they become available, and disclose to you additional Trade Secrets, if any, we develop that relate to the operation of a Success Tutoring Business (Franchise Agreement, Section 7(b)(iv)).

(5) So long as you are in full compliance with the Franchise Agreement and all other agreements with us, we will invite you to attend all conventions, seminars and other franchisee-oriented functions we plan occasionally (Franchise Agreement, Section 7(b)(v)).

(6) Sell to you (or cause to be sold to you) the then current array of any proprietary and other Approved Equipment and Supplies and/or Approved Products and Services that you are then required to purchase from us or our affiliates (if any) (Franchise Agreement, Section 7(vi)).

(7) Supervise our memberships programs and national account programs (if either or both are implemented), as might be then applicable (Franchise Agreement, Section 7(viii)).

(8) Provide promotional and marketing supplies and digital marketing materials and/or templates as we may periodically develop (Franchise Agreement, Sections 9(r) and 10(a)).

Site Selection

If you have not already secured approval for your Success Tutoring Business Campus when you sign your Franchise Agreement, then within 90 days after signing the Franchise Agreement, you must locate and obtain our consent to a site within the Territory for the establishment and operation of your Success Tutoring Business. We do not own the site or lease it to you. Nor do we select your site, although we do determine in your Franchise Agreement the Territory in which you may consider sites.

You must submit to us:

- (1) a completed site review form designated by us, which will include, among other things, demographic information, a site plan, and traffic-related information;
- (2) if the premises for the proposed site are to be leased, satisfactory evidence that the lessor will agree to the minimum requirements contained in the Franchise Agreement; and
- (3) any other information or materials as we require, such as a letter of intent or other document which confirms your favorable prospects for obtaining the proposed site.

On receipt of all requested documentation, we will notify you of our consent to or rejection of the site in writing within a period of 15 days. All of our decisions are final. Our consent to a site does not constitute an assurance, representation or warranty of any kind, express or implied, as to the suitability of the site for your Success Tutoring Business or for any other purpose or of the financial success of operating your Success Tutoring Business at such site.

If we deem necessary, we will undertake one on-site evaluation of a proposed site free of charge. For all subsequent on-site evaluations requested by you or required by us, you must reimburse us for our expenses, including travel expenses, and a per diem charge for salaries, room and board (currently \$500 per day).

Upon your written request, we may grant a written extension or extensions to the period for obtaining our consent to a proposed site, but only if we believe you are actively seeking a site. If we have not granted you a written extension, your failure to obtain our consent for a site for your Success Tutoring Business within 180 days after the execution of the Franchise Agreement will be a default of your Franchise Agreement, and we may demand cure within 15 days or we may terminate your Franchise Agreement and retain all monies paid to us.

If you will occupy the premises of your Success Tutoring Business under a lease, you must submit a copy of the lease containing our form of lease rider to us for written consent prior to its execution and must furnish to us a copy of the executed lease within 10 days after execution. No lease for your Success Tutoring Business premises will be consented to by us unless it contains the lease rider and other terms set forth in the Franchise Agreement. A copy of the lease rider is attached as an Exhibit to the Franchise Agreement.

If you will purchase the premises for your Success Tutoring Business, you must submit a copy of the proposed contract of sale to us for our written approval before its execution and must furnish to us a copy of the executed contract of sale within 10 days after execution.

The factors that we consider in approving your site include the property's location, presence of elementary, middle and high schools, presence of competitors, parking opportunities, safe and secure access for Customer drop off and pickup, population demographics and density of the neighborhood, lot size and configuration, and access and visibility of the property from adjoining roads or highways.

We estimate that 120 to 180 days will elapse from the time you receive site approval to the date a Success Tutoring Business opens for business. The factors affecting this length of time usually include financing arrangements, construction time for the building and related improvements, local ordinance compliance and delivery and installation of furniture, fixtures, equipment and signs.

You must open your Success Tutoring Business by the Scheduled Opening Date listed in the Summary Pages to the Franchise Agreement, which is typically 180 days from the date you sign your Franchise Agreement. The factors which affect this time are the ability to obtain a deed or lease, financing or building permits, zoning and local ordinances, weather conditions, shortages, and delayed installation of equipment, fixtures and signs.

You may not begin using the Marks in connection with the operation of your Success Tutoring Business until: (1) your personnel have successfully completed initial training in according with the terms of the Franchise Agreement; (2) all amounts then due to us have been paid; (3) we have been furnished with copies of all insurance policies required by the Franchise Agreement, or such other evidence of insurance coverage and payment of premiums as we request; and (4) when all required or approved leasehold improvements, furniture, fixtures, equipment, school materials, signage and Proprietary School Products and Services are verified to be in place and/or use.

Failure to timely open your Success Tutoring Business is a curable default under your Franchise Agreement and may result in the termination of your Franchise Agreement. It is possible that we will occasionally extend the time frame for opening your Success Tutoring Business based upon specific facts and circumstances.

Training Program

Before opening your Success Tutoring Business, your Controlling Principal (and your Centre Manager, if applicable) (collectively, your "Training Team") must complete our mandatory initial training program to our satisfaction. We call our initial training program our Success Academy.

We anticipate that your Training Team will need to attend our full Success Academy program, but initial training differs based on each Training Team member's role with the Success Tutoring Business and we may waive this requirement or permit a reduced Success Academy program depending on the experience of one or more of your Training Team members. When your Training Team commences our Success

Academy, we will loan you one copy of the Brand Standards Manual. The cost of your Training Team to attend our initial training program is covered by your payment of the Initial Franchise Fee. We may charge you an additional fee equal to our out-of-pocket costs for any additional required or optional training and training for additional or replacement Training Team members, capped at \$500 per additional person.

Our Success Academy program consists of a maximum of 14 days' of online training for the members of the Training Team. We do not currently require any in-person training, but we may agree to provide in-person training at our United States headquarters or another Success Tutoring Business in the United States if requested and we deem it appropriate. In all cases, Franchisor may agree to reduce the length of training based on the experience of one or more members of the Training Team.

Most Success Academy classes are available online 24/7, but any in the field Success Academy training in the future may occur at our United States headquarters or one or more future franchised Success Tutoring Business in the United States. Your entire Training Team must begin the Success Academy program at least 4 weeks before the expected opening date of your Success Tutoring Business, and must complete the Success Academy program at least 2 weeks before the expected opening date of your Success Tutoring Business. If your Training Team personnel cannot complete the Success Academy program to our satisfaction, we may terminate your Franchise Agreement and retain all fees paid to us. You will be responsible for all your travel expenses and room, board and wages (if any) of your Training Team who attend our Success Academy program or any other mandatory or available training programs. We may periodically make other mandatory or optional training available to your personnel as well as other programs, seminars and materials, and you will ensure that your personnel, as we direct, satisfactorily complete any required training within the time specified.

Our Success Academy program is overseen by Michael Black (8 years' experience in Success Tutoring Businesses and 8 years' experience in training generally), and includes one or more store managers from our affiliates' Success Tutoring Businesses.

An outline of the minimum training requirements at Success Academy program is in the table below. At our complete discretion, we may provide additional on-demand online and in-person training to the Training Team:

Initial Training Program

Subject	Hours of Classroom Training	Hours of on the Job Training	Location
Company Information - Part 1	1 hour	-	Online via Success Academy
Company Information - Part 2 (Manager/Franchise Partner)	1 hour	-	Online via Success Academy
Tutor Course	1 hour	-	Online via Success Academy
Departmental Operations	1 hour	-	Online via Success Academy

Subject	Hours of Classroom Training	Hours of on the Job Training	Location
Software	5 hours	-	Online via Success Academy
Customer service policies and procedures	1 hour	-	Online via Success Academy
Campus fitout policies and procedures	1 hour	-	Online via Success Academy
HR policies and procedures	1 hour	2 hours	Online via Success Academy
Marketing/ Advertising policies and procedures	1 hour	-	Online via Success Academy
Safety and Security Policies and Procedures	1 hour	-	Online via Success Academy
School Holiday Program	1 hour	-	Online via Success Academy
Totals	15 hours	2 hours	

In connection with the opening of your Success Tutoring Business, 1 of our opening and operations representatives will travel to your Success Tutoring Business to provide you with on-site pre-opening and opening training, supervision and assistance for approximately 5 days in the aggregate immediately before your scheduled opening date and after your Success Tutoring Business opens for business. On-site pre-opening and opening training is covered by the Initial Franchise Fee. See Item 5.

We reserve the right to require you to pay us our then current additional training fee (currently \$1,500 plus our costs, if any) if after opening you request additional training or the training of replacement Training Team members.

We will train you on our Success Tutoring Business Operating System as part of your initial training. See Item 8. However, in connection with your purchase of your other Technology and Information Systems, we expect that you will obtain training directly from the vendor of these other systems as part of your initial purchase. You will be responsible for all expenses incurred during any such other Technology and Information Systems training, which we have described in Items 6, 7 and 11.

You must also participate in a minimum of 4 Success Tutoring Business monthly meetings per year at your sole cost. We typically hold these in-person or online.

Advertising and Promotions

Grand Opening Advertising

You must make the Marketing & Grand Opening Expenditure (currently up to \$15,000) in accordance with an initial opening advertising and promotion program we set with you in accordance with our Brand

Standards. The Marketing & Grand Opening Expenditure will be paid directly to the applicable service providers and not to us unless otherwise directed. You must submit proof of payment of the Marketing & Grand Opening Expenditure on our request.

Local Advertising

We require you to spend a Local Ad Expenditure equal to 3% of Gross Sales on approved local advertising for the duration of the term of your Franchise Agreement.

You may be required to submit to us an advertising expenditure report accurately reflecting all local advertising expenditures no later than the 7th day of each calendar month during the term of the Franchise Agreement (or at any other frequency or on any other date directed by us in writing). In addition to the restrictions set forth below, costs and expenditures incurred in connection with any of the following will not be included in your expenditures on local advertising, unless approved in advance by us in writing.

- (a) Incentive programs for your employees or contractors;
- (b) Research expenditures;
- (c) Free Approved Products and Services costs incurred in any promotion;
- (d) Salaries and expenses of any of your employees, including salaries or expenses for attendance at advertising meetings or activities;
- (e) Charitable, political or other contributions or donations;
- (f) Press parties or other expenses of publicity;
- (g) Sample materials for use in your office or in the field;
- (h) Seminar and educational costs and expenses of your employees; and
- (i) Specialty items such as T-shirts, pins, and awards, unless those items are part of a market-wide advertising program and then only to the extent that the cost of the items is not recovered by the promotion.

You must participate in all system-wide promotions and advertising campaigns which we originate. We may or may not count your expenditures in such promotion and advertising campaigns towards your Local Ad Expenditure or other marketing requirements.

Should you create your own local advertising and promotions, we reserve the right to approve in advance of their use any graphic materials or commercials developed by you and the media in which they are placed.

National Brand Fund

We reserve the right to create a National Brand Fund on at least 90 days' written notice to you to, which we will use to, among other things, arrange for, place and run advertisements, commercials and promotional materials in local, regional and national media. If created, you must make contributions to the National Brand Fund at the rate and in the manner (including payment by automatic debit) we

establish. As set forth in Item 6, the National Brand Fund contribution rate will be up to a maximum of 3% of Gross Sales and will be payable no later than the 7th day of each Accounting Period during the term of the Franchise Agreement.

If we create a National Brand Fund and require you to contribute to the National Brand Fund, we will reduce or eliminate your Local Ad Expenditure to account for the monies you will pay to the National Brand Fund.

Franchisor/affiliate-operated Success Tutoring Business (if any) will not be required to contribute to the National Brand Fund on the same basis as franchisees, but we anticipate they will contribute to the National Brand Fund in a similar manner.

We or our designee will administer the National Brand Fund. The National Brand Fund will be used for all types of advertising and administrative activities, including to arrange for, place and run advertisements, commercials and promotional materials in local, regional and national media. We will not use National Brand Fund contributions to pay for materials that publicize the franchise program or the sale of franchises. We would generally work with an advertising agency in developing advertising for print, radio or television, but will also use in-house staff. (Franchise Agreement, Section 10(d)).

We will use National Brand Fund contributions in a manner that provides marketing benefits to the entire network of Success Tutoring Business, including franchised and franchisor/affiliate-operated, as a whole. However, we may allocate National Brand Fund contributions to various permitted uses as we see fit. We will strive to spend National Brand Fund contributions in a manner that provides advertising benefits to all participating Success Tutoring Businesses. However, we do not guarantee that all Success Tutoring Businesses will receive equal advertising benefits in view of regional differences in media costs, varying degrees of market penetration in different areas. Nor do we guarantee that all franchisees will contribute to the National Brand Fund at the same rate.

We may structure the National Brand Fund's organization and administration in ways that, in our judgment, most effectively and efficiently accomplish the National Brand Fund's objectives. We may organize or reorganize the National Brand Fund as a separate non-profit corporation or other appropriate entity and transfer the National Brand Fund's assets to another entity. If we establish another separate entity to administer the National Brand Fund, you must become a member of the entity and, in that regard, to sign a participation agreement and take such other steps as we specify.

As of the date of this Disclosure Document, we have not yet established a National Brand Fund. Hence, the percentage of advertising fund money spent on production, media placement, administrative expenses and other items cannot be calculated for our last fiscal year ended June 30, 2024. We are not required to prepare or to provide to you audited or unaudited financial statements for the National Brand Fund. However, we intend to make annual unaudited statements available to you if we create a National Brand Fund. If any funds remain at the end of the tax year in which they were contributed, all expenditures in the following year will be made first out of the accumulated earnings from the prior years.

Gift Card and Customer Loyalty Programs

We may occasionally develop and administer, or grant you permission to participate in, gift card, gift certificate or voucher sales programs, customer retention and loyalty programs or other programs designed to promote and enhance the collective success of all Success Tutoring Businesses. You must participate in any such gift card, gift certificate, voucher or customer loyalty program we establish, and

honor any such gift cards, gift certificates, vouchers or loyalty awards presented for redemption at the Success Tutoring Business. You may not create or issue your own gift cards, gift certificates or vouchers, or create your own loyalty program, unless we expressly permit you to do so in writing. Nor may you sell gift cards, gift certificates or vouchers in bulk or to any retailers for resale. You are responsible for signing any third-party agreements and paying any third-party fees that are required for participation in these programs.

Franchisee Advertising Council

We do not currently have a franchisee advertising council that advises on advertising policies. We may form a franchisee advertising council in the future, but we have no obligation to do so. If we form a franchisee advertising council, we will have the right to determine how its members are selected and the scope of its authority as well as the right to change or dissolve the franchisee advertising council.

Website, Social Media and the Internet

As noted above, we currently operate the Success Tutoring Website (currently at www.successtutoring.com), which provides information about our Success Tutoring Businesses and about Success Tutoring Businesses generally. We have sole discretion and control over the Success Tutoring Website (including timing, design, contents and continuation) and may (but are not required to) include at the Success Tutoring Website interior pages containing information about our franchisees' Success Tutoring Businesses. We may offer and sell Approved Equipment and Supplies and/or Approved Products and Services to Customers through the Success Tutoring Website, including in your Territory. See Item 12.

You will have no right, license, or authority to use any of the Marks on or in connection with our or our affiliate's website or any other website, except as we provide in the Franchise Agreement. (Franchise Agreement, Section 11(a)-(b)).

Unless we agree in writing, neither you nor your Principals, employees or agents may use the Marks or otherwise mention your Success Tutoring Business, the Success Tutoring Network or System in connection with any business or personal uses of Social Media, which we define as any and all existing or future forms of electronic communication, whether for business or personal use (including via internet forums, weblogs, social blogs, wikis, podcasts, pictures and videos) through which users create or use online networks or communities (including but not limited through online communities such as Facebook, X (formerly Twitter), Instagram, SnapChat, LinkedIn, YouTube, Yelp or Wikipedia and other similar content sharing outlets) to share information, ideas, personal messages, and other online content.

In all cases, we have sole discretion and control over any profiles using or relating to the Marks, your Success Tutoring Business, the Success Tutoring Network or System, or that display the Marks that are maintained or posted on Social Media. We may (but need not) establish guidelines pursuant to which you may establish profiles or otherwise establish a presence on Social Media. In such event, you will comply with the standards, protocols and restrictions that we impose, and we can revoke any prior permissions at any time. We can remove references to your Success Tutoring Business from the Success Tutoring Website with or without notice to you if you are not then in current compliance with the Franchise Agreement. We may use part of the contributions to the National Brand Fund to pay or reimburse the costs associated with the development, maintenance and update of profiles on Social Media. You will indemnify us if we incur losses and expenses from any authorized or unauthorized use of Social Media. (Franchise Agreement, Section 11(c)).

We generally permit franchisees to provide tutoring online to Customers who have a home address within the franchisee's Territory. No out of territory performance of tutoring services is permitted. See Item 12.

Success Tutoring Intranet

We may establish and maintain an intranet facility through which members of the entire network of Success Tutoring Businesses, including franchised and franchisor/affiliate-operated Success Tutoring Businesses, may communicate with each other and through which we may disseminate updates and supplements to the Brand Standards Manual and other confidential information (the "Success Tutoring Intranet"). We will have no obligation to maintain the Success Tutoring Intranet indefinitely if we establish the Success Tutoring Intranet, we will establish policies and procedures for the Success Tutoring Intranet's use. These policies, procedures and other terms of use will address issues such as (a) restrictions on the use of abusive, slanderous or otherwise offensive language in electronic communications; (b) restrictions on communications that endorse or encourage breach of any your franchise agreement; (c) confidential treatment of materials that we transmit via the Intranet; (d) password protocols and other security precautions; (e) grounds and procedures for our suspending or revoking your access to the Success Tutoring Intranet; and (f) a privacy policy governing our access to and use of electronic communications that franchisees post on the Success Tutoring Intranet. The Success Tutoring Intranet facility and all communications that are posted to it will become our property. You must purchase and install all necessary additions to the Success Tutoring Businesses' information system and establish and continually maintain electronic connection with the Success Tutoring Intranet that allows us to send messages to and receive messages from you. Your obligation to maintain connection with the Success Tutoring Intranet will continue until your Franchise Agreement's expiration or termination (or, if earlier, until we dismantle the Success Tutoring Intranet). You must contribute to the cost of the Success Tutoring Intranet's maintenance and further development as provided in Item 6. (Franchise Agreement, Section 11(d)).

Customer Information/Privacy and Data Protection

All Customer Information that you collect from Customers of the Success Tutoring Business and all revenues you derive from such Customer Information (if any) will be your property and sole responsibility, but subject to any applicable laws, you will grant to us and our wholly-owned affiliates a perpetual, royalty-free, unlimited and unrestricted license to use, access, store, aggregate, and distribute across the Success Tutoring Network (including to other franchisees) all Customer Information, and to otherwise use such Customer Information as we deem appropriate from time-to-time. You will obtain consent from any Customer or third-party, if required by applicable laws, and take any other step(s) required by applicable laws and/or us to ensure the legality and enforceability of such grant to us. (Franchise Agreement, Section 11(e)).

We and you will recognize in the Franchise Agreement that each of us is an independent "data controller" as that term is used in applicable privacy laws. We and you will not be joint controllers, nor are you and us acting as a data processor (as that term is used in applicable privacy laws) in connection with the Franchise Agreement. In all cases, you will take all necessary actions to independently: (i) learn and comply with all applicable Privacy laws, including all required Customer consents in accordance with applicable Privacy laws; (ii) learn and comply with the Brand Standards as they relate to Privacy laws and the privacy and security of Customer Information; (iii) learn and comply with any posted privacy policy and other representations made to the individual identified by Customer Information that you process, and communicate any limitations required thereby to any authorized receiving party in compliance with all Privacy laws; (iv) refrain from any action or inaction that could cause us or our affiliates to breach any

Privacy laws; (v) maintain, and cause adherence by your personnel to all reasonable physical, technical and administrative safeguards and related policies for Customer Information that is in your possession or control in order to protect such Customer Information from unauthorized processing, destruction, modification, or use that would violate the Franchise Agreement, the Brand Standards (which may include a non-exhaustive list of the minimum types of policies that must be implemented) or any Privacy Law; (vi) do and execute, or arrange to be done and executed, each act, document and thing Franchisor deems necessary in its business judgment to keep us and our affiliates in compliance with the Privacy laws; and (vii) immediately report to us the breach of any requirements in the Franchise Agreement or the Brand Standards regarding Customer Information or any Privacy laws, or the theft or loss (or any apparent or alleged theft or loss) of Customer Information (other than the Customer Information of your own officers, directors, shareholders, employees or service providers).

You will, upon request, provide us with information, reports, and the results of any audits performed regarding your data security policies, security procedures, or security technical controls related to Customer Information. You will, upon our request, provide us or our representatives with access to your Technology and Information Systems, records, processes and practices that involve processing of Customer Information in order to mitigate a security incident or so that an audit may be conducted.

You will indemnify, defend and hold us and our affiliates, and their respective officers, directors, shareholders, members, managers, partners, employees, servants, independent contractors, attorneys, representatives, agents and associates harmless in connection with any claim or action arising out of or relating to: (i) any theft, loss or misuse (including any apparently or alleged theft, loss or misuse) of Customer Information; and (ii) your breach of any of the terms, conditions or obligations relating to data security, Privacy laws or Customer Information set forth in the Franchise Agreement. You will immediately notify us upon discovering or otherwise learning of any theft, loss or misuse of Customer Information.

You will, at our direction, but at your sole expense, (i) undertake remediation efforts on its own in concert with your directions, (ii) reasonably cooperate with any remediation efforts undertaken by us and (iii) undertake efforts to prevent the recurrence of the same type of incident, including by paying for any remediation and post-breach monitoring process deemed appropriate by us.

You will not make any public comment regarding and data security incident without our approval. Any notifications to the media or Customers regarding theft or loss of Customer Information will be handled exclusively by us at our election and neither you nor your personnel may contact the media or Customers relating to such theft or loss unless you are under a legal obligation to do so, in which case (i) you must notify us in writing promptly after concluding that you have the legal obligation to notify any Customers and (ii) you will limit, or ensure the limitation of, the notices to Customers to those required by the legal obligation or as pre-approved by us. You will reasonably cooperate in connection with any notices to Customers regarding theft or loss and you will assist with sending such notices upon request by us. In addition, and notwithstanding anything to the foregoing, you will grant your consent to the processing, including the transfer and communication in the United States, of your own personal data. (Franchise Agreement, Section 11(f)).

Technology and Information Systems Hardware and Software

You must acquire, install and use certain computer and electronic systems, peripheral equipment and related software programs and email solutions we specify in the Brand Standards Manual (collectively, “Technology and Information Systems”) to collect, compute, store and report a Success Tutoring Business’s Gross Sales, other financial data and operating information, and must also acquire, install and

use any telephonic or electronic operating system, or such technological substitutes as we may determine to be appropriate periodically, including our Success Tutoring Business Operating System described below. We will have continuous, uninterrupted access to your Success Tutoring Business's Technology and Information Systems. You must also obtain and utilize services of a credit card processor that we have approved.

As of the date of this Disclosure Document, you must purchase or lease the following items, which constitute our current required Technology and Information Systems:

HARDWARE
iPhone or equivalent
Laptop computer
Television (included within Success Pack)
SOFTWARE
Hapana
QuickBooks or equivalent

We estimate the initial purchase or lease cost of the current required Technology and Information Systems to be between \$750 to \$2,500 (excluding Success Pack items).

We require you to use our Success Tutoring Business Operating System in your Success Tutoring Business. We do not charge you any initial fee or continuing fee, but you will pay our third-party vendor their continuing monthly fee (currently, \$485 per calendar month). ST Australia and our affiliates that operate company-affiliated Success Tutoring Businesses have used a version of the Success Tutoring Business Operating System since mid-2022.

We may electronically poll your Success Tutoring Business's Technology and Information Systems to obtain Gross Sales data, as well as other financial and operating information, including Customer Information and other information from the Success Tutoring Business Operating System (if applicable), which will be available to us twenty-four hours every day. You must maintain continual data network access to your Success Tutoring Business's Technology and Information Systems for our use. There are no contractual limitations on our right to access any information or data contained on your Technology and Information Systems.

We have the right to require you to change or upgrade your Technology and Information Systems from time to time, the cost of which we are unable to estimate, but we do not anticipate that the costs for general maintenance would be more than \$250 a year. You must update all Technology and Information Systems as and when we may specify from time to time in the Brand Standards Manual, and generally no later than 30 days before the then-current Franchise Agreement will expire or upon notice that we have established the Success Tutoring Intranet. Except as described above, there are no contractual limitations on the frequency and cost of the obligation to require updates to your Technology and Information Systems.

You are required to install and maintain a hardware and software firewall device on your Technology and Information Systems network that follow closely to the Payment Card Industry (PCI) DSS merchant requirements as stated on the <http://www.pcisecuritystandards.org>. The network must be segmented off of other internal business networks. You must use internal or third-party IT network resources, which include security shield, threat defender, and breach protection programs. We may suggest third party PCI

compliance vendors to you, but you are responsible for your own PCI compliance at your Success Tutoring Business.

Except as set forth below, other Technology and Information Systems brands and suppliers are not mandatory and we are not obligated to provide or to assist you to obtain or provide ongoing maintenance, repairs, upgrades or updates to such hardware and software associated with your Technology and Information Systems; however, you must obtain our prior written consent for any variations from our Brand Standards.

ITEM 12 TERRITORY

Franchise Agreement

Under the Franchise Agreement, you are granted the right to operate one Success Tutoring Business and to offer and sell Approved Products and Services, at the fixed, physical premises of the Success Tutoring Business Campus that will be specified in the Franchise Agreement. We also generally permit franchisees to provide tutoring via an online collaboration platform to Customers who have a home address within the franchisee's Territory, in accordance with our Brand Standards, but you may not advertise, market, promote or sell your Approved Products or Services or your Success Tutoring Business online, unless with our prior written consent. Your use of the Marks or any element of the System in the operation of any business at any other address or in any other channel of distribution without our express prior written authorization will constitute willful infringement of our rights in the Marks and the System.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we and our affiliates own, or from other channels of distribution that we control, including the internet, and we have no obligation to pay you any compensation for soliciting or accepting orders inside your Territory.

However, if you, your affiliates and Principals are in full compliance with the Franchise Agreement and all other agreements between us and you, your affiliates and Principals, we will not operate or authorize anyone except you to commence operation of a Success Tutoring Business from a fixed, physical bricks and mortar premises located within your Territory.

Your Territory will be an area around your Approved Location consisting of approximately 50,000 people, which we will delineate on a map or other description, but which will exclude any areas as to which we may have existing contractual commitments. Your Territory may contain slightly more or less people based on the geography and demographics surrounding your Success Tutoring Business. These excluded areas will be identified in your Franchise Agreement.

Further, in all cases, under the Franchise Agreement, we and our affiliates (and each of their respective successors and assigns, by purchase, merger, consolidation, or otherwise) reserve all rights that the Franchise Agreement does not expressly grant to or confer upon you, including, without limitation:

- (i) To operate and grant franchises to third parties to operate Success Tutoring Businesses using the System and the Marks outside the Territory;
- (ii) To advertise and promote the System within and outside the Territory;

(iii) To develop, establish and operate (directly or indirectly), and grant franchises to others to develop, establish and operate, (a) other business systems using the Marks, and (b) other business systems (including, without limitation, businesses offering and selling Approved Products and Services) using other names or marks, within and outside the Territory and to spin off, sell, or otherwise dispose of all or any interest in such business systems;

(iv) To engage, directly or indirectly, in the manufacturing, production, distribution, operation, license and sale of Approved Products and Services and other similar services and related products using the System and/or the Marks, within and outside the Territory through any other method of distribution, including, but not limited to, retail outlets, mail order catalogs, the Internet, telemarketing, other direct marketing, or any other channel of distribution, which includes the direct sale of Approved Products and Services to Customers within the Territory through the Success Tutoring Website or any successor internet website operated by us or our affiliates; and

(v) The right (i) to be acquired, in whole or in part, by any company, including any company that operates or offers franchises for businesses that offer products or services the same as or comparable to Approved Products and Services and that have locations or operate within or outside the Territory under any trademark or trade name other than the Marks, and (ii) to acquire any such company, in whole or in part. In the event of any such acquisition by Franchisor or one of Franchisor's affiliates in the Territory, Franchisee agrees that Franchisor or such other entity may continue to operate (or authorize others to operate) the acquired company (and any and all of its locations) in the Territory under the acquired company's trademarks and trade names.

We and our affiliates reserve all rights we have not expressly granted to you.

We, our affiliates and our franchisees have no restrictions of any kind whatsoever on our or their ability and right to solicit, offer and sell products or services, including Approved Products and Services and Memberships, to any current, prospective or future Customer of your Success Tutoring Business or any person whatsoever wherever located or residing, including in your Territory, so long as we do not do so through a fixed, physical bricks and mortar Success Tutoring Business located within your Territory. Neither we nor our affiliates nor any franchisee have any obligation to pay you any compensation for soliciting or accepting orders inside your Territory, including through any Membership programs we may implement. However, it is our current policy to direct any Customer leads we receive for in-person tutoring services to the franchisee in the territory in which the Customer lead is domiciled.

We have no express obligation or implied duty to protect your revenues from erosion as a result of your Success Tutoring Business competing with other Success Tutoring Businesses whether permanently, temporarily or seasonally, and we have no obligation to make any payment or other compensation to you if we solicit or accept orders from inside your Territory.

You may use the Internet and Social Media to advertise or perform tutoring services only in compliance with the Brand Standards and the Franchise Agreement.

You may not relocate a Success Tutoring Business without our consent. You are prohibited from sublicensing your rights to others, from assigning or delegating your rights and obligations to operate the Success Tutoring Business, and from selling other Approved Products and Services without our prior written consent.

We and our affiliates may in the future purchase one or more third party owned educational or tutoring businesses and convert them to Success Tutoring Business branded businesses. Also, we and our affiliates may develop, own and sell (directly or through at wholesale to third parties for resale) other educational and tutoring services and products.

You have no rights to offer and sell, or protections from the offer and sale of, any such other brands or any other brands we or our affiliates may create or acquire and then offer and sell through any means of distribution, including franchising. You do not have any rights, options, rights of first refusal, or similar rights to acquire additional franchises under your Franchise Agreement for any other brands we or our affiliates may develop, operate or franchise in the future, and we, our affiliates and any franchisees of these other concepts may solicit and accept orders for their products and services in your Territory.

ITEM 13 TRADEMARKS

We grant to you the right to use certain trademarks, service marks and other commercial symbols, including “Success Tutoring” (the “Marks”) in connection with the operation of your Success Tutoring Business under the Franchise Agreement.

ST Australia owns the following Marks which have been applied for on the Principal Register of the United States Patent and Trademark Office (“USPTO”), as follows:

Mark	Application Number	Application Date
SUCCESS TUTORING Logo	79416871	December 6, 2024

We do not have a federal registration for our principal trademarks. Therefore, these trademarks do not have as many legal benefits and rights as a federally registered trademark. If our right to use these trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

As noted above, we hold a license from ST Australia to use and sublicense the use of the Marks and the System to our franchisees. The license was granted effective May 1, 2025. The license continues on in perpetuity, subject to termination by agreement, or upon notice and a failure to cure any material misuse of the Marks. If our license is terminated, according to the terms of the license agreement, our franchise agreements will be automatically assigned to the Marks owners or to a new licensee that is acceptable to the Marks owners.

We or ST Australia intend to file all affidavits and to renew the registrations for the Marks when they become due.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court, nor is there any pending interference, opposition, or cancellation proceeding, nor any pending material litigation involving the Marks which may be relevant to their use in this state or in any other state.

Other than our license agreement with ST Australia, there are no agreements currently in effect that significantly limit our right to use or to license others to use the Marks listed in this section in a manner material to the franchise.

You must 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 the Marks, our right to use and to license others to use the Marks or your right to use the Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks. We may defend you against any third-party claim, suit or demand arising out of your use of the Marks. If we, in our sole discretion, determine that you have used the Marks in accordance with the Franchise Agreement, the cost of the defense, including the cost of any judgment or settlement, will be borne by us. If we determine that you have not used the Marks in accordance with the Franchise Agreement, the cost of the defense, including the cost of any judgment or settlement, will be yours. In the event of any litigation relating to your use of the Marks, you must sign any and all documents and do any acts as may, in our opinion, be necessary to carry out the defense or prosecution, including becoming a nominal party to any legal action. Except if this litigation is the result of your use of the Marks in a manner inconsistent with the terms of the Franchise Agreement, we will reimburse you for your out-of-pocket costs in doing these acts.

There are no infringing uses actually known to us that could materially affect your use of the Marks in this state or elsewhere.

You must conspicuously post a sign at your Success Tutoring Business premises and include on all written materials, including advertisements, stationery, business cards, etc. the following: “Independently owned and operated.”

We reserve the right to substitute different Marks for use in identifying the System and the businesses operating under it, at our sole discretion. We will not be required to reimburse you for any of your costs related to conforming to our new Marks, and will otherwise have no obligation or liability to you as a result of any substitution.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not currently own any rights to any required patents or copyrights that are material to the franchise. We claim copyright protection to our Brand Standards Manual and the information contained in it is proprietary. We also hold common law copyrights for learning materials, custom software, diagnostic tests, manuals, systems, processes, score and progress reports.

The System and the components of the System, the contents of the Brand Standards Manual and of all training materials and computer programs developed by us or in accordance with our standards any other confidential information that we impart to you with respect to a Success Tutoring Business’s operation or management, whether through the Brand Standards Manual or otherwise (collectively, “Trade Secrets”) belong exclusively to us and the ideas and information in the Brand Standards Manual are our sole and exclusive property.

You and your Principals must hold the elements of the System, the Trade Secrets and the contents of the Brand Standards Manual in strict confidence, must not disclose any Trade Secret or any operating or

management procedure to any person other than your Controlling Principal and your other employees that must receive disclosure to understand their job duties, and must instruct and routinely remind your employees that the System, the Trade Secrets and the contents of the Brand Standards Manual are confidential and may not be disclosed or appropriated. If you are a business entity, you must not disclose any element of the System, any of the Trade Secrets or the contents of the Brand Standards Manual, or make the Brand Standards Manual available, to any shareholder, director, officer, partner, member or manager of the business entity other than your Controlling Principal, unless such other persons are actively and regularly involved in your Success Tutoring Business's management.

You and your Principals must not use any element of the System, any of the Trade Secrets or the operating, management or marketing procedures in the Brand Standards Manual in connection with the operation of any establishment or enterprise other than your Success Tutoring Business, and must promptly discontinue use of the System, the Trade Secrets and the operating, management and marketing procedures in the Brand Standards Manual upon the expiration or termination of your Franchise Agreement.

You and your Principals must not, without our prior written consent, copy or permit any person to copy or reproduce any part of the Brand Standards Manual and any other printed, graphic or audio/visual item designated by us as containing Trade Secrets or otherwise permit their use or inspection by any person other than you, your Controlling Principal, your Centre Manager and your other employees who need to be disclosed to in order to perform their job duties, and our authorized representatives.

All employee training materials (electronic or otherwise) and all software developed by us or by following our standards contain information, embody procedures or facilitate business practices that are proprietary to us and fall within the parameters of our Trade Secrets.

You must notify us of any infringements of or challenges to the copyrighted materials that come to your attention and actively cooperate with us in the investigation of any infringement or challenge. We have the right to control any administrative proceedings or litigation involving the copyrighted materials and will take whatever action we deem appropriate.

We are not contractually obligated to defend the copyrighted materials. Nor are we contractually obligated to protect you against claims of infringement or unfair competition arising from your use of the copyrighted materials. Although we intend to defend the copyrighted materials vigorously, we are not required to participate in any defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the copyrighted materials, or if the proceeding is resolved unfavorably to you.

If we modify or discontinue the use of any copyrighted materials, you must promptly comply with and adopt, at your own expense, all such modifications.

You, your Controlling Principal, your Centre Manager and certain of your other employees are bound by non-compete covenants concerning the proprietary information and may be required to enter into confidentiality and non-solicitation agreements.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Under the Franchise Agreement, unless you are an individual who will operate and manage your Success Tutoring Business(s) personally, you must appoint a Controlling Principal who meets our eligibility standards, as described in the Brand Standards Manual.

The Controlling Principal is one of your Principals appointed by you who meets our requirements and is approved by us to supervise and manage all aspects of your business and with whom we and our staff may deal exclusively for purposes of administering and coordinating the franchise relationship.

We normally expect your Controlling Principal to manage all aspects of your business regardless of the number of Success Tutoring Businesses you may develop and operate, but we will permit you to recruit and have an approved, full-time Centre Manager at your Success Tutoring Business. The Controlling Principal will be required to complete our initial training as will any full-time Centre Manager who is already engaged at the time you must attend initial training.

Before rendering services to your Success Tutoring Business, your Training Team (see Item 11) (and any replacements for those persons) must attend and complete, to our satisfaction, initial training conducted by us.

Subject to applicable law, we will require that you obtain signed a Confidentiality Agreement [and Covenants Not to Compete] in the form attached to the Franchise Agreement from your Controlling Principal, Centre Manager and certain other Principals. In certain limited circumstances, we may also ask you to obtain signed Confidentiality Agreements (which exclude the noncompetition obligation) in the form attached to the Franchise Agreement from any other members of the Training Team.

We require that your Controlling Principal and certain other Principals we designate sign the Personal Guaranty and Principals' Undertaking attached to the Franchise Agreement, and agree to personally guaranty your performance and payment obligations under the Franchise Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must open and operate your Success Tutoring Business during the business hours and days of operation provided in the Brand Standards Manual, unless we provide you a written exception. We currently require that you must remain open for business for a minimum of: (a) outside of school holidays: 4 days per week (and 3 hours per day open); and (b) during school holidays: 2 days per week (and 2 hours per day open).

If there occurs a global, regional or local crisis such as a pandemic or other similar event, you must cooperate fully with us as to how we respond to the crisis, and you must implement any remediation plan we institute, which may include us requiring a temporary closure of your Success Tutoring Business as part of the crisis remediation plan (whether or not all or other Success Tutoring Businesses are required to temporarily close).

Success Tutoring Businesses will serve all potential Customers in the Territory within the 5 to 17 age range so other than age-based limitations there are no limitations on the Customers you may serve.

Unless otherwise agreed or prohibited by applicable law, you must offer to your Customers all of the products and services specified on our then current list of Approved Products and Services, which we may revise occasionally. You cannot offer any products or services that are not on our then current list of Approved Products and Services. Without our prior written approval, no other products and services other than the Approved Equipment and Supplies may be used, provided, offered or sold by your Success Tutoring Business.

We reserve the right in the Franchise Agreement to modify the System and Marks from time to time, including, without limitation, the right to (1) add new and different Approved Equipment and Supplies and/or Approved Products and Services to the list of authorized Approved Equipment and Supplies and/or Approved Products and Services, (2) withdraw Approved Equipment and Supplies and/or Approved Products and Services from the list of authorized Approved Equipment and Supplies and/or Approved Products and Services, or to change their names, Brand Standards and/or image, (3) change the Trade Dress and Brand Standards for Approved Equipment and Supplies for the Success Tutoring Business, (4) add or change the Brand Standards for Customer engagement (including National Customers), (5) abandon the use of any Approved Equipment and Supplies and/or Approved Products and Services that we withdraw from the list of authorized Approved Equipment and Supplies and/or Approved Products and Services, and (6) require the use of new or different Technology and Information Systems, some of which may require additional fees or costs to implement and use, and in all cases we will not be liable to you for any expenses or revenue losses associated with any modification to the System, including but not limited to any modification to our current Brand Standards which adversely impacts your Success Tutoring Business's revenues.

You will be required to promptly comply with and adopt, at your own expense, all such modifications to the Success Tutoring Business. We will not be liable to Franchisee for any expenses or revenue losses associated with any modification to the System, including but not limited to any modification to our current Brand Standards which adversely impacts the Success Tutoring Business's revenues. However, we will not require you to make capital expenditures to remodel the Success Tutoring Business or overhaul the Approved Equipment and Supplies of the Success Tutoring Business more often than every 3 years or at an expense that is in excess of 30% of the total original capital expenditure to develop and open the Success Tutoring Business.

If we allow your Success Tutoring Business to participate in any new Approved Equipment and Supplies and/or Approved Products and Services test, you must participate in the test in accordance with our Brand Standards and must discontinue offering any items that we decide not to add permanently to the authorized list of Approved Equipment and Supplies and/or Approved Products and Services.

If you develop or suggest an innovation or improvement that we decide to incorporate into the System, either temporarily or permanently, the innovation or improvement will become our Confidential Information and property without compensation.

You may not sell any Approved Products and Services to any wholesale customer, or sell any Approved Products and Services from catalogues or an internet website without our prior written permission. See Item 13.

Except as described above, there are no other restrictions on the Customers to whom you may offer or sell Approved Products and Services.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Length of the franchise term	Summary Pages and §12(a)	5 years.
b. Renewal or extension of the term	Summary Pages and §12(b)	One 5 year renewal term.
c. Requirements for franchisee to renew or extend	§12(b)	You must not be in default, and must give timely notice, pay a Renewal Fee, upgrade your Success Tutoring Business, and sign our then-current form of franchise agreement (which may contain materially different terms and conditions from the original agreement), sign a general release and attend additional training, if we require.
d. Termination by franchisee	§16	<p>You can terminate if there is an adverse change of law related to the ability to manufacture, distribute, advertise, offer or sell any proprietary Approved Equipment and Supplies and/or Approved Products and Services, and such adverse change of law materially affects your ability to enjoy the economic benefits of the Franchise Agreement.</p> <p>You may also have rights to terminate under applicable law.</p>
e. Termination by franchisor without cause	§ 16(e)	You do not have a unilateral right to terminate the Franchise Agreement without cause, but you may send us a proposal to terminate the Franchise Agreement that we may review and accept, reject or counter, in our sole discretion.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
f. Termination by franchisor with cause	§16	<p>We can terminate if you commit any one of several listed violations.</p> <p>We can also terminate if there is an adverse change of law related to the ability to manufacture, distribute, advertise, offer or sell or use any proprietary Approved Equipment and Supplies and/or Approved Products and Services, and such adverse change of law materially affects our ability to enjoy the economic benefits of the Franchise Agreement.</p>
g. "Cause" defined – curable defaults	§§ 2 and 16	You have 2, 5, 10, 15 or 30 days to cure, depending on the default, except for an unauthorized transfer you must cure before the transfer is complete and if you tamper with your Success Tutoring Business's information system, you must restore the system on notice.
h. "Cause" defined – non-curable defaults	§§2 and 16	Such defaults include: breach of non-compete, covenants concerning the Brand Standards Manual, system or anti-corruption or anti-terrorism laws; abandon Success Tutoring Business; fail to exercise options regarding death provision; allow 3 events of default to occur in a 12-month period; insolvency of you or your guarantor; a receiver is appointed for a substantial part of your assets.
i. Franchisee's obligations on termination/non-renewal	§ 17	Such obligations include discontinuance of use of trademarks, copyrighted materials, the System and trade secrets, return Brand Standards Manual, removal of trade dress, assignment of lease, sale of FF&E.
j. Assignment of contract by franchisor	§15	No restriction on our right to transfer.
k. "Transfer" by franchisee - defined	§§ 2 and 15(b)	Includes transfer of contract or assets or <u>any ownership change</u> .
l. Franchisor approval of transfer by franchisee	§15(b)	Transfer requires our prior written consent.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
m. Conditions for franchisor approval of transfer	§§ 15(c) and 15(d)	Conditions include: you are not in default; new transferee and Principals, if applicable, qualify to own a new Success Tutoring Business; asset transfer is complete disposition of franchise; Brand Standards Manual and copyrighted materials are returned; sign general release; transferee satisfactorily completes training and meets all of our other requirements; sign then-current form of franchise agreement; transfer fee is paid; payment terms are provided; profit and loss and cash flow projections are provided; and Principals sign guarantees.
n. Franchisor's right of first refusal to acquire franchisee's business	§15(e)	We have option for 45 days to purchase on same terms and conditions offered to third party.
o. Franchisor's option to purchase franchisee's business	§§ 15(e), 15(f) and 17(j)	Applies if you want to transfer, we require new management after a death, your Principals do not comply with the required provisions after a death, on expiration of the Franchise Agreement, and on termination of the Franchise Agreement.
p. Death or disability of franchisee	§ 15(f)	We must approve new management and if not approved, franchise must be sold.
q. Non-competition covenants during the term of the franchise	§ 14(b)	Subject to applicable state law, no involvement during the term in a competing business which is located (i) at the Success Tutoring Business Campus; or (ii) within the Territory, or (iii) within 25 miles of the perimeter of the Territory, or (iv) within 25 miles of the home or office premises of any other Success Tutoring Business; or (v) within the United States of America; or (vi) within the world. A competing business is defined as any English and/or Math-focused tutoring service business whose primary focus is performing, offering and/or selling products and services similar to the Approved Products and Services to third parties through any means of distribution.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
r. Non-competition covenants after the franchise is terminated or expires	§ 14(b)	Subject to applicable state law, no involvement during the two year period following the term in a competing business which is located (i) at the former Success Tutoring Business Campus; or (ii) within the former Territory, or (iii) within 25 miles of the perimeter of the former Territory, or (iv) within 25 miles of the home or office premises of any other Success Tutoring Business.
s. Modification of the agreement	§ 23(e)	No changes unless mutually agreed to in writing.
t. Integration/ merger clause	§ 25(a)	Only the terms of the Franchise Agreement and other related written agreements signed by the parties are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	§ 20(b) and (c)	Except for certain direct actions we may bring against you, we and you must first attempt private negotiation to settlement any dispute, and then if not resolved we and you must submit such dispute to non-binding mediation, before bringing any action against the other.
v. Choice of forum	§ 20(b)(c) and (d)	Subject to applicable state law, the state and federal courts located in the county in which Franchisor has its then current principal place of business (currently the U.S. District Court for the Northern District of Texas, Dallas Division, or the state courts in Dallas, Texas). But see state specific amendments to the Franchise Agreement.
w. Choice of law	§ 20(a)	Subject to applicable state law, Texas law. But see state specific amendments to the Franchise Agreement.

ITEM 18 PUBLIC FIGURES

We do not use any public figure to promote our franchise, but we reserve the right to do so in the future.

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.

Success Tutoring 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 Michael Black at 750 N. San Vicente Blvd., West Hollywood, California 90069 and (469) 476 5459, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
SYSTEMWIDE OUTLET SUMMARY
FOR FISCAL YEARS 2022 TO 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised*	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	0	0	0
	2023	0	0	0
	2024	0	0	0

*We began franchising with the issuance of this Disclosure Document.

**Our fiscal year ends June 30th. So, fiscal year 2022 ended June 30, 2022, fiscal year 2023 ended June 30, 2023 and fiscal year 2024 ended June 30, 2024.

TABLE 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2022 TO 2024

State	Year	Number of Transfers
None	2022	0
	2023	0
	2024	0
Total	2022	0
	2023	0
	2024	0

Table 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS 2022 TO 2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
None	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Total	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0

TABLE 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2022 TO 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Texas	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Total	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

Table 5
Projected Openings as of June 30, 2024, For 2025

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchise Outlets	Projected New Company-Owned Outlets
Texas	0	0	0
Total	0	0	0

List of Franchisees; List of Former Franchisees

Exhibit G to this disclosure document contains a list of franchisees that operated a Success Tutoring Business as of June 30, 2024.

Exhibit H to this disclosure document contains a list of franchisees that operated a Success Tutoring Business who were terminated, not renewed, or voluntarily or involuntarily ceased to do business under a franchise or other agreement during the last fiscal year ended June 30, 2024, or who failed to communicate with us during the 10 weeks preceding the date of this disclosure document.

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

Purchase of Previously-Owned Franchise

If you are purchasing a previously-owned franchised outlet, we will provide you additional information on the previously-owned franchised outlet in an addendum to this disclosure document.

Confidentiality Clauses

During the last 3 fiscal years, we have not signed agreements with franchisees that contain confidentiality clauses that would restrict a franchisee's ability to speak openly about their experience.

Trademark-Specific Franchisee Organizations

We are not currently aware of any trademark-specific franchisee organizations associated with the franchise system which we have created, sponsored or endorsed, or any independent franchisee organizations that have asked to be included in this disclosure document.

ITEM 21 FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit I are the following financial statements:

1. Our unaudited opening balance sheet dated May 23, 2025.

Please note that we have only been in existence since April 2025 and did not start franchising until June 2025, and therefore do not have a balance sheet for two previous fiscal year-ends before this Disclosure Document issuance date or statements of operations, stockholders equity, and cash flows for three previous fiscal years.

Our fiscal year end is June 30th of each year.

ITEM 22 CONTRACTS

The following agreements are attached as exhibits to this disclosure document:

Exhibit B – Franchise Agreement

Exhibit D – Applicant Confidentiality Agreement and Authorization

Exhibit E – Franchise Application

ITEM 23 RECEIPTS

Exhibit J to this disclosure document includes detachable documents acknowledging your receipt of this disclosure document.

EXHIBIT A

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

TEMPLATE

STATE ADMINISTRATORS

CALIFORNIA

Commissioner of Financial Protection and Innovation
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013
(213) 576-7505 or (866) 275-2677
Website: <http://www.dfpi.ca.gov/>
Email: Ask.DEPI@dfpi.ca.gov

HAWAII

Department of Commerce and Consumer Affairs
Business Registrations Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586 2722

ILLINOIS

Office of Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782 4465

INDIANA

Franchise Section
Securities Division
302 W. Washington St., Room E 111
Indianapolis, Indiana 46204
(317) 232 6681

KENTUCKY

Office of the Attorney General
1024 Capital Center Drive
Frankfort, Kentucky 40602
(502) 696 5300

MARYLAND

Office of Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

MICHIGAN

Office of the Attorney General
Consumer Protection Division
Antitrust and Franchise Section
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48909
(517) 373-7117

MINNESOTA

Minnesota Department of Commerce
85 7th Place East, Suite 280
Saint Paul, MN 55101
(651) 539-1600

NEBRASKA

Department of Banking and Finance
1526 K Street, Suite 300
P.O. Box 95006
Lincoln, Nebraska 68509
(402) 471 3445

NEW YORK

New York State Department of Law
Investor Protection Bureau
120 Broadway, 27th Floor
New York, New York 10271

NORTH DAKOTA

North Dakota Securities Department
600 East Blvd., Fifth Floor
Bismarck, North Dakota 58505
(701) 328 4712

OREGON

Division of Consumer and Business Services
Finance and Corporate Securities
350 Winter Street N.E.
Labor and Industries Building, Room 21
Salem, Oregon 97310
(503) 378 4387

RHODE ISLAND

Securities Division
233 Richmond Street, Suite 232
Providence, Rhode Island 02903
(401) 222 3048

SOUTH DAKOTA

Department of Labor and Regulation
Division of Securities
124 S Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

TEXAS

Statutory Document Section
Secretary of State
P.O. Box 12887
Alexandria, Texas 78711
(512) 475 1769

UTAH

Division of Consumer Protection
Utah Department of Commerce
160 East Three Hundred South
P.O. Box 146704
Salt Lake City, Utah 84114
(801) 530 6601

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371 9051

WASHINGTON

Securities Division,
Department of Financial Institutions
PO Box 41200
Olympia, WA 98504-1200

WISCONSIN

Division of Securities
Department of Financial Institutions
P.O. Box 1768
Madison, Wisconsin 53701 or
201 W. Washington, Suite 300
Madison, Wisconsin 53703
(608) 266 8559

AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

Commissioner of Financial Protection and Innovation
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013
(213) 576-7505 or (866) 275-2677
Website: <http://www.dfpi.ca.gov/>
Email: Ask.DEPI@dfpi.ca.gov

HAWAII

Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registrations Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

INDIANA

Secretary of State
201 State House
200 W. Washington Street
Indianapolis, Indiana 46204

MARYLAND

Maryland Securities Commissioner
Office of the Attorney General
200 St. Paul Place
Baltimore, Maryland 21202

MICHIGAN

Department of Labor & Economic Growth
Commercial Services & Corporations Bureau
611 W. Ottawa Street
Lansing, Michigan 48909

MINNESOTA

Minnesota Department of Commerce
85 7th Place East, Suite 280
Saint Paul, MN 55101
(651) 539-1600

NEW YORK

Attn: New York Secretary of State
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

NORTH DAKOTA

Securities Commissioner
North Dakota Securities Department
600 East Boulevard, Fifth Floor
Bismarck, North Dakota 58505

OREGON

Director
Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310

RHODE ISLAND

Director
Department of Business Regulation
233 Richmond Street, Suite 232
Providence, Rhode Island 02903

SOUTH DAKOTA

Department of Labor and Regulation
Division of Securities
124 S Euclid, Suite 104
Pierre SD 57501

VIRGINIA

Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

WASHINGTON

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

WISCONSIN

Commissioner of Securities
201 West Washington Avenue, Suite 300
Madison, Wisconsin 53703

EXHIBIT B

FRANCHISE AGREEMENT

TEMPLATE



Success Tutoring

FRANCHISE AGREEMENT

[INSERT TERRITORY NAME]

TABLE OF CONTENTS

SECTION	PAGE NO.
1. Recitals	1
2. Definitions	1
3. Grant of Franchise	9
4. Agreements Regarding Compliance with Applicable Laws and Applicable Licensure.	11
5. Primary Fees	12
6. Modification of Franchise, Trade Dress and Equipment Brand Standards.	13
7. Franchisor Services and Assistance.	14
8. Site Selection	15
9. Franchisee Obligations for Development, Relocation and Operations	16
10. Advertising and Promotions	24
11. Concerning the Internet, Customer Information and Privacy Laws	26
12. Term and Renewal Agreement.	28
13. Use of Intellectual Property.	29
14. Confidentiality; Covenant Against Competition.	32
15. Transfers.	34
16. Default.	39
17. Termination; Other Remedies.	41
18. Indemnification	45
19. Terrorist and Money Laundering Activities	46
20. Law Governing; Dispute Resolution	47
21. JURY TRIAL WAIVER	49
22. Liquidated Damages	49
23. Miscellaneous.	49
24. Notices.	51
25. Franchisee's Acknowledgments.	51

Summary Pages

Exhibits:

- A. Personal Guaranty and Principals' Undertaking
- B. Confidentiality Agreement [and Covenant Not to Compete]
- C. Authorization Agreement for Pre-Authorized Payments
- D. Lease Rider
- E. Map of the Target Area or Territory

F. Success Pack List

State Addenda to Franchise Agreement

TEMPLATE

SUMMARY PAGES

Effective Date: **INSERT DATE**

Franchisee: **INSERT FRANCHISEE FULL NAME**

Success Tutoring Business Campus (if/when known): **INSERT FULL ADDRESS**

Phone Number: **INSERT PHONE NUMBER** Email Address: **INSERT EMAIL ADDRESS**

Controlling Principal: **INSERT CONTROLLING PRINCIPAL**

Term: 5 years from the Effective Date

Renewal Franchises: 2 consecutive renewal Franchise Agreement of 5 years

Territory: The geographic area encompassed within **INSERT TERRITORY NAME ADDRESS** and reflected on the map attached as Exhibit E, as existing on the Effective Date.

Required Opening Date: 180 days from Effective Date

Initial Franchise Fee: \$50,000

Success Pack Fee: \$15,000

Royalty Fee: Greater of 8% of Gross Sales per Accounting Period from the Opening Date, or \$2,200+TAX.

Marketing & Grand Opening Expenditure: Up to \$15,000 in accordance with Section 10(a) of this Agreement.

Local Ad Expenditure: 3% of Gross Sales per Accounting Period, subject to a reduction based on any amount then required to be paid to Franchisor as the National Brand Fund Contribution.

National Brand Fund Contribution: Currently 0% of Gross Sales per Accounting Period; provided that Franchisor may at any time create a National Brand Fund and at such time impose upon Franchisee a National Brand Fund Contribution of up to 3% of Gross Sales upon written notice to Franchisee in accordance with this Agreement.

Non-Compliance Fees: \$1,000 for each deviation from a contractual requirement under this Agreement, including any Brand Standards, identified in writing by Franchisor, provided that the Non-Compliance Fee will double to \$2,000 if Franchisor discovers that the same (or a substantially similar) deviation on one or more consecutive, subsequent visits to or inspections of the Success Tutoring Business and will double again to \$4,000 for the second and each subsequent repeat deviation. (The Non-Compliance Fee does not apply to payment defaults for which Franchisor may charge interest).

Transfer Fee: \$5,000.

Renewal Fee: \$5,000.

Addresses for Notices:

Franchisor: Success Tutoring United States, Inc.
750 N. San Vicente Blvd.
West Hollywood, California 90069
Email: michael@successtutoring.com

Franchisee: Mailing address for Franchisee Corporate Office shown above.

Insurance Requirements:

Commercial General Liability insurance coverage, including products liability coverage, and broad form contractual liability coverage, written on an “occurrence” policy form in any amount of not less than \$1,000,000 combined single limit per occurrence and \$2,000,000 in the aggregate. Such insurance will insure the contractual liability of Franchisee under this Franchise Agreement.

“All Risk” or “Special Form” Property insurance coverage covering: (a) the building(s) used for the Success Tutoring Business, equipment and inventory of the Success Tutoring Business, including plate glass coverage, on a full 100% repair or replacement value basis, (b) business interruption/business income insurance (at least 1 year of actual loss sustained), including extra expense insurance, so as to re-establish normal business operations, and (c) loss of rents insurance covering a minimum of 1 year fixed minimum rent.

Sexual Abuse or Molestation insurance coverage written on an “occurrence” policy form in any amount of not less than \$300,000 combined single limit per occurrence and \$1,000,000 in the aggregate.

Workers’ compensation insurance in the minimum amount mandated by Franchisee’s state’s law (if applicable), unless Franchisee’s state requires or permits employers to participate in a state-administered insurance pool (in which case Franchisee either must or may adopt and maintain a qualifying plan, as applicable).

Ownership Information and Principals:

The following is a list of all members, stockholders, partners or other investors who have a direct or indirect ownership interest in Franchisee along with their respective percentage ownership and a description of their office/title/status:

Name	Percentage of Ownership	Office/Title/Status
1. INSERT NAME	INSERT %	[Manager/Managing Member/Member/CEO/President/Board Member]
2. INSERT NAME	INSERT %	[Manager/Managing Member/Member/CEO/President/Board Member]

The following is a list of Franchisee’s “Principals” described in and designated pursuant to the Franchise Agreement. If Franchisor determine there is no Principal that is a Business Entity to execute the Corporate Guaranty, then unless otherwise agreed by Franchisor, one Principal designated by Franchisor will execute the Personal Guaranty and Principals’ Undertaking form set forth in Exhibit A-2. All other Principals will execute the Confidentiality Agreement [and Covenant Not to Compete] form set forth in Exhibit B.

<u>Name</u>	<u>Address</u>
1. INSERT NAME	INSERT ADDRESS
2. INSERT NAME	INSERT ADDRESS

Minimum Performance Criteria:

- You must participate in a minimum of 4 conferences per year (noting these will generally be held virtually and on a monthly basis).
- You must fully participate in all mandatory marketing initiatives.
- You must remain open for trade for a minimum of:
 - a. Outside of school holidays: 4 days per week (and 3 hours per day open); and
 - During school holidays: 2 days per week (and 2 hours per day open).

Special Conditions:

- You are granted a 2-month Royalty free period from the Lease Effective date.
- For the avoidance of doubt, the Special Conditions shall not apply to any renewal term or renewal agreement.

Delivery Date of Disclosure Document: **INSERT FULL DATE**.

SUCCESS TUTORING FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (as supplemented, amended or otherwise modified from time to time, this “**Agreement**”) is entered into by and between Franchisor and Franchisee and is effective as of the Effective Date. The Summary Pages to this Agreement are an integral part of this Agreement.

Recitals. Franchisor and its affiliates have, through the expenditure of time, skill, effort and money, developed the System for the establishment and operation of Success Tutoring Businesses that offer and sell Approved Products and Services using Approved Equipment and Supplies. Franchisee desires to obtain the right, and Franchisor is willing to grant Franchisee the right, to operate a Success Tutoring Business using the System and Marks in the Territory in accordance with the terms of this Agreement. The parties have entered into this Agreement to evidence the terms and conditions of their relationship.

Definitions. The following terms are used in this Agreement with the meanings assigned below (in addition to any terms otherwise defined in the body of this Agreement):

“Accounting Period” means each calendar month period during the Term; provided that Franchisor may change the Accounting Period during the Term upon 30 days’ prior written notice to Franchisee.

“Action” means a suit, proceeding, claim, demand, controversy, dispute, investigation, or inquiry, whether formal or informal.

“Adverse Change of Law” means the adoption, promulgation, modification or reinterpretation after the Effective Date by any Governmental Authority in the United States (as to Franchisor) or the state or local jurisdiction in which the Success Tutoring Business is located (as to Franchisee), of any Applicable Laws which action materially and adversely affects Franchisor’s or Franchisee’s ability to enjoy the economic benefits of this Agreement or to enforce its rights hereunder or thereunder, including the ability to manufacture, distribute, purchase, lease, use, advertise, offer or sell any proprietary Approved Equipment and Supplies or Approved Products and Services. An Adverse Change of Law does not constitute an Event of Force Majeure.

“Affiliate” means a Person that controls, is controlled by or is under common control with another Person, either by virtue of equity ownership, by contract or by other means.

“Applicable Industry Regulations” mean all applicable federal, state and local laws, rules and regulations that relate to the ownership or operation of a Success Tutoring Business (if any), including as to the Approved Products and Services and/or Approved Equipment and Supplies.

“Applicable Laws” means any and all applicable provisions of any (a) constitution, treaties, statutes, laws (including the common law), codes, rules, regulations, ordinances or orders of any Governmental Authority, (b) approvals from any Governmental Authority and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Governmental Authority.

“Applicable Licensure” means any required license, certification, authorization or permit related to the performance, offering or sale of Approved Products and Services and/or use of Approved Equipment and Supplies in connection with the Success Tutoring Business.

“Approved Equipment and Supplies” means all approved or permitted equipment (including Technology and Information Systems), signage, trade dress, paper products and other disposables, and any other related supplies and items that are used in developing and operating Success Tutoring Businesses generally, but are not offered or sold to Customers of the Success Tutoring Businesses. The Approved Equipment and Supplies may include items that are either branded with the Marks or developed, produced, created or manufactured using Franchisor’s or its Affiliates’ proprietary creations, Trade Secrets or other Confidential Information, and designated as proprietary by Franchisor from time to time in the Brand Standards Manual.

“Approved Products and Services” means all approved or permitted products and services offered and sold to Customers of Success Tutoring Businesses generally, including specifically personalized English and Math tutoring services for students aged 5 to 17. Approved Products and Services may include items that are either branded with the Marks or developed, produced, created or manufactured using Franchisor’s or its Affiliates’ proprietary creations, Trade Secrets or other Confidential Information, and designated as proprietary by Franchisor from time to time in the Brand Standards Manual.

“Artificial Intelligence” means a field of science concerned with building computers and machines that can reason, learn, and act in such a way that would normally require human intelligence or that involves data whose scale exceeds what humans can analyze.

“Brand Standards” means the mandatory and suggested specifications, standards, operating procedures and rules that Franchisor prescribes from time to time for the development and operation of a Success Tutoring Business and any other information Franchisor provides to Franchisee during the Term relating to Franchisee’s operation of the Success Tutoring Business or to any other of Franchisee’s obligations under this Agreement and related agreements, whether or not provided in writing in the Brands Standards Manual.

“Brand Standards Manual” means and collectively includes all manuals, policy statements, directives, bulletins and memoranda that contain prescribed or recommended standards, procedures, policies and advice (i.e., the Brand Standards) relating to a Success Tutoring Business’s development, operation or management, and the Approved Equipment and Supplies used in, and the Approved Products and Services offered and sold by, Success Tutoring Businesses. The Brand Standards Manual discloses certain elements of Franchisor’s proprietary System, and its contents are and will remain Franchisor’s Trade Secrets and exclusive property.

“Business Entity” means a corporation, a general or limited partnership, a limited liability company or any other type of business entity.

“Centre Manager” means an individual appointed by Franchisee who meets Franchisor’s minimum requirements and who will supervise and manage the Success Tutoring Business’s day-to-day operations if the Controlling Principal will not directly supervise and manage all aspects of the Success Tutoring Business’s day-to-day operations.

“Charter Documents” means a corporation’s articles of incorporation, by-laws and shareholders agreement (if any); a partnership’s partnership agreement and, in the case of a limited partnership, its articles of limited partnership; a limited liability company’s articles of association and regulations or operating agreement; and comparable governing documents of any other type of business entity.

“Competing Business” means any English and/or Math-focused tutoring service business whose primary focus is performing, offering and/or selling products and services similar to the Approved Products and Services to third parties through any means of distribution.

“Confidential Information” means Franchisor’s proprietary and confidential information relating to the development and operation or management of a Success Tutoring Business, including:

1. Technology and Information Systems prescribed for use in a Success Tutoring Business, including the Success Tutoring Business Operating System;
2. Identity of suppliers and knowledge of Brand Standards for and suppliers of Approved Equipment and Supplies and Approved Products and Services;
3. The Brand Standards, the Brand Standards Manual, any other proprietary materials and knowledge, know-how or experience used or obtained in developing and operating a Success Tutoring Business;
4. Sales, marketing and advertising programs and techniques for a Success Tutoring Business;
5. Knowledge of operating results and financial performance of a Success Tutoring Business, other than Franchisee’s Success Tutoring Business;
6. Training policies and procedures;
7. Franchisor’s culture and all initial and refresher training programs;
8. Site selection criteria (if any), general contractor and architect criteria and Trade Dress for Success Tutoring Businesses, and plans and specification for the development of the Success Tutoring Businesses;
9. Customer Information and other information (including earnings information) regarding Franchisor’s personnel and Customers and those of other franchisees and licensees of Franchisor;
10. Franchisee recruiting methods and procedures, and selection criteria;
11. Business performance measurement systems;
12. Business planning process and procedures used by Franchisor and Franchisee related to the development of one or more Success Tutoring Businesses; and
13. All other information that Franchisor provides Franchisee and designates proprietary or confidential, including information provided to Franchisee through the Success Tutoring Business Intranet.

“Confidentiality Agreement [and Covenant Not to Compete]” means the Confidentiality Agreement [and Covenant Not to Compete] form attached to this Agreement as Exhibit B.

“Continuing Fees” means all Royalty Fees, National Brand Fund Contributions and any other recurring or periodic fees and payments due under this Agreement.

“Control or Controlling Interest” means the possession, directly or indirectly, of the power to direct or cause the direction, of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise.

“Controlling Principal” means one of the Principals who meets Franchisor’s requirements and is approved by Franchisor, and who is appointed by Franchisee to supervise and manage all aspects of Franchisee’s business and to deal exclusively with Franchisor and its staff for purposes of administering and coordinating the relationship created by this Agreement. Franchisee’s first Controlling Principal is identified on the Summary Pages.

“Copyrighted Materials” refers to and includes all versions, variations and adaptations of the following materials in tangible form, either produced by Franchisor, produced on its behalf as works for hire, or derived from works produced by or on behalf of Franchisor: (i) all brand standards and manuals used in a Success Tutoring Business’s development, operation and marketing activities, including but not limited to the Brand Standards Manual, (ii) all initial training and other training materials (including printed, audio, video or electronic materials), (iii) Success Tutoring Business plans and specifications, (iv) designs and graphics, (v) product and service identification posters, photographs and graphics, (vi) advertising and marketing materials, (vii) labels, forms and reports provided by Franchisor, (viii) any proprietary computer software developed for use in the operation or management of a Success Tutoring Business, including but not limited to the Success Tutoring Business Operating System (if applicable), (ix) all Trade Dress and Trade Dress elements for Approved Equipment and Supplies and Approved Products and Services for the Success Tutoring Business, and (x) any other materials protected by copyright law or marked or identified by Franchisor as protected by copyright.

“Crisis Management Event” means any event that occurs at or otherwise involves the Success Tutoring Business premises, or that occurs generally at a local, regional, national or even global scale, which has or may cause harm or injury to Customers or employees, such as contagious diseases, natural disasters, terrorist acts, shootings or other acts of violence, or any other similar circumstance which may materially and adversely affect the System or the goodwill symbolized by the Marks.

“Customer” means a customer of a Success Tutoring Business, and includes National Customers.

“Customer Information” means any information that: (i) can be used (alone or when used in combination with other information within Franchisee’s control) to identify, locate or contact an individual; or (ii) pertains in any way to an identified or identifiable individual. Customer Information can be in any media or format, including computerized or electronic records as well as paper-based files.

“Dispute” means any claim, controversy or dispute that arises under, or in relation to, this Agreement or concerns the relationship created by this Agreement.

“Dollars” or “\$” means currency of the United States of America.

“Effective Date” means the date Franchisor signs this Agreement, as indicated in the Summary Pages and/or in its signature block.

“Event of Default” means any breach of this Agreement, including without limitation, those breaches expressly described in this Agreement.

“Event of Force Majeure” means acts of God, strikes, war, riot, epidemic, pandemic, fire or other natural catastrophe, terrorist acts or government actions resulting from terrorist acts, or other similar

extraordinary or unnatural forces beyond Franchisee's or Franchisor's control which, as applicable, materially and adversely affect the condition, use or operation of the Success Tutoring Business or which effect Franchisor's ability to perform its obligations under this Agreement.

"Franchise" means the right to develop and operate a Success Tutoring Business in a specific agreed and defined Territory, as more fully described in this Agreement.

"Franchisee" means the Franchisee identified on the Summary Pages of this Agreement.

"Franchisor" means Success Tutoring United States, Inc., a Delaware corporation, or its successors and assigns to this Agreement.

"Gross Sales" means the aggregate of all revenue and income of Franchisee from whatever source derived, whether or not collected by Franchisor or Franchisee and whether it is in the form of check, cash, credit or otherwise, arising out of, in connection with or relating to Franchisee's Success Tutoring Business including, without limitation, (a) income from the sale of any Approved Products and Services sold from or through the Success Tutoring Business; (b) income from any other products or services provided to Customers; and (c) all proceeds from any business interruption insurance, but excluding i) all refunds, cancellation fees and discounts made in good faith to a Customer; ii) any sales, goods and services and equivalent taxes which are collected by Franchisee for or on behalf of any Governmental Authority and actually remitted to such Governmental Authority; iii) tips paid by Customers to Success Tutoring Business personnel; and iv) the value of any gift card, coupon, voucher or other allowance authorized by Franchisor and issued or granted to Customers of Franchisee's Success Tutoring Business which is received or credited by Franchisee in full or partial satisfaction of the price of any Approved Products and Services offered in connection with Franchisee's Success Tutoring Business. Franchisor reserves the right to institute policies in the Brand Standards Manuals or otherwise in writing and from time to time, regarding the inclusion in Gross Sales of any pre-paid goods or services (including, without limitation, gift cards and gift certificates) and the delivery and redemption thereof.

"Governmental Authority" means in any jurisdiction where Franchisor or Franchisee carry on business or holds assets, any nation or government, any province, state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, including, without limitation, any government authority, agency, department, board, commission or instrumentality of the United States of America or any political subdivision thereof; any court, tribunal or arbitrator; and any self-regulatory organization.

"Indemnified Parties" means Franchisor, its Affiliates, and their respective officers, directors, shareholders, partners, members, managers, agents, representatives, independent contractors, attorneys, accountants, employees, successors and assigns.

"Initial Franchise Fee" means the initial franchise fee identified on the Summary Pages of this Agreement payable in connection with the purchase of the Franchise.

"Local Ad Expenditure" means the local advertising expenditure in the amount set forth on the Summary Pages.

"Losses and Expenses" means all compensatory, exemplary, incidental, consequential, or punitive damages (including lost profits); all fines, charges, costs, or expenses imposed by courts or other governmental authorities or by arbitrators; reasonable attorneys' fees and all court or arbitration costs, settlement amounts, or judgments relating to litigation or arbitration; compensation for damages to Franchisor's reputation and goodwill; costs of or resulting from Franchisee's delays, costs of any

necessary corrective advertising material and media time/space, and costs of changing, substituting, or replacing advertising; and all expenses of recall, refunds, compensation to third parties, public notices, and other similar amounts incurred in connection with the matters for which Losses and Expenses are to be paid.

“Marketing & Grand Opening Expenditure” means the expenses to be incurred by Franchisee in connection with advertising and otherwise promoting the opening of the Success Tutoring Business.

“Marks” refers to and includes (i) the “Success Tutoring” service mark and logo, (ii) the “Success Tutoring” trade name, (iii) the elements and components of a Success Tutoring Business’s Trade Dress, and (iv) any and all additional, different or replacement trade names, trademarks, service marks, logos and slogans that Franchisor adopts from time to time to identify the System, the Approved Equipment and Supplies and/or the Approved Products and Services offered by Success Tutoring Businesses.

“Memberships” means contractual arrangements with Customers who are members of one or more Success Tutoring Businesses pursuant to a Membership Agreement entered into by such Customers(s) and the relevant Success Tutoring Business(es).

“Membership Agreements” means written or electronic agreements governing the Membership relationship between Franchisee and Customers, or between others in the Success Tutoring Business Network and Customers.

“National Accounts” mean agreements between Franchisor and National Customers pursuant to which Franchisor and participating franchisees agree to offer and sell Approved Products and Services or other related products at National Account Rates or in accordance with certain delivery procedures or other processes set forth in the Brand Standards from time to time.

“National Account Rates” means the fees, costs and other rates that Franchisor may set from time to time in connection with the servicing of National Accounts and National Customers.

“National Brand Fund” means a separate and segregated advertising and marketing fund Franchisor administers for the purpose of enhancing the goodwill and public image of the System through advertising and promotions.

“National Brand Fund Contribution” means the periodic National Brand Fund Contribution in the amount identified on the Summary Pages payable if/when a National Brand Fund is created.

“National Customers” means any and all Customers with whom Franchisor has a National Account.

“Non-Compliance Fees” means the amount to be paid to Franchisor in connection with non-monetary contractual deviations or defaults under this Agreement.

“Opening Date” means the actual opening date that the Success Tutoring Business starts offering and selling Approved Products and Services to Customers.

“Ownership Interest” means any direct or indirect, legal or beneficial ownership interest of any type, including but not limited to (a) in relation to a corporation, the ownership of shares in the corporation; (b) in relation to a partnership, the ownership of a general partner or limited partnership interest; (c) in relation to a limited liability company, the ownership of a membership interest; or (d) in relation to a trust, the ownership of the beneficial interest of such trust.

“Permanent Disability” means any physical, emotional or mental injury, illness or incapacity that would prevent an individual from performing the obligations set forth in this Agreement or in the Personal Guaranty and Principals’ Undertaking for at least 90 consecutive days, and from which condition recovery within 90 days from the date of determination of disability is unlikely. If the parties disagree as to whether an individual is permanently disabled, the existence of permanent disability will be determined by a licensed practicing physician selected by Franchisor, upon examination of the individual; or if the individual refuses to submit to an examination or provide the results of the examination to Franchisor in a manner reasonably satisfactory to Franchisor, then the individual automatically will be considered permanently disabled as of the date of refusal. The costs of any such examination will be paid by Franchisor.

“Person” means an individual or a Business Entity.

“Personal Guaranty and Principals’ Undertaking” means the Personal Guaranty and Principals’ Undertaking attached to this Agreement at Exhibit A.

“Principal” means collectively or individually, all officers and directors of Franchisee or any Affiliate of Franchisee and Persons holding a direct or indirect Ownership Interest in Franchisee or in any Affiliate of Franchisee, in the Franchise, this Agreement or any interest in or right under this Agreement, all or substantially all of the assets of the Success Tutoring Business or an interest therein or in the revenues or income thereof, as designated by Franchisor. The initial Principals are listed on the Summary Pages to this Agreement.

“Privacy Laws” means any international, national, federal, provincial, state, or local law, code, rule or regulation that regulates the processing of Customer Information in any way, including healthcare and wellness services related laws such as the Health Insurance Portability and Accountability Act of 1996, data protection laws such as EU General Data Protection Regulations 2016/679 (“GDPR”), the California Consumer Protection Act of 2018 and other similar laws, rules or regulations, laws regulating marketing communications and/or electronic communications such as the CAN-SPAM Act and “Do Not Call” laws rules and regulations, information security regulations, the most current Payment Card Industry Data Security Standard, ISO 27001, ISO 27002, and security breach notification rules.

“Prospectus” means a statutory prospectus (preliminary or final), a private placement memorandum or any similar document that a company may use to convey information about a Securities Offering.

“QSC Reviews” means physical, on-site visits to a Success Tutoring Business during which Franchisor’s representatives conduct either (i) formal inspections to determine the degree to which a Success Tutoring Business’s operations satisfy Franchisor’s quality, service and cleanliness standards, or (ii) informal reviews to evaluate Franchisee’s compliance with the Brand Standards.

“Renewal Fee” means the Renewal Fee identified on the Summary Pages.

“Required Opening Date” means the Required Opening Date identified on the Summary Pages.

“Royalty Fee” means the continuing royalty fee identified on the Summary Pages payable with respect to Franchisee’s continued use of the Marks and System in connection with the operation of the Success Tutoring Business.

“Securities Offering” means a public offering or private placement of any equity or debt securities or of any securities convertible into or exchangeable for equity securities by Franchisee or, if

any of the proceeds of the offering are to be invested in or loaned to Franchisee, or if the Prospectus an Affiliate uses in connection with the offering mentions Franchisor or describes the relationship between Franchisor and Franchisee, by any Affiliate of Franchisee.

“Social Media” means any and all existing or future forms of electronic communication, whether for business or personal use (including via internet forums, weblogs, social blogs, wikis, podcasts, pictures and videos) through which users create or use online networks or communities (including but not limited through online communities such as Facebook, X (formerly Twitter), Instagram, SnapChat, LinkedIn, YouTube, Yelp or Wikipedia and other similar content sharing outlets) to share information, ideas, personal messages, and other online content.

“Success Pack” means an initial set of furniture and décor, office supplies and appliances, marketing equipment and company branded merchandise for the Success Tutoring Business.

“Success Tutoring Business” means a personalized English and Math tutoring business that operates from an approved Success Tutoring Business Campus on a year-round basis under the Marks and System and uses Approved Equipment and Supplies to offer and sell Approved Products and Services in accordance with the Brand Standards.

“Success Tutoring Business Campus” means the physical address of the Success Tutoring Business operated pursuant to this Agreement, as described on the Summary Pages.

“Success Tutoring Business Intranet” means a web-based communications network that permits members of the Success Tutoring Business Network to communicate electronically with each other and through which Franchisor may, at its option, make accessible various materials to Franchisee, including the Brand Standards Manual, training materials and official notices.

“Success Tutoring Business Network” means all Franchisor-owned or affiliated and franchisee-owned Success Tutoring Businesses in the United States.

“Success Tutoring Business Operating System” any proprietary or other operations and management hardware or software systems that are may be developed and/or used by Franchisor to assist in the operation of Success Tutoring Businesses, and which will be part of the Technology and Information Systems.

“Success Tutoring Website” means the internet website that Franchisor has created or may in the future create and maintain to (i) advertise and promote the Success Tutoring Business Network generally, including the Approved Products and Services that members of the Success Tutoring Business Network offer; (ii) to facilitate the sale of Franchises for a Success Tutoring Business; and/or (iii) to offer and sell Approved Products and Services directly to Customers within or outside of the Territory.

“Summary Pages” means the pages that appear at the beginning of this Agreement that summarize certain key information concerning the parties’ relationship and the terms of this Agreement, and which are an integral part of this Agreement.

“System” means which includes development and construction guidelines, opening guidelines, operational guidelines, initial and ongoing training programs, business methods, designs, arrangements and Brand Standards for developing, opening and operating Success Tutoring Businesses, including those pertaining to site selection, Approved Equipment and Supplies, Technology and Information Systems, equipment, supplies, signage and trade dress), Approved Products and Services and any other related products, services, supplies and items that are used, offered or sold in Success Tutoring Businesses

generally, methods of inventory control and requirements and policies regarding memberships, accounting and financial performance and advertising and marketing programs, all of which Franchisor may improve, further develop or otherwise modify from time to time.

“Technology and Information Systems” means electronic systems prescribed for use to collect, compute, store and report a Success Tutoring Business’s Gross Sales, Membership and Customer information, other financial data and operating information, such as point of sale systems, computers, peripheral equipment and related software programs, including the Success Tutoring Business Operating System) or any other similar hardware and software designated for use in the Brand Standards. The Technology and Information Systems are part of the Approved Equipment and Supplies.

“Term” means the term identified on the Summary Pages.

“Trade Dress” means decorative, non-functional components of a Success Tutoring Business that provide the establishment a distinctive, memorable appearance.

“Trade Secrets” means the components of the System, the contents of the Brand Standards Manual and of all employee training materials and computer programs developed by Franchisor or in accordance with the Brand Standards, Confidential Information and any other confidential information that Franchisor imparts to Franchisee with respect to a Success Tutoring Business’s operation or management, whether through the Brand Standards Manual or otherwise.

“Training Team” means Franchisee’s Controlling Principal (and any Centre Manager, if applicable) (and any replacements or successors thereto) who must attend and timely and successfully complete Franchisor’s initial training program applicable to their respective positions.

“Transfer” means the voluntary, involuntary, direct or indirect sale, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, inter-vivos transfer, testamentary disposition or other disposition of (1) the Franchise, this Agreement or any interest in or right under this Agreement, or of all or substantially all of the assets of the Success Tutoring Business or in an interest therein, including (a) any transfer in, or as a result of, a divorce, insolvency, dissolution proceeding or otherwise by operation of law; (b) any transfer upon Franchisee’s death or the death of any of the Principals by will, declaration of or transfer in trust or under the laws of intestate succession; or (b) any foreclosure upon the Success Tutoring Business or the transfer, surrender or loss by Franchisee of possession, control or management of the Success Tutoring Business or (2) of any direct or indirect Ownership Interest in Franchisee or revenues or income of the Success Tutoring Business, including (a) any transfer, redemption or issuance of a legal or beneficial Ownership Interest in Franchisee or any Business Entity that has an Ownership Interest in Franchisee or of any interest convertible to or exchangeable for a legal or beneficial Ownership Interest in Franchisee or any Business Entity that has an Ownership Interest in Franchisee; (b) any merger or consolidation between Franchisee or any Business Entity that has an Ownership Interest in Franchisee and another Business Entity, whether or not Franchisee is the surviving Business Entity; (c) any transfer in, or as a result of, a divorce, insolvency, dissolution proceeding or otherwise by operation of law; (d) any transfer upon Franchisee’s death or the death of any of the Principals by will, declaration of or transfer in trust or under the laws of intestate succession; or (3) any foreclosure upon the Success Tutoring Business or the transfer, surrender or loss by Franchisee of possession, control or management of the Success Tutoring Business. No Person (including any employee or independent contractor) may hold any Ownership Interest in the Success Tutoring Business other than an undivided interest in the Franchise as a whole, and then only in compliance with the transfer restrictions in this Agreement.

“Transfer Fee” means the transfer fee identified on the Summary Pages.

Grant of Franchise.

(a) Franchisor grants to Franchisee a Franchise, and Franchisee accepts the Franchise and obligation to develop and operate, a single fixed, physical bricks and mortar retail Success Tutoring Business at the physical premises located at the Success Tutoring Business Campus set forth in the Summary Pages to this Agreement, and to offer and sell Approved Products and Services from the Success Tutoring Business using the System and Marks in accordance with the Brand Standards. The Franchise includes the right to solicit, offer and sell products and services to Customers, including Memberships, who reside in the Territory; provided that Franchisee acknowledges and agrees that Franchisor, its Affiliates and other System franchisees may also solicit, offer and sell products and services to Customers, including Memberships, who reside anywhere, including in Franchisee's Territory.

(b) Franchisee may not sell or permit the sale of any Approved Products and Services to any wholesale Customer, or sell or permit the sale of any Approved Products and Services from catalogues or an internet website without Franchisor's prior written permission, but Franchisee may solicit, offer and sell products and services to Customers, including Memberships, who reside in the Territory, and other franchisees may may solicit, offer and sell products and services to Customers, including Memberships, who reside anywhere, including in the Territory.

(c) Franchisee's use of any of the Marks or any element of the System in the operation or management of any type of business at any other address or in any other channel of distribution without Franchisor's express prior written authorization will constitute willful infringement of Franchisor's rights in the Marks and the System. Franchisee is specifically prohibited from sublicensing, assigning, or delegating to others any of Franchisee's rights or obligations under this Agreement.

(d) So long as Franchisee, its Affiliates and the Principals are in full compliance with this Agreement and all other agreements between Franchisee, its Affiliates and the Principals and Franchisor or its Affiliates, then Franchisor will not operate or authorize anyone except Franchisee to commence operation of a full size Success Tutoring Business from a fixed, physical bricks and mortar retail premises located within the Territory, subject to the reservation of rights set forth in Section 3(e) below.

(e) Franchisor and its Affiliates (and their respective successors and assigns, by purchase, merger, consolidation or otherwise) reserve all rights that this Agreement does not expressly grant to or confer upon Franchisee, including, without limitation:

(i) To operate and grant franchises to third parties to operate Success Tutoring Businesses using the System and the Marks outside the Territory;

(ii) To advertise and promote the System within and outside the Territory;

(iii) To develop, establish and operate (directly or indirectly), and grant franchises to others to develop, establish and operate, (a) other business systems using the Marks, and (b) other business systems (including, without limitation, businesses offering and selling Approved Products and Services) using other names or marks, within and outside the Territory and to spin off, sell, or otherwise dispose of all or any interest in such business systems;

(iv) To engage, directly or indirectly, in the manufacturing, production, distribution, operation, license and sale of Approved Products and Services and other similar services and related products using the System and/or the Marks, within and outside the Territory through any other method of distribution, including, but not limited to, retail outlets, mail order catalogs, the Internet, telemarketing, other direct marketing, or any other channel of distribution, which includes the direct sale

of Approved Products and Services to Customers within the Territory through the Success Tutoring Website or any successor internet website operated by Franchisor or its Affiliates; and

(v) The right (i) to be acquired, in whole or in part, by any company, including any company that operates or offers franchises for businesses that offer products or services the same as or comparable to Approved Products and Services and that have locations or operate within or outside the Territory under any trademark or trade name other than the Marks, and (ii) to acquire any such company, in whole or in part. In the event of any such acquisition by Franchisor or one of Franchisor's Affiliates in the Territory, Franchisee agrees that Franchisor or such other entity may continue to operate (or authorize others to operate) the acquired company (and any and all of its locations) in the Territory under the acquired company's trademarks and trade names.

(f) Franchisee may not actively solicit business outside the Territory through any means, including the use of other channels of distribution, such as the Internet, Social Media, catalog sales, telemarketing, or other direct marketing.

(g) Franchisee acknowledges and agrees that Franchisor has no express obligation or implied duty to insulate or protect Franchisee's revenues from erosion as the result of Franchisee's Success Tutoring Business competing with other Success Tutoring Businesses in the ways and to the extent this Section provides or contemplates. Franchisee expressly waives and relinquishes any right to assert any claim against Franchisor based on the existence, actual or arguable, of any such obligation or duty.

(h) If Franchisee is a Business Entity, Franchisee acknowledges and agrees that no individual, including the Principals and employees of the Success Tutoring Business, has, and no provision of this Agreement confers, any personal right to use the Marks at or from any location (whether within or outside of the Territory) for any purpose, including on Social Media. Franchisee agrees to immediately notify Franchisor if Franchisee becomes aware of such use of the Marks. Franchisee will take all reasonable actions required by Franchisor to eliminate such use of the Marks and will reimburse Franchisor for any expense incurred by Franchisor as a result of such use of the Marks.

Agreements Regarding Compliance with Applicable Laws and Applicable Licensure. Franchisee will comply strictly with, or ensure compliance strictly with, all Applicable Laws related to the Success Tutoring Business, including those relating to Applicable Industry Regulations, Applicable Licensure, taxation, employment and promotion practices, employee wages, child and immigrant labor, disabled persons, environmental, truth-in-advertising, occupational safety and health, firearms and other weapons and sanitation.

(a) Franchisee shall ensure timely procurement and maintenance of any and all Applicable Licensure necessary for the full and proper operation of the Success Tutoring Business under Applicable Laws, including, without limitation, licenses to do business, trade name registrations, and sales tax permits.

(b) Franchisee will submit to Franchisor any and all inspection or other reports prepared by any Governmental Authority related to the operations of the Success Tutoring Business within 7 days of its receipt of such inspection or report.

(c) Franchisee will continually comply with all Applicable Laws relating to the use of Approved Equipment and Supplies and/or the offer and sale of authorized Approved Products and Services by the Success Tutoring Business and will obtain and maintain such additional liability and general liability insurance coverage that is specified by Franchisor in the Brand Standards Manual.

(d) Franchisee acknowledges and agrees that Franchisor makes no representations or warranties regarding the legality of the offer or sale of any Approved Products and Services in the state or jurisdiction in which Franchisee is located, and that it is Franchisee's sole responsibility to confirm all such Applicable Laws, including Applicable Licensure, and to comply with all Applicable Laws related to the use of Approved Equipment and Supplies and/or the offer and sale of authorized Approved Products and Services by the Success Tutoring Business in Franchisee's jurisdiction.

Primary Fees.

(a) — In consideration of Franchisor's granting the Franchise and for Franchisor's lost or deferred opportunities in the Territory, Franchisee will pay Franchisor the Initial Franchise Fee in accordance with the requirements of this Agreement. The Initial Franchise Fee will be due as reflected in the Summary Pages and will be fully-earned upon receipt and is not refundable under any circumstances.

(b) In consideration for the purchase of certain initial Approved Equipment and Supplies for the Success Tutoring Business, Franchisee agrees to pay Franchisor the Success Pack Fee when Franchisee signs its approved real estate lease for the Success Tutoring Business. The Success Pack Fee is fully-earned upon receipt and is not refundable under any circumstances.

(c) In consideration for Franchisee's continuing use of the Marks and the System, Franchisee agrees to pay Franchisor the Royalty Fee each Accounting Period during the Term based on Franchisee's operation of the Success Tutoring Business.

(d) Franchisee agrees to expend an amount equal to the Local Ad Expenditure each Accounting Period during the Term.

(e) If/when the National Brand Fund is created, Franchisee agrees to pay to Franchisor or its designee the National Brand Fund Contribution each Accounting Period during the Term.

(f) By noon on the 2nd day of each Accounting Period, Franchisor or Franchisee (as Franchisor then requires) will calculate and report to the other the amount of Gross Sales and corresponding Continuing Fees due for the immediately preceding Accounting Period in accordance with this Agreement. Unless the other party contests the amount of Gross Sales or the Continuing Fees payable to Franchisor within 24 hours of receipt of such report, Franchisor will draft Franchisee's account based on the amount in the report. If Franchisor's ability to determine Gross Sales for any Accounting Period is obstructed (whether or not due to Franchisee's acts, errors or omissions), Franchisor will calculate Continuing Fees based on Gross Sales on the basis of 18% of Gross Sales for the last Accounting Period in which Franchisor had access to Gross Sales information and will draft Franchisee's account accordingly; provided that adjustments in the Continuing Fees actually due will be calculated and settled within 10 days after Franchisee furnishes the required Gross Sales information.

(g) All Continuing Fees due under this Agreement will be payable each Accounting Period by automatic debit of Franchisee's account on the 7th day following each Accounting Period with respect to Franchisee's Gross Sales for the immediately preceding Accounting Period. Franchisee will authorize Franchisor and its bank to debit Franchisee's account directly for the payment of all Continuing Fees and other amounts due hereunder by signing and delivering an Authorization Agreement for Pre-authorized Payments in the form attached as **Exhibit C** to this Agreement or such other form provided by Franchisor. Franchisee will at all times maintain a balance of not less than \$10,000 in the account designated in the Authorization Agreement for Pre-authorized Payments on file with Franchisor. Continuing Fees will be payable without notice or demand. All other payments will be due upon demand. By notice in writing to Franchisee, Franchisor may from time to time change the payment interval, the payment date and/or the

manner of payment of such Continuing Fees, and may require any payments be made by wire or check in lieu of automatic debit at Franchisor's sole discretion.

(h) Franchisee may not withhold Continuing Fees or other payments (including reimbursable expenses, as applicable) due hereunder on account of Franchisor's breach or alleged breach of its obligations under this Agreement or any other agreement between the parties or their respective Affiliates. Franchisee acknowledges and agrees that Franchisor's performance under this Agreement constitutes no part of the consideration for Franchisee's obligation to pay Continuing Fees and other amounts due in accordance with this Agreement.

(i) If Franchisee fails to pay any Continuing Fees or other payments (as applicable) or any trade account by the date on which such payment is due, the amount payable will bear interest from the date it became due through the date of payment at the lesser of (i) 1.5% per calendar month, or (ii) the highest lawful rate of interest permitted by Applicable Laws, and/or Franchisee will pay to Franchisor, at Franchisor's election, a late fee of U.S. \$50 per calendar month the respective payment remains unpaid. Such late fee will be paid to Franchisor in addition to, and not in lieu of, any other rights Franchisor may have at law or in equity as a result of late payment by Franchisee. Nothing in this Agreement will obligate Franchisee or any guarantor of Franchisee's obligations to pay, or entitle Franchisor or its designee to collect, interest in excess of the maximum rate permitted by Applicable Laws. If, for any reason, Franchisor or its designee charges or receives interest in excess of the maximum rate permitted by Applicable Laws, the excess will be applied as a payment against the principal amount of Franchisee's other obligations under this Agreement. If no other obligations are due, Franchisor or its designee will promptly refund the excess payment to the party that paid it.

6. Modification of Franchise, Trade Dress and Equipment Brand Standards.

(a) Franchisor reserves the right to modify the System and Marks from time to time, including, without limitation, the right to (1) add new and different Approved Equipment and Supplies and/or Approved Products and Services to the list of authorized Approved Equipment and Supplies and/or Approved Products and Services, (2) withdraw Approved Equipment and Supplies and/or Approved Products and Services from the list of authorized Approved Equipment and Supplies and/or Approved Products and Services, or to change their names, Brand Standards and/or image, (3) change the Trade Dress and Brand Standards for any Success Tutoring Business and/or Approved Equipment and Supplies for the Success Tutoring Business, (4) add or change the Brand Standards for Customer engagement (including National Customers), (5) abandon the use of any Approved Equipment and Supplies and/or Approved Products and Services that Franchisor withdraws from the list of authorized Approved Equipment and Supplies and/or Approved Products and Services, and (6) require the use of new or different Technology and Information Systems, some of which may require additional fees or costs to implement and use, and in all cases Franchisor will not be liable to Franchisee for any expenses or revenue losses associated with any modification to the System, including but not limited to any modification to Franchisor's current Brand Standards which adversely impacts the Success Tutoring Business's revenues. Notwithstanding the foregoing, Franchisor will not require Franchisee to make capital expenditures to remodel the Success Tutoring Business or overhaul the Approved Equipment and Supplies of the Success Tutoring Business more often than every 3 years or at an expense that is in excess of 30% of the total original capital expenditure to develop and open the Success Tutoring Business.

(b) Franchisor may instruct Franchisee to (i) begin using or offering and selling new Approved Equipment and Supplies and/or Approved Products and Services as of a date specified in a supplement to the Brand Standards Manual or (ii) cease using or offering and selling any Approved Equipment and Supplies and/or Approved Products and Services as of a date specified in a supplement to the Brand Standards Manual, and Franchisee will comply with Franchisor's instructions as of the date

Franchisor specifies, which need not be more than 30 days after Franchisor distributes the Brand Standards Manual supplement; provided that Franchisor will generally establish a schedule for Franchisee to implement such changes that will depend, among other factors, on the Success Tutoring Business's size, age, and the amount Franchisee has spent in recent periods to refurbish and upgrade the Success Tutoring Business. Franchisee will remove from the Success Tutoring Business any items Franchisor designates as obsolete and will purchase and/or lease and install any different or additional items Franchisor specifies as meeting its new Brand Standards, all in accordance with the schedule Franchisor establishes for the Success Tutoring Business.

(c) If Franchisor allows the Success Tutoring Business to participate in any new Approved Equipment and Supplies and/or Approved Products and Services test, then Franchisee will participate in the test in accordance with the Brand Standards and will discontinue offering any such new items that Franchisor decides not to permanently add to the list of Approved Equipment and Supplies and/or Approved Products and Services. Following any such test, upon request from Franchisor, Franchisee will provide to Franchisor such results and data from such tests as Franchisor may reasonably request.

(d) If Franchisee develops or suggests an innovation or improvement for the Success Tutoring Business (including as to any Approved Equipment and Supplies and/or Approved Products and Services) that Franchisor decides to incorporate into the System for use in other Success Tutoring Businesses (whether on a temporary or permanent basis and whether applicable to all or select franchisees), the innovation or improvement will become Franchisor's Confidential Information without compensation to Franchisee or any Principals. Franchisee hereby assigns ownership of each such innovation or improvement to Franchisor and agrees to execute and deliver all such additional instruments and documents as Franchisor may request to evidence the assignment and Franchisor's ownership of the innovation or improvement.

7. Franchisor Services and Assistance.

(a) **Development Stage Assistance.** Franchisor (or its designee) will provide the following services and assistance to Franchisee before Franchisee opens the Success Tutoring Business.

(i) Review the proposed site for the Success Tutoring Business for minimum compliance with the Brand Standards, and in certain instances review the design plans for the construction of the Success Tutoring Business.

(ii) Furnish Franchisee a list that describes the Approved Equipment and Supplies that Franchisee must purchase, use and install to buildout and initially stock the Success Tutoring Business together with the names of any third party suppliers Franchisor has designated or approved for such Approved Equipment and Supplies.

(iii) Sell to Franchisee the Success Pack (as detailed in Exhibit E) and any proprietary and other Approved Equipment and Supplies and/or Approved Products and Services that Franchisee is required to purchase from Franchisor or its Affiliates; provided that Franchisee is solely responsible for installing or stocking all such Approved Equipment and Supplies and/or Approved Products and Services in the Success Tutoring Business.

(iv) Conduct initial training for Franchisee's Training Team. Prior to rendering their services to the Success Tutoring Business, the entire Training Team will attend and complete, to Franchisor's satisfaction, initial training conducted by Franchisor in the form and manner applicable to each member of the Training Team based on their role with the Success Tutoring Business. The entire Training Team must begin the Success Academy program at least 4 weeks before the expected opening

date of the Success Tutoring Business, and must complete the Success Academy program at least 2 weeks before the expected opening date of the Success Tutoring Business. Franchisor reserves the right to charge an additional fee to Franchisee for any additional required or optional training before or after the Success Tutoring Business opens for business and training for other or subsequent personnel in addition to the Training Team. Franchisee will be solely responsible for Franchisee's Training Teams' travel expenses and room, board and wages during such training. Franchisee may send additional persons to training, or replacement persons to initial training, subject to payment of a fee equal to Franchisor's out-of-pocket costs for providing such additional training, up to \$500 per additional trainee. Franchisor may periodically make other mandatory or optional training available to Franchisee's employees as well as other programs, seminars and materials, and Franchisee will ensure that all employees, as Franchisor may direct, satisfactorily complete any such additional initial or refresher required training within the time specified.

(v) When Franchisee's Training Team arrives for training, Franchisor will loan Franchisee 1 electronic copy of the Brand Standards Manual.

(vi) Franchisor will provide Franchisee with opening assistance from one of Franchisor's opening and operations representatives in connection with the opening of the Success Tutoring Business.

(vii) Connect Franchisee to the Success Tutoring Business Operating System.

(b) **Operational Assistance.** Franchisor (or, notwithstanding the following, its designee) may, in its discretion and to the extent it deems appropriate, provide the following services and assistance to Franchisee after the Success Tutoring Business opens.

(i) Maintain Franchisee's connection to the Success Tutoring Business Operating System.

(ii) Provide such advice and assistance to Franchisee as Franchisor deems advisable in planning publicity and promotions for the Success Tutoring Business's promotion, including print media and display advertising.

(iii) Make Franchisor's staff accessible to Franchisee's personnel, to the extent Franchisor deems advisable, for consultation by telephone, written communication, email and other forms of electronic communication during regular business hours. Franchisor may periodically visit the Success Tutoring Business to conduct QSC Reviews and to consult with Franchisee regarding Brand Standards compliance as Franchisor deems appropriate. Franchisor will not provide routine field supervision.

(iv) Loan Franchisee additions and supplements to the Brand Standards Manual as they become available, and will disclose to Franchisee additional Trade Secrets, if any, Franchisor develops that relate to the operation or management of a Success Tutoring Business.

(v) So long as Franchisee is in full compliance with this Agreement and all other agreements with Franchisor, invite Franchisee to attend (at Franchisee's expense) conventions, seminars and franchisee-oriented functions, if any, which Franchisor may from time to time plan or sponsor and which are applicable to Franchisee or the Success Tutoring Business. Attendance to any such conventions, seminars and other franchisee-oriented functions may be made mandatory at Franchisor's discretion.

(vi) Sell to Franchisee (or cause to be sold to Franchisee) the then current array of all proprietary and other Approved Equipment and Supplies and/or Approved Products and Services that Franchisee is then required to purchase from Franchisor or its Affiliates.

(vii) Supervise the Memberships program and/or National Account program (if either or both are implemented), as may then be applicable.

Site Selection. All of the following provisions will apply if a site for the establishment and operation of the Success Tutoring Business has not obtained Franchisor's consent and been fully described in the Summary Pages as of the Effective Date. If a site has already obtained Franchisor's consent and been fully described in the Summary Pages as of the Effective Date, Sections 8(c) and (d) will still apply to the Success Tutoring Business to the extent such purchase or lease has not been executed as of the Effective Date.

(a) Within 90 days after the execution of this Agreement, Franchisee will locate and obtain Franchisor's consent for a site within an agreed area for the establishment and operation of the Success Tutoring Business. Franchisee must submit to Franchisor a copy of the proposed lease for the site, and Franchisor will notify Franchisee of its consent to or rejection of the site in writing within a period of 15 days.

(b) Franchisee hereby acknowledges and agrees that Franchisor's assistance with locating a site before or after execution of this Agreement (if applicable) and/or its review and consent to a site identified and submitted by Franchisee does not constitute an assurance, representation or warranty of any kind, express or implied, as to the suitability of the site for a Success Tutoring Business or for any other purpose or of the financial success of operating a Success Tutoring Business at such site. Upon consent to the site, the Success Tutoring Business Campus in the Summary Pages will be completed.

(c) If Franchisee will occupy the premises of the Success Tutoring Business under a lease, Franchisee will submit a copy of the lease containing a lease rider in the form attached as Exhibit D to Franchisor for written consent prior to its execution and will furnish to Franchisor a copy of the executed lease within 10 days after execution. No lease for Success Tutoring Business premises will be executed by Franchisee unless first consented to by Franchisor, which consent will be subject to inclusion of the Lease Rider attached as Exhibit D and the satisfaction of the conditions set forth above.

(d) If Franchisee will purchase the premises for Success Tutoring Business, Franchisee will submit a copy of the proposed contract of sale to Franchisor for its written consent prior to its execution and will furnish to Franchisor a copy of the executed contract of sale within 10 days after execution.

Franchisee Obligations for Development, Relocation and Operations. In connection with the development and operation of the Success Tutoring Business, Franchisee agrees to fulfill all of the requirements, to perform all of the obligations and to observe all of the restrictions stated in this Section.

(a) Franchisee will acquire, equip, outfit and ready for use all Approved Equipment and Supplies (including Trade Dress and Technology and Information Systems) in compliance with this Agreement and Franchisor's specifications at least 15 days before the Required Opening Date. Franchisee will acquire all Approved Equipment and Supplies from Franchisor, its Affiliates or third-party suppliers designated by Franchisor or otherwise approved in writing.

(b) At Franchisor's request, Franchisee will display at the Success Tutoring Business Campus a placard of such size as Franchisor prescribes confirming it is an independently-owned franchised business.

(c) If Franchisee is a Business Entity, the following requirements apply:

(i) Franchisee must be properly organized and in good standing under Applicable Laws, and its Charter Documents must provide that Franchisee's purposes and activities are restricted exclusively to developing and operating Success Tutoring Businesses.

(ii) True, complete and duly authenticated copies of Franchisee's Charter Documents and of a resolution of Franchisee's board of directors, general partner or other managing body authorizing Franchisee to enter into and perform this Agreement must be furnished to Franchisor prior to the execution of this Agreement.

(iii) Franchisee will maintain a list of all record and beneficial owners of Ownership Interests in Franchisee and will furnish a current version of the list to Franchisor between December 15th and 31st of each year and upon request.

(d) Franchisee will appoint one Principal who is approved by Franchisor to be the Controlling Principal. The Controlling Principal will be Franchisee's sole contact with Franchisor and its staff for purposes of administering and coordinating the relationship created by this Agreement. If the Controlling Principal will not manage the day-to-day operations of the Success Tutoring Business, then Franchisee must recruit and hire a full-time Centre Manager to manage the day-to-day operations of the Success Tutoring Business, which Centre Manager must satisfy any minimum Brand Standards for eligibility then stated in the Brand Standards Manual. If the initial or any successor Controlling Principal or Centre Manager resigns or otherwise leaves Franchisee's employment, Franchisee will notify Franchisor within 5 days and will appoint a suitably qualified replacement Controlling Principal or Centre Manager within a reasonable time, which will in no case exceed 30 days from the date of departure.

(e) The Training Team will attend Franchisor's initial training program, at Franchisee's sole expense. The Training Team must timely complete Franchisor's training program to Franchisor's satisfaction before the Success Tutoring Business may open for business. Notwithstanding the foregoing, Franchisor and Franchisee acknowledge and agree that Franchisor will not, and will have no right or authority to, control the employees of the Success Tutoring Business or Franchisee's other employees. Franchisor will have no right or authority with respect to the hiring, termination, discipline, work schedules, pay rates or pay methods of employees of the Success Tutoring Business or of Franchisee. Franchisee acknowledges and agrees that all employees of the Success Tutoring Business and of Franchisee will be the exclusive employees of Franchisee and will not be employees of Franchisor nor joint employees of Franchisee and Franchisor. Franchisor does not and will not share or codetermine any of Franchisee's employees' essential terms and conditions of employment. More specifically, in no case does Franchisor have any authority to determine or set Franchisee's employees': (1) wages, benefits, and other compensation; (2) hours of work and scheduling; (3) the assignment of duties to be performed; (4) the supervision of the performance of duties; (5) work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) the tenure of employment, including hiring and discharge; and/or (7) working conditions related to the safety and health of employees. Franchisee alone has sole authority to determine any or all Franchisee's employees' essential terms and conditions of employment.

(f) Franchisee will open the Success Tutoring Business for business not later than the Required Opening Date and will operate it continuously throughout the entire Term solely under the Marks and System and in accordance with the Brand Standards Manual. If the Success Tutoring Business's development or opening is interrupted by an Event of Force Majeure, Franchisee will promptly notify Franchisor and provide Franchisor details of such Event of Force Majeure and its anticipated schedule for opening. In such event, the Required Opening Date will be extended up to 180 days at Franchisor's discretion unless Franchisor otherwise agrees to a longer extension; provided that failure to open the Success Tutoring Business within any such extended period will be a material default of this Agreement.

(g) Franchisee must (i) comply with and adhere to the brand-based operational policies and procedures set forth in the Brand Standards Manual, as revised and supplemented from time to time, related to the Approved Equipment and Supplies and/or Approved Products and Services, used, offered or sold by the Success Tutoring Business; (ii) purchase and use only Approved Equipment and Supplies and/or Approved Products and Services set forth in the Brand Standards Manual; (iii) purchase and use Approved Equipment and Supplies and/or Approved Products and Services only from approved manufacturers, distributors and suppliers, including but not limited to, the purchase of certain Approved Equipment and Supplies and/or Approved Products and Services from Franchisor and/or its Affiliates, who may be the sole source for certain Approved Equipment and Supplies and/or Approved Products and Services required or permitted to be used, offered or sold in the operation of the Success Tutoring Business; (iv) follow Franchisor's procedures in the handling, storage, preparation, presentation and dispensing of all Approved Equipment and Supplies and/or Approved Products and Services, and (v) offer for sale to Customers all Approved Products and Services included on Franchisor's authorized lists, as revised from time to time, and refrain from offering or selling to Customers any Approved Products and Services that are not included on Franchisor's authorized lists, as revised from time to time, without Franchisor's prior written consent, subject to Applicable Laws.

(h) If Franchisee desires to purchase any Approved Equipment and Supplies and/or Approved Products and Services from an unapproved manufacturer, distributor or supplier, Franchisee will submit to Franchisor a written request for such approval, or will request the manufacturer, distributor or supplier itself to do so. Franchisee will not purchase from any manufacturer, distributor or supplier until and unless such manufacturer, distributor or supplier has been approved in writing by Franchisor. Franchisor will have the right to require that its representatives be permitted to inspect the manufacturer's, distributor's or supplier's facilities, and that samples from the manufacturer, distributor or supplier be delivered either to Franchisor or to an independent laboratory designated by Franchisor for testing. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test will be paid by Franchisee or the manufacturers, distributors or suppliers. Franchisor reserves the right, at its option, to reinspect from time to time the facilities and products or services of any such approved manufacturer, distributor or supplier and to revoke its approval upon the manufacturer's, distributor's or supplier's failure to continue to meet any of Franchisor's then current criteria. Nothing in the foregoing will be construed to require Franchisor to approve any particular manufacturers, distributors or suppliers or their proposed products and services, and to the extent permissible under then current Applicable Laws, Franchisor has the right to limit the number of approved manufacturers, distributors or suppliers for any particular Approved Equipment and Supplies and/or Approved Products and Services used or offered for sale by Success Tutoring Businesses generally, as Franchisor deems appropriate. Franchisee will require all of its proposed manufacturers, distributors or suppliers to execute a confidentiality agreement with respect to Franchisor's Confidential Information, in a form acceptable to Franchisor.

(i) Franchisee acknowledges and agrees that Franchisor and its Affiliates may in the future develop branded and/or proprietary products and services that will become part of the Approved Equipment and Supplies and/or Approved Products and Services, and which Franchisor may require

Franchisee to purchase from Franchisor, its Affiliates or specific approved vendors, and then require Franchisee to use, offer or sell in the Success Tutoring Business. Franchisor may add to or eliminate the list of required or optional branded and/or proprietary products and services from time to time, Franchisee will purchase, use, offer and/or sell such then currently designated branded and/or proprietary products and services in the Success Tutoring Business. In all cases, Franchisor and its Affiliates may make a profit in connection with the sale of such then currently designated branded and/or proprietary products and services to Franchisee.

(j) If Franchisor or its Affiliates receive any cash rebates, volume discounts, concessions, advertising allowances, or discount bonuses (collectively “Discounts”), whether by way of cash, in-kind or credit, from any manufacturer, distributor or supplier designated by Franchisor, whether or not on account of purchases made (i) by Franchisor for its own account or for Franchisee’s account, or franchisees generally, or (ii) by Franchisee directly for its own account, Franchisor or its Affiliates will be entitled to retain the whole of the amount or any part of such Discounts as Franchisor deems appropriate.

(k) Franchisor may mandate or suggest the offer and selling price for Approved Products and Services offered and sold by the Success Tutoring Business to the fullest extent then permissible under Applicable Laws, including all Applicable Industry Regulations. Franchisor may in all cases run advertising and promotions stating a specific selling price for Approved Products and Services, and Franchisor reserves all rights available under then current Applicable Laws to condition participation in special or voluntary programs and offerings on Franchisee’s adherence to Franchisor’s requirements, including with respect to pricing standards.

(l) If or when Franchisor implements a Membership program, Franchisee must offer and sell Memberships only on such terms and conditions as Franchisor may periodically specifically, including as follows:

(i) All Memberships must be evidenced by a Membership Agreement and all member and billing information must be promptly and accurately entered into the Technology and Information Systems. If applicable, Franchisee must use Membership Agreements that are based on Franchisor’s then-current standard form of Membership Agreement, with the exception, however, that there may be Applicable Laws that may require Franchisee to alter the form Membership Agreement in the jurisdictions under which the Success Tutoring Business operates – Franchisee must abide by those laws. Any changes to the form document must be approved in writing by Franchisor. The Membership Agreement must include: (i) a waiver and release of Franchisor and Franchisor’s Affiliates and (ii) a statement identifying the Success Tutoring Business as an independently-owned franchised location. Franchisor may require that all Membership Agreements and all billings of any type must be processed through Franchisor’s Technology and Information Systems.

(ii) Franchisor from may from time to time create policies and protocols with respect to the geographic area or means for soliciting memberships Franchisee may only actively solicit, advertise, and accept memberships online or outside the Territory in accordance with Franchisor’s then-current policies. Franchisor has the right to prohibit or cancel memberships Franchisee sells that will expire beyond the expiration date of the term of this Agreement or any exercised renewal term. Franchisee is responsible for all refunds or liabilities to Franchisee’s members due to the cancelation of memberships as provided in this Section.

(iii) Franchisor or an Affiliate may from time to time engage in administrative tasks related to member administration such as administering the membership transfer and reciprocity programs. Franchisee agree that Franchisor may take those actions in accordance with Franchisor’s then-current policies, which may include transferring members to and from the Success Tutoring

Business and providing on-line member enrollment. Franchisee agree that Franchisor may make such corrections as necessary, including that if a member is mistakenly transferred to the wrong Success Tutoring Business, Franchisor may issue credits and charges for the membership dues to the affected Success Tutoring Businesses. Any actions Franchisor takes for member administration are for the benefit of the brand and uniformity in the System and not to exercise control over Franchisee's business.

(m) Franchisor has sole discretion as to whether to designate a particular Customer as a National Customer, when to execute a National Account agreement with a particular Customer, the manner of negotiation of that agreement, and the terms and conditions of that agreement. Franchisee acknowledges and agrees that the availability of National Account Rates and services to National Customers enhances the value of the National Account agreements and inures to the benefit of Franchisee, other franchisees under the System, and Franchisor, and further agrees as follows:

(i) Upon request by Franchisor, Franchisee will notify Franchisor in writing whether or not Franchisee wishes and intends to service National Customers in its Territory pursuant to National Account agreements which have been and may be negotiated by Franchisor. If Franchisee informs Franchisor that it will participate in Franchisor's National Account program, Franchisee will be obligated to participate in each and every National Account agreement signed by Franchisor under the terms of each agreement and for the duration of each agreement unless Franchisee terminates its participation as provided in this Section.

(ii) Franchisee may terminate its participation in the National Account program by giving Franchisor at least 30 days' prior written notice of its intention. Franchisee has no obligation to provide service under any National Account agreement signed after Franchisee gives notice of its intention to terminate participation in the National Account program. However, Franchisee must continue to honor each National Account agreement that was in effect before Franchisee terminated its participation until that agreement expires. If any National Account agreement does not have a defined term, Franchisee must continue to honor the agreement for a period of one year following the date on which Franchisee gives notice of its intention to terminate its participation in the National Accounts program.

(iii) If Franchisee undertakes to service National Customers in its Territory, Franchisee will comply with all terms and conditions specified by Franchisor pertaining to the National Account agreements and with all rules and regulations specified by Franchisor pertaining to the National Account program.

(iv) Service of National Customers by Franchisor or its designee in accordance with this Section will not be deemed to violate any provisions of this Agreement.

(v) If, at any time, Franchisee elects not to service National Accounts, or if Franchisee elects to service National Accounts but fails to satisfy the conditions and obligations of any National Account agreement, Franchisor may, in its sole discretion, service or authorize others to service the National Customers anywhere within Franchisee's Territory without providing any compensation to Franchisee.

(vi) If Franchisee has elected to participate in the National Accounts program, but a National Customer prefers (or the agreement with the National Customer requires) centralized ordering, centralized shipping, centralized billing and account management, or specialized packaging or branding, Franchisor may service or authorize others to service such National Customers anywhere within Franchisee's Territory.

(n) If Franchisor institutes a program regarding pre-paid goods or services (including, without limitation, gift cards, gift certificates or vouchers) and the delivery and redemption thereof, for Success Tutoring Businesses, Franchisee will participate in such program and will adhere to all such policies regarding the program set forth in the Brand Standards Manuals or otherwise in writing from time to time, including by signing any third-party agreements or paying any third-party fees that are required for participation in such programs. Franchisee shall purchase and maintain a minimum inventory of gift certificates, gift cards or vouchers, shall offer such gift certificates, gift cards or vouchers for sale and shall honor any such gift certificates, gift cards or vouchers presented to the Success Tutoring Business for the purchase of authorized Approved Products and Services. Franchisee may not create or issue its own gift certificates, gift cards or vouchers and shall only sell gift certificates, gift cards or vouchers approved by Franchisor. Nor may Franchisee sell gift cards, gift certificates or vouchers in bulk or to any retailers for resale. Franchisee must adhere to Franchisor's then current specifications with respect to any voucher programs such as Groupon, Living Social or other similar offerings, including with respect to the calculation of Gross Sales based on the sale and redemption of vouchers and similar certificates.

(o) If Franchisor institutes a Customer loyalty program for Success Tutoring Businesses, Franchisee will participate in such Customer loyalty program established by Franchisor and pay all participation fees due to any third-party vendor. Further, if Franchisor institutes a Customer digital or other survey program, Franchisee agrees to fully comply with any such Customer survey program introduced by Franchisor.

(p) Franchisee will imprint the Marks on Approved Equipment and Supplies and/or Approved Products and Services used, offered or sold in the Success Tutoring Business in accordance with instructions in the Brand Standards Manual, and will purchase Approved Equipment and Supplies and/or Approved Products and Services imprinted with the Marks only from manufacturers, distributors or suppliers Franchisor designates or approves in the Brand Standards.

(q) Franchisee will display in the Success Tutoring Business all (i) product and service identification materials, (ii) point-of-purchase promotional materials, (iii) promotional memorabilia, merchandise and prizes, and (iv) other advertising and marketing materials Franchisor provides to Franchisee pursuant to the Brand Standards for use by Success Tutoring Businesses. At Franchisor's request, Franchisee will display in a prominent, accessible place a "franchise opportunity" display furnished by Franchisor at its expense for the purpose of increasing public awareness of the availability of franchises.

(r) Franchisee will at a minimum maintain the physical appearance and integrity of the Success Tutoring Business and its Approved Equipment and Supplies in accordance with the Brand Standards, and will at a minimum maintain the Success Tutoring Business, including all interior and exterior areas, in a clean, safe and sanitary condition at all times. In all cases, Franchisee will routinely clean and maintain all Approved Equipment and Supplies used in connection with the Success Tutoring Business in good order and repair and cause the same to be promptly replaced as they become worn, damaged, obsolete, out of style or mechanically impaired, and when offered or applicable, enter into preventative maintenance programs as further described in the Brand Standards Manual, including as to the Approved Equipment and Supplies.

(s) Subject to Applicable Laws, Franchisee will maintain minimum business hours and days of operation for the Success Tutoring Business in accordance with the Brand Standards, except to the extent that Franchisor grants a written variance.

(t) Franchisee will provide appropriate training, supervision and security for all personnel employed in the Success Tutoring Business, provide an environment where safety and courtesy are

paramount, while maintaining excellence in business operations and standards, and instruct all employees of the Success Tutoring Business in the proper use and display of the Marks and the confidential handling of the Confidential Information, all as stated in the Brand Standards. Franchisee will provide appropriate training for maintaining the Brand Standards. Franchisee will ensure that all of the Success Tutoring Business's employees follow Franchisor's grooming and dress code and wear the Success Tutoring Business logoed items developed or approved by Franchisor. In all cases, Franchisee has the sole responsibility and authority for Franchisee's employees' terms and conditions of employment.

(u) Franchisee will (i) adopt and follow Franchisor's fiscal year for accounting purposes, (ii) adopt and follow the accounting principles, policies and practices Franchisor prescribes, including use of Franchisor's standard chart of accounts, (iii) acquire, install and use the Technology and Information Systems Franchisor specifies from time to time in the Brand Standards Manual, (iv) obtain and at all times utilize the services of a credit card processor approved by Franchisor and pay all related fees that may be incurred by Franchisor in connection with the processing of credit card payments by Customers, (v) install and continually maintain a primary broadband internet connection and backup telephone line (or wireless) connection (or future equivalent) that facilitates communication between Franchisor's computer system and Franchisee's Technology and Information Systems, and (vi) furnish Franchisor for the primary and backup connections telephone line email address, web address, telephone number, IP addresses and firewall configurations as originally assigned and as changed from time to time.

(v) Franchisee must implement and maintain an approved Payment Card Industry (PCI) compliance program for the Success Tutoring Business. Franchisor may suggest third-party PCI compliance vendors occasionally, but Franchisee is free to submit alternative PCI compliance vendors to Franchisor for approval or seek approval to perform Franchisee's own PCI compliance, and Franchisee is in all cases solely responsible for Franchisee's and the Success Tutoring Business's PCI compliance programs. Franchisee must submit PCI compliance reports to Franchisor in the manner and frequency Franchisor sets in the Brand Standards Manual. Franchisee's failure to comply will be a material default under this Agreement. In all cases, Franchisee is solely responsible for protecting the Success Tutoring Business from computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders.

(w) Franchisee will accurately calculate and report Gross Sales and Customer transactions to Franchisor at the times and through the procedures Franchisor from time to time specifies (which may include use of the Success Tutoring Business Operating System). Franchisee acknowledges that Franchisor may electronically poll the Success Tutoring Business's Technology and Information Systems to obtain Gross Sales data, as well as other financial and operating information through the Intranet (if implemented), which will be available to Franchisor twenty-four hours every day. Franchisee agrees to maintain continual data network access to the Success Tutoring Business's Technology and Information Systems for use by Franchisor.

(x) Franchisee will maintain complete and accurate books and records relating to the operation of the Success Tutoring Business in accordance with this Section, permit Franchisor representatives to inspect such books and records at any time with or without notice to Franchisee and, within 45 days after the end of each fiscal year of the Success Tutoring Business, submit to Franchisor an unaudited balance sheet, income statement and statement of cash flow for the year then ended. These financial statements will be prepared and certified by an independent certified public accountant, disclose separately the items specified by Franchisor on forms it provides, and will be prepared in accordance with the accounting principles and practices Franchisor prescribes. If Franchisee is at any time required to furnish any lender, lessor, government agency or other Person audited financial statements with respect to the Success Tutoring Business, Franchisee will concurrently furnish Franchisor a copy of such audited

financial statements. In addition to the annual reports required above, no later than the last business day of the month following the close of each fiscal quarter (other than the fourth fiscal quarter), Franchisee will deliver to Franchisor an unaudited balance sheet as of the end of such fiscal quarter and an income statement for such fiscal quarter.

(y) Franchisee is solely responsible for the payment of all taxes owed by Franchisee and preparation of all tax returns required to be filed by Franchisee. At Franchisor's request, Franchisee will furnish Franchisor copies of all federal and state income and sales tax returns filed by Franchisee with respect to the Success Tutoring Business's income or sales.

(z) Franchisee shall process and handle all Customer or other complaints connected with or relating to the Success Tutoring Business, and shall promptly notify Franchisor by telephone and in writing of all: (a) serious injuries or illnesses occurring at the Success Tutoring Business, (b) safety or health inspections or violations, (c) claims exceeding \$1,000.00, and (d) any other material claims against or losses suffered by Franchisee, including related to investigations by any Governmental Authorities. Franchisee shall maintain any communications with Governmental Authorities affecting the Success Tutoring Business during the term of this Agreement and for 1 year after the expiration or earlier termination hereof. Further, upon the occurrence of a Crisis Management Event, Franchisee must immediately inform Franchisor by telephone or electronic means, must cooperate fully with Franchisor with respect to Franchisor's response to the Crisis Management Event, and must implement such remediation plan as may be instituted by Franchisor, which may include Franchisor requiring a temporary closure of the Success Tutoring Business as part of the Crisis Management Event remediation plan (whether or not all or other Success Tutoring Businesses are required to temporarily close).

(aa) Franchisee will permit Franchisor representatives to conduct unannounced QSC Reviews of the Success Tutoring Business at the Success Tutoring Business or at a Customer's physical location at any time during normal business hours. Franchisee will promptly correct any condition noted as "unsatisfactory" or "needs improvement" in a QSC Review or staff evaluation report.

(bb) Franchisee will permit Franchisor to conduct special audits of Franchisee's books and records relating to the Success Tutoring Business's operation at any time during the Term, and for three years after this Agreement expires, terminates or is transferred. All such books and records will be kept available for at least three years after the termination, expiration or Transfer of this Agreement for any reason. To assist Franchisor in planning and conducting its audit program, Franchisee expressly authorizes Franchisor to obtain from any Customer or vendor with which Franchisee does business copies of invoices and other sales data related to Franchisee's account with the Customer or vendor. If an audit establishes that Continuing Fees or profit and loss statements have understated Gross Sales for any fiscal year by more than 2%, Franchisee will pay the audit's cost, including professional fees and the travel, lodging and meal expenses of the individuals who conduct the audit. Otherwise, Franchisor will bear the audit's entire cost. Franchisee will promptly pay Franchisor any deficiencies established by an audit, together with interest as provided in this Agreement. If there is a deficiency two times in any 12-month period, this second deficiency will be considered a material default for which Franchisor has the right to terminate this Agreement without any cure rights.

(cc) Franchisee will:

(i) carry continuously during the Term insurance of the types, in the amounts and with the coverage specified from time to time in the Brand Standards Manual and in any lease between Franchisee and Franchisor. Until the Brand Standards Manual specifies otherwise, Franchisee will carry insurance with the policy limits specified in the Summary Pages. Each policy must (1) be primary and non-contributory; (2) be issued by an insurance company(ies) with a rating of not less than "AVII" in the

current Best Insurance Guide or approved by Franchisor; (3) name Franchisor and such Affiliates of Franchisor as Franchisor may designate as “additional insureds” and will contain an “Additional Insured-Designated Person or Organization” endorsement (or equivalent), without any qualifying language; (4) provide that the insurance cannot be canceled or non-renewed, except upon 30 days advance written notice to Franchisor; (5) contain a waiver of subrogation rights of the insurer(s) against Franchisor and its designated Affiliates, which waiver will be effective regardless of whether any loss is caused by the act, omission or negligence of Franchisor and its designated Affiliates, and (6) will contain a “Waiver of Transfer Rights of Recovery Against Others” endorsement (or its equivalent).

(ii) furnish Franchisor certificates of insurance, all insurance policy endorsements and a copy of the insurance policy(ies), if requested by Franchisor to prove that such insurance coverage is in effect, both prior to the opening of the Success Tutoring Business and thereafter, as requested by Franchisor (but in no event less than once per calendar year). Renewal insurance certificates of insurance will be delivered to Franchisor 30 days prior to the expiration date of each insurance policy. All deductible amounts on all insurance policies required hereunder will be disclosed in writing to and approved in advance by Franchisor and noted on the applicable insurance certificate. If Franchisee fails to maintain the required insurance, Franchisor may, but will not be obligated to, obtain coverage on Franchisee’s behalf and charge the cost to Franchisee. Franchisee agrees to reimburse Franchisor for the premium costs it incurs to provide such coverage, plus interest as provided in this Agreement, within ten days after Franchisor submits a statement for its costs.

(dd) Franchisee must participate in programs and/or adhere to any then current policies or specifications Franchisor develops, maintains or requires from time to time with respect to the use of Artificial Intelligence in connection with the development and operation of Success Tutoring Businesses generally or the Success Tutoring Business.

(ee) Franchisee acknowledges the importance of operating the Success Tutoring Business in full compliance with this Agreement and the Brand Standards, and that any deviation from any contractual requirement, including any Brand Standard, is a violation of this Agreement and will trigger incalculable administrative and management costs for Franchisor to address the violation (separate and apart from any damages Franchisee’s violation might cause to the System, Franchisor’s business opportunities, or the goodwill associated with the Marks). Therefore, Franchisee agrees to pay Non-Compliance Fees to Franchisor as and when applicable, which Non-Compliance Fees are a reasonable estimate of Franchisor’s administrative and management costs and not a penalty. Franchisor need not give Franchisee a cure opportunity before charging the Non-Compliance Fees, and charging the Non-Compliance Fee does not prevent Franchisor from seeking to recover damages to the System, Franchisor’s business opportunities, or the goodwill associated with the Marks due to Franchisee’s violation, seeking injunctive relief to restrain any subsequent or continuing violation, and/or formally defaulting Franchisee and terminating this Agreement in accordance with its terms.

Advertising and Promotions.

(a) **Grand Opening Advertising.** Franchisee will expend the Marketing & Grand Opening Expenditure for an initial opening advertising and promotion program to be conducted in accordance with the Brand Standards. Franchisee will submit the grand opening advertising budget to Franchisor for approval prior to expending the Marketing & Grand Opening Expenditure. The Marketing & Grand Opening Expenditure will be paid directly to the applicable service providers and not to Franchisor. Franchisee will submit proof of payment of the Marketing & Grand Opening Expenditure upon Franchisor’s request.

(b) Local Advertising.

(i) Throughout the term of this Agreement, Franchisee will spend the Local Ad Expenditure on local advertising. Any marketing materials not created by Franchisor are subject to Franchisor's approval, and must be submitted to, and approved by, Franchisor in advance of their distribution, publication or broadcast, and such use must be discontinued upon written notice from Franchisor, including in connection with any approved uses of Social Media. Franchisee may be required to submit to Franchisor an advertising expenditure report accurately reflecting all local advertising expenditures no later than the 7th day of each calendar month during the term of this Agreement (or at any other frequency or on any other date directed by Franchisor in writing). In addition to the restrictions set forth below, costs and expenditures incurred by Franchisee in connection with any of the following will not be included in Franchisee's expenditures on local advertising for purposes of this Section, unless approved in advance by Franchisor in writing: (1) incentive programs for employees or agents of Franchisee, including the cost of honoring any discounts or coupons distributed in connection with such programs; (2) research expenditures; (3) free Approved Products and Services costs incurred in any promotion; (4) salaries and expenses of any employees of Franchisee, including salaries or expenses for attendance at advertising meetings or activities; (5) charitable, political or other contributions or donations; (6) press parties or other expenses of publicity; (7) in-store materials consisting of fixtures or equipment; (8) seminar and educational costs and expenses of employees of Franchisee; and (9) specialty items such as T-shirts, premiums, pins, and awards, unless those items are part of a market-wide advertising program and then only to the extent that the cost of the items is not recovered by the promotion.

(ii) Franchisee agrees to participate in all system-wide promotions and advertising campaigns Franchisor originates.

(iii) Should Franchisee create its own local advertising and promotions, as provided in this Section, Franchisor reserves the right to approve in advance of use by Franchisee any graphic materials or commercials developed by Franchisee and the media in which they are placed.

(c) National Brand Fund.

(i) Franchisor has the right to establish a National Brand Fund with at least 90 days prior written notice to Franchisee of the creation of a National Brand Fund. Once created, Franchisee agrees to make contributions to the National Brand Fund in the manner (including payment by automatic debit), and in the amount of the then current National Brand Fund Contribution, which will not exceed 3% of Gross Sales from the Success Tutoring Business.

(ii) Franchisor will use the National Brand Fund as it deems appropriate (i) to create advertising and marketing materials relating to the System and the Approved Products and Services Success Tutoring Businesses sell, including local advertising material, (ii) to arrange for, place and run advertisements, commercials and promotional materials in local, regional and national media, (iii) to pay for public relations services and projects (including sponsorships) intended to enhance the goodwill and public image of the System, (iv) to conduct market research, taste studies, focus groups and advertising tracking studies, and (v) to reimburse Franchisor or its Affiliates (based on allocations calculated by Franchisor's management) (a) for salaries and other overhead expenses that are directly related to projects of a character described above in this Section, and (b) for part of the cost of maintaining the Success Tutoring Website or Social Media. However, Franchisor will not use National Brand Fund contributions to pay for those components of the Success Tutoring Website that publicize the franchise program or the sale of franchises.

(iii) Franchisor may provide Franchisee with specimens or proofs of media commercials, advertisements and promotional material (including point-of-purchase materials) funded from the National Brand Fund. Franchisee acknowledges that additional copies of such materials will be at Franchisee's sole expense. If Franchisor provides customized copies, it may charge Franchisee a customization fee. In all cases, Franchisee must pay to reproduce, place and run any of these materials in any local advertising campaign that Franchisee pursues independently of the National Brand Fund.

(iv) Franchisor reserves the right to allocate National Brand Fund contributions to various permitted uses as it sees fit. Franchisor does not guarantee that all Success Tutoring Business will equal advertising benefits in view of regional differences in media costs, varying degrees of market penetration in different geographic areas and other relevant factors. Success Tutoring Business that are owned or operated by Franchisor and its Affiliates will contribute to the National Brand Fund in the same amounts and manner as similarly situated franchised Success Tutoring Business.

(v) Franchisor reserves the right to structure the National Brand Fund's organization and administration in ways that, in Franchisor's judgment, most effectively and efficiently accomplish the National Brand Fund's objectives. Franchisor may therefore organize or reorganize the National Brand Fund as a separate non-profit corporation or other appropriate entity and transfer the National Brand Fund's assets to the entity. If Franchisor establishes a separate entity to administer the National Brand Fund, Franchisee agrees to become a member of the entity and, in that regard, to sign a participation agreement and take such other steps as Franchisor specifies.

Concerning the Internet, Customer Information and Privacy Laws.

(d) **Internet Domain Name.** Franchisee and each of the Principals acknowledge that Franchisor or its Affiliates are the lawful, rightful and sole owners of the internet domain names used by Franchisor in connection with the Success Tutoring Business Network and unconditionally disclaim any ownership interest in that phrase or any similar internet domain name (i) such domain names and any domain names that may be confusingly similar and (ii) the words or letters "Success Tutoring" and any abbreviation, acronym or variation of such words or letters. Franchisee and the Principals agree not to register any internet domain name in any class or category that contains the words "Success Tutoring" or any abbreviation, acronym or variation of those words or letters.

(e) Success Tutoring Website.

(i) Franchisor or its affiliates have established and plan to maintain the Success Tutoring Website to provide information about the Franchise and the Approved Products and Services that Success Tutoring Business offer. Franchisor has control over the Success Tutoring Website's design and contents. Franchisor has no obligation to maintain the Success Tutoring Website indefinitely, and may dismantle it (and if dismantled may reinstate it) at any time without liability to Franchisee.

(ii) The Success Tutoring Website may include a series of interior pages that identify participating Success Tutoring Businesses by address and telephone number. At Franchisee's request and upon Franchisee's execution of a terms of use agreement in a form provided by Franchisor, Franchisor will, technology permitting, include by the Success Tutoring Website one or a series of interior pages dedicated to information about the Success Tutoring Business. Franchisee may propose the content of the page(s), but such content must be developed by Franchisor or its webmaster at Franchisee's expense, with a template that Franchisor provides and will be subject to Franchisor approval prior to posting as to form, content and programming quality. Franchisee will not have the capability to modify its page(s) except in coordination with Franchisor's webmaster and in compliance with the Brand Standards. Franchisor can

remove references to the Success Tutoring Business from the Success Tutoring Website with or without notice to Franchisee if Franchisee is not then in current compliance with this Agreement.

(f) **Social Media.** Unless otherwise expressly agreed, neither Franchisee nor any of the Principals, employees or agents may use the Marks or otherwise mention the Success Tutoring Businesses, Success Tutoring Business Network or System in connection with any business or personal uses of Social Media. In all cases, Franchisor has sole discretion and control over any profiles using or relating to the Marks, Success Tutoring Businesses, Success Tutoring Business Network or System, or that display the Marks, that are maintained or posted on Social Media. Franchisor may (but need not) establish guidelines pursuant to which Franchisee may establish profiles or otherwise establish a presence on Social Media. In such event, Franchisee will comply with the standards, protocols and restrictions that Franchisor imposes from time to time on such use, and Franchisor has the right to revoke any prior permissions as it deems appropriate due to any violations thereof. Franchisor may use part of the National Brand Fund contributions it collects under this Agreement to pay or reimburse the costs associated with the development, maintenance and update of profiles on Social Media. In all cases, Franchisee will indemnify the Indemnitees with respect to any Losses and Expenses incurred by the Indemnitees arising from third-party claims with respect to any such authorized or unauthorized use of Social Media.

(g) **Success Tutoring Business Intranet.**

(i) Franchisor may, at its option, establish and maintain a so-called intranet through which members of the Success Tutoring Business Franchise Network may communicate with each other and through which Franchisor may disseminate updates and supplements to the Brand Standards Manual and other information. Franchisor has no obligation to maintain the Success Tutoring Business Intranet indefinitely, and may dismantle it at any time without liability to Franchisee.

(ii) Franchisor may establish policies and procedures for the Success Tutoring Business Intranet's use, and Franchisee will adhere to any such policies and procedures as a condition to participation and use of the Success Tutoring Business Intranet.

(h) **Customer Information.** All Customer Information that Franchisee collects from Customers of the Success Tutoring Business and all revenues Franchisee derives from such Customer Information (if any) will be Franchisee's property and sole responsibility, but subject to any Applicable Laws, Franchisee grants to Franchisor and its Affiliates a perpetual, royalty free, unlimited and unrestricted license to access, store, aggregate, and distribute across the Success Tutoring Network (including to other franchisees) all Customer Information, and to otherwise use such Customer Information as Franchisor deems appropriate. Franchisee will obtain any consent from any Customer or third-party or take any other step required by Applicable Laws or Franchisor to ensure the legality and enforceability of such grant to Franchisor.

(i) **Privacy and Data Protection.** Franchisor and Franchisee recognize that each is an independent "data controller" as that term is used in applicable Privacy Laws. Franchisor and Franchisee are not joint controllers, nor is either Franchisor nor Franchisee acting as a data processor (as that term is used in applicable Privacy Laws) in connection with this Agreement. In all cases, Franchisee will take all necessary actions to independently: (i) learn and comply with all applicable Privacy Laws, including all required Customer consents in accordance with applicable Privacy Laws; (ii) learn and comply with the Brand Standards as they relate to Privacy Laws and the privacy and security of Customer Information; (iii) learn and comply with any posted privacy policy and other representations made to the individual identified by Customer Information that Franchisee processes, and communicate any limitations required thereby to any authorized receiving party in compliance with all Privacy Laws; (iv) refrain from any action or inaction that could cause Franchisor or its Affiliates to breach any Privacy Laws; (v) maintain,

and cause adherence by Franchisee's personnel to all reasonable physical, technical and administrative safeguards and related policies for Customer Information that is in Franchisee's possession or control in order to protect such Customer Information from unauthorized processing, destruction, modification, or use that would violate this Agreement, the Brand Standards (which may include a non-exhaustive list of the minimum types of policies that must be implemented) or any Privacy Law; (vi) do and execute, or arrange to be done and executed, each act, document and thing Franchisor deems necessary in its business judgment to keep Franchisor and its Affiliates in compliance with the Privacy Laws; and (vii) immediately report to Franchisor the breach of any requirements in this Agreement or the Brand Standards regarding Customer Information or any Privacy Law, or the theft or loss (or any apparent or alleged theft or loss) of Customer Information (other than the Customer Information of Franchisee's own officers, directors, shareholders, employees or service providers). Franchisee will, upon request, provide Franchisor with information, reports, and the results of any audits performed regarding Franchisee's data security policies, security procedures, or security technical controls related to Customer Information. Franchisee will, upon Franchisor's request, provide Franchisor or its representatives with access to Franchisee's Technology and Information Systems, records, processes and practices that involve processing of Customer Information in order to mitigate a security incident or so that an audit may be conducted. Franchisee will indemnify, defend and hold Franchisor and its Affiliates, and their respective officers, directors, shareholders, members, managers, partners, employees, servants, independent contractors, attorneys, representatives, agents and associates harmless in connection with any claim or action arising out of or relating to: (i) any theft, loss or misuse (including any apparently or alleged theft, loss or misuse) of Customer Information; and (ii) Franchisee's breach of any of the terms, conditions or obligations relating to data security, Privacy Laws or Customer Information set forth in this Agreement. Franchisee will immediately notify Franchisor upon discovering or otherwise learning of any theft, loss or misuse of Customer Information. Franchisee will, at Franchisor's direction, but at Franchisee's sole expense, (i) undertake remediation efforts on its own in concert with Franchisor's directions, (ii) reasonably cooperate with any remediation efforts undertaken by Franchisor and (iii) undertake efforts to prevent the recurrence of the same type of incident, including by paying for any remediation and post-breach monitoring process deemed appropriate by Franchisor. Franchisee will not make any public comment regarding and data security incident without Franchisor's approval. Any notifications to the media or Customers regarding theft or loss of Customer Information will be handled exclusively by Franchisor at Franchisor's election and neither Franchisee nor its personnel may contact the media or Customers relating to such theft or loss unless Franchisee is under a legal obligation to do so, in which case (i) Franchisee must notify Franchisor in writing promptly after concluding that Franchisee has the legal obligation to notify any Customers and (ii) Franchisee will limit, or ensure the limitation of, the notices to Customers to those required by the legal obligation or as pre-approved by Franchisor. Franchisee will reasonably cooperate in connection with any notices to Customers regarding theft or loss and Franchisee will assist with sending such notices upon request by Franchisor. In addition, and notwithstanding anything to the foregoing, Franchisee grants its consent to the processing, including the transfer and communication in the United States, of its own personal data provided by or related to Franchisee and this Agreement.

2. Term and Renewal Agreement.

(a) The Franchise will continue for the Term, subject to earlier termination in accordance with the terms and conditions of this Agreement.

(b) If, upon the expiration of the Term, Franchisee is in full compliance with Franchisee's agreements and obligations under this Agreement and each other franchise agreement or other agreement with Franchisor and its Affiliates (if any), then Franchisee has the option to enter into a single consecutive renewal Franchise Agreement for a term of 5 years by:

(i) notifying Franchisor in writing of Franchisee's intention to enter into such renewal agreement not later than 180 days before the then-current Franchise Agreement's scheduled expiration date;

(ii) Proving that Franchisee is in full compliance with Franchisee's agreements and obligations under this Agreement and each other franchise agreement or other agreement with Franchisor and its Affiliates (if any), and has not been in habitual default of any such agreements or obligations under this Agreement and each other franchise agreement or other agreement with Franchisor and its Affiliates (if any) during their respective terms (i.e., having more than 4 prior notices of default, whether or not cured);

(iii) signing Franchisor's then-current renewal form of Franchise Agreement (which will define Franchisee's subsequent successor rights and the terms of which may be materially different from this agreement, including new and higher fees, rights or obligations);

(iv) executing (and causing all Principals to execute) a release of all claims against Franchisor, its Affiliates, and their respective officers, directors, shareholders, partners and employees in such form prescribed by Franchisor;

(v) not later than 180 days before the then-current Franchise Agreement's scheduled expiration date, completing the remodeling, refurbishing and modernizing of the Success Tutoring Business, including its Approved Equipment and Supplies (such as Trade Dress and Technology and Information Systems), and taking any other actions otherwise required by Franchisor to bring the Success Tutoring Business into full compliance with the Brand Standards Franchisor then stipulates, subject to Franchisee's prior remodel activities and any specific remodel limitations set forth in this Agreement;

(vi) paying the Renewal Fee;

(vii) completing to Franchisor's satisfaction such additional training of Franchisee and its employees as Franchisor deems necessary;

(viii) satisfying all monetary obligations owed to Franchisor and its Affiliates under, or in connection with, this Agreement, and all monetary obligations to any third-party suppliers; and

(ix) upon request by Franchisor, presenting satisfactory evidence that Franchisee has the right to remain in possession of the Success Tutoring Business Campus for the duration of the successor term.

(c) Franchisee's failure or refusal to comply with any of the conditions to execute a successor Franchise Agreement stated in this Agreement will be interpreted as a conclusive, irrevocable election on Franchisee's part not to enter into a successor Franchise Agreement.

(d) If Franchisee does not qualify to enter into a successor Franchise Agreement, or elects not to do so, immediately after expiration of the Term, Franchisee must comply with the post-termination requirements of this Agreement, and Franchisor has the post-termination rights and remedies provided in this Agreement.

3. Use of Intellectual Property.

(a) **Marks and Copyrighted Materials.** Franchisee acknowledges that Franchisor is authorized by law to prevent the unauthorized use of the Marks, to control the quality of goods and services associated with the Marks, and to control the copying and distribution of the Copyrighted Materials. Recognizing the importance to Franchisor of the protection and preservation of the Marks and Copyrighted Materials, Franchisee agrees to perform and abide by the following provisions:

(i) Franchisee acknowledges that Franchisor or its Affiliate is the lawful and rightful owner of each and all of the Marks and the Copyrighted Materials, that Franchisor has the right to use the Marks and to license to Franchisee the right to use the Marks and Copyrighted Materials in accordance with this Agreement, that Franchisee's interest in the Marks and the Copyrighted Materials is solely that of a Franchisee, and that all uses of the Marks and the Copyrighted Materials by Franchisee will inure to the benefit of Franchisor and its Affiliate. Franchisee unconditionally disclaims any ownership interest in any of the Marks and the Copyrighted Materials.

(ii) Franchisee will not use the term "Success Tutoring", any Marks, or any abbreviation, acronym or variation of them as part of its name or as part of the legal name of any Business Entity in which Franchisee owns or holds an interest. However, Franchisee may or shall, if required by Applicable Laws, file an assumed name or fictitious name certificate to the effect that Franchisee is operating the Success Tutoring Business under a trade name that includes one or more of the Marks.

(iii) Franchisee will not use any of the Marks or the Copyrighted Materials in connection with the advertisement, promotion, sale or distribution of any Approved Products and Services or other products or services not listed in Franchisor's authorized list.

(iv) Franchisee will not copy, distribute or otherwise disseminate any of the Copyrighted Materials in violation of the restrictions and limitations imposed by this Agreement.

(v) Franchisee will not use any of the Marks or the Copyrighted Materials in connection with the development or operation of any new business (other than the Success Tutoring Business) until Franchisor and Franchisee have both signed a Franchise Agreement for the additional Success Tutoring Business.

(vi) Franchisee will (i) adopt and use all additional trade names, trademarks, brand names, copyrighted materials, slogans, commercial symbols and logos Franchisor develops from time to time, (ii) use all the Marks in the precise form Franchisor prescribes, and (iii) observe Franchisor directions regarding the use, copying and distribution of the Copyrighted Materials, the presentation of the Marks and the manner of the Marks' display and use. Franchisee will promptly abandon and discontinue the use of any Mark or Copyrighted Materials as directed by Franchisor for any reason. Franchisee will submit to Franchisor all advertisements and promotional materials not furnished by Franchisor for its approval prior to use and will use no such item unless and until Franchisor provides its approval thereof.

(vii) Franchisee will not use any of the Marks on, or in association with, any Approved Products and Services or other products or services other than in compliance with the Brand Standards, and with such other quality control measures that Franchisor may adopt from time to time to promote and defend the goodwill associated with the Marks.

(viii) Franchisee will not knowingly permit, and will promptly report to Franchisor, any apparently unauthorized use of a Mark and any apparently unauthorized use or copying of any Copyrighted Materials by any Person, or the use by any Person of a trade name, trademark, service mark or symbol that might be construed as an infringement of any Mark or as unfair competition or passing-off

at common law, and will actively cooperate with the Franchisor in the investigation of infringement claims and in discovery and trial proceedings related to infringement actions. Franchisor reserves the right to make the final determination of infringement or other unlawful use, to conduct all legal proceedings relating to the Marks and the Copyrighted Materials, and to compromise or settle all infringement claims.

(ix) At no time will Franchisee make any written or oral admission that any Marks or any of Franchisor's copyrights is in any way invalid or infringes the rights of any Person or is open to any other form of attack, but will promptly notify Franchisor of any allegation of invalidity or infringement of which Franchisee becomes aware. Franchisor intends to defend its rights in the Marks and the Copyrighted Materials vigorously, but does not warrant to Franchisee that Franchisor's ownership of any of them is incontestable or that they do not infringe or conflict with the rights of any third-party.

(x) Upon the expiration or termination of the Franchise, all goodwill associated with the Marks and Copyrighted Materials will inure to Franchisor. Further, Franchisee will immediately discontinue all further uses of the Marks and Copyrighted Materials and will take appropriate action to remove the Marks from the Success Tutoring Business in which the Success Tutoring Business is located, to cancel any advertising relating to Franchisee's use of the Marks or the Copyrighted Materials, including social media postings, yellow pages listings, and to cancel or withdraw any assumed or fictitious name filings covering Franchisee's use of Franchisor's trade name. Franchisee acknowledges and agrees that failure or refusal to comply fully with these requirements will constitute willful trademark and copyright infringement.

(b) **The System, Trade Secrets and Brand Standards Manual.** Franchisee and the Principals acknowledge that the System and the Trade Secrets belong exclusively to Franchisor and its Affiliates and that, as between Franchisor, Franchisee and the Principals, the ideas and information in the Brand Standards Manual are Franchisor's sole and exclusive property. Franchisee and the Principals further acknowledge that the unauthorized disclosure or use of any confidential element of the System, any Trade Secret or any other information the Brand Standards Manual contains may adversely affect the business, competitive position and goodwill of Franchisor and its Franchisees. Accordingly, Franchisee and the Principals agree to perform and abide by the following provisions and restrictions, each of which will survive the expiration or termination of this Agreement and will be perpetually binding upon Franchisee.

(i) Franchisee and the Principals will hold the elements of the System, the Trade Secrets and the contents of the Brand Standards Manual in strict confidence, will not disclose any Trade Secret or any operating or management procedure to any Person other than the Controlling Principal and bona fide employees of the Success Tutoring Business to whom such disclosure is necessary in relation to their job duties, and will instruct and routinely remind Franchisee's employees and Principals that the System, the Trade Secrets and the contents of the Brand Standards Manual are confidential and may not be disclosed or appropriated. Franchisee and the Principals will not disclose any element of the System, any of the Trade Secrets or the contents of the Brand Standards Manual, or make the Brand Standards Manual available, to any other Principal, shareholder, director, officer, partner, member or manager of Franchisee other than its Controlling Principal and other senior executive officers, if any, who are actively and regularly involved in the Success Tutoring Business's management.

(ii) Franchisee and the Principals will not use any element of the System, any of the Trade Secrets or the operating, management or marketing procedures the Brand Standards Manual contains in connection with the operation of any establishment or enterprise other than the Success Tutoring Business, and will promptly discontinue use of the System, the Trade Secrets and the operating, management and marketing procedures contained in the Brand Standards Manual upon the expiration or termination of the Franchise.

(iii) Franchisee and the Principals will not, without Franchisor's prior written consent, copy or permit any Person to copy or reproduce any part of the Brand Standards Manual and any other printed, graphic or audio/visual item designated by Franchisor as containing Trade Secrets or otherwise permit their use or inspection by any Person other than Franchisee and bona fide employees of the Success Tutoring Business to whom such disclosure is necessary in relation to their job duties, and authorized Franchisor representatives.

(iv) Franchisee and the Principals acknowledge and agree that the version of the Brand Standards Manual on file in Franchisor's offices constitutes the standard, official version for purposes of resolving any question or dispute concerning the Brand Standards Manual's contents.

(v) Upon request by Franchisor, to the extent permitted under Applicable Laws, Franchisee will obtain from the Centre Manager and each of Franchisee's other managerial level employees of the Success Tutoring Business a Confidentiality Agreement [and Covenant Not to Compete] in substantially the form attached hereto as Exhibit B, or such other form as Franchisor may designate, that is valid and enforceable under the laws of the state in which the Success Tutoring Business operates and that imposes the restrictions and limitations of this Section on each such individual for the longest period then current Applicable Laws permit; provided that only those with a direct or indirect ownership interest in Franchisee will be required to sign Exhibit B with a Covenant Not To Compete. Each Confidentiality Agreement [and Covenant Not to Compete] will, at Franchisor's option, designate Franchisor as a party to the Confidentiality Agreement [and Covenant Not to Compete] or as a third-party beneficiary and will entitle Franchisor to enforce its provisions directly against the signatory.

(vi) Franchisee will keep the Brand Standards Manual and any other printed, graphic or audio/visual item designated by Franchisor as containing Trade Secrets in a safe and secure location at all times and will promptly return them to Franchisor upon the expiration or termination of the Franchise. Franchisee will be provided on loan 1 copy of the Brand Standards Manual in electronic format.

(vii) Franchisee and the Principals expressly acknowledge that all training materials (regardless of format) and all computer software and other programs developed by Franchisor or in accordance with the Brand Standards contain information, embody procedures or facilitate business practices that are proprietary to Franchisor and fall within the parameters of its Trade Secrets.

(viii) Franchisor reserves the right and privilege, at its sole and absolute discretion, to vary the System and Brand Standards to accommodate special needs of Franchisee, or those of any other franchisee, based upon the peculiarities of a particular site or location, density of population, business potential, population of trade area, existing business practices, requirements of Applicable Laws or local custom, or any other condition that Franchisor deems to be of importance to the successful operation of such franchisee's business. Further, Franchisor may periodically allow certain franchisees to depart from normal Brand Standards and routines in certain respects in order to experiment with or test new Approved Equipment and Supplies and/or Approved Products and Services or other supplies, products or services. In no event will such variance, or such testing, be deemed a waiver of any of Franchisor's rights, or an excuse from performance of any of Franchisee's duties hereunder. Franchisor will not under any circumstances be required to grant any variance to Franchisee. Nothing contained in this Section is intended to confer on Franchisee any right to compel Franchisor to grant a variance to Franchisee or to grant, withdraw or modify any variance given to any other franchisee.

(ix) Franchisee acknowledges and agrees that in no case will the System or Brand Standards include any personnel policies or procedures or security-related policies or procedures that Franchisor (at its option) may make available to Franchisee in the Brand Standards Manual or otherwise for Franchisee's optional use. Franchisee will determine to what extent, if any, personnel or

security-related policies and procedures might apply to operations by the Success Tutoring Business. Franchisor neither dictates nor controls labor or employment matters for franchisees and their employees and Franchisor is not responsible for the safety and security of the Success Tutoring Business employees or patrons.

4. **Confidentiality; Covenant Against Competition.**

(a) Franchisee and the Principals acknowledge that the System and the Trade Secrets belong exclusively to Franchisor and that, as between Franchisor, Franchisee and the Principals, the ideas and information in the Brand Standards Manual are Franchisor's sole and exclusive property. Franchisee and the Principals further acknowledge that the unauthorized disclosure or use of any confidential element of the System, any Trade Secret or any other information the Brand Standards Manual contains may adversely affect the business, competitive position and goodwill of Franchisor and its franchisees. Accordingly, Franchisee and the Principals will hold the elements of the System, the Trade Secrets and the contents of the Brand Standards Manual in strict confidence, will not disclose any Trade Secret or any operating or management procedure to any Person other than the bona fide employees to whom such disclosure is necessary in relation to their job duties, and will instruct and routinely remind Franchisee's employees that the System, the Trade Secrets and the contents of the Brand Standards Manual are confidential and may not be disclosed or appropriated. The obligations of Franchisee and the Principals relating to the System, any Trade Secret and any other information contained in the Brand Standards Manual will survive the expiration or termination of this Agreement and will be perpetually binding upon Franchisee and the Principals. Although nothing in this Agreement precludes Franchisee from contacting or otherwise engaging with Governmental Authorities regarding its Success Tutoring Business, if Franchisee receives a valid legal order or is otherwise required by Applicable Law to disclose any of Franchisor's Confidential Information to any Governmental Authority, Franchisee must promptly notify Franchisor in writing and provide a copy of the request and all relevant information regarding the request as it pertains to Franchisor's Confidential Information, including any specific required date for dissemination. Thereafter, before complying with the request, Franchisee must provide Franchisor at least 14 days' time to review the request and, at Franchisor's election and cost, permit Franchisor to seek a protective order or other remedy with the requesting party. Franchisee must provide reasonable assistance with any such action Franchisor elects to undertake. If Franchisor elects not to contest the request or if Franchisor is unsuccessful with its efforts and Franchisee remains legally compelled to make such disclosure, then Franchisee may do so, but Franchisee must: (a) only disclose that portion of the Confidential Information that it is required to disclose; (b) use reasonable efforts to ensure that such Confidential Information is afforded confidential treatment; and (c) concurrently provide Franchisor a copy of all information provided to the Governmental Authority.

(b) In consideration of Franchisor's granting franchise rights to Franchisee and disclosing to Franchisee the System and other Trade Secrets, Franchisee and the Principals covenant and agree that, during the Term, Franchisee and the Principals will not own, operate, or develop, directly or indirectly, or accept employment by or hold an Ownership Interest in any Competing Business, except as a Franchisee of Franchisor, which is located (i) at the Success Tutoring Business Campus; or (ii) within the Territory, or (iii) within 25 miles of the perimeter of the Territory, or (iv) within 25 miles of the home or office premises of any other Success Tutoring Business; or (v) within the United States of America; or (vi) within the world.

(c) In addition, Franchisee and the Principals covenant and agree that, for 2 years after the expiration or termination of this Agreement (or for Principals, after such person ceases to be a Principal), Franchisee and the Principals will not own, operate, or develop, directly or indirectly, or accept employment by or hold an Ownership Interest in any Competing Business, except as a Franchisee of Franchisor, which is located (i) at the former Success Tutoring Business Campus; or (ii) within the former

Territory, or (iii) within 25 miles of the perimeter of the former Territory, or (iv) within 25 miles of the home or office premises of any other Success Tutoring Business. For purposes of calculating the duration of the 2-year period, any time during which Franchisee or the Principals (as applicable) are in violation or breach of the covenant will be excluded.

(d) Franchisee and the Principals acknowledge that Franchisee's and the Principals' covenant not to compete is reasonable and necessary to protect the business and goodwill of the Success Tutoring Business Network and to avoid misappropriation or other unauthorized use of the System and Franchisor's other Trade Secrets. Franchisee and the Principals acknowledge and confirm that Franchisee and the Principals possess the education, training and experience necessary to earn a reasonable livelihood apart from operating or developing a Competing Business or other similar business.

(e) The parties agree that the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee and the Principals expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by Applicable Laws, as if the resulting covenant were separately stated in and made a part of this Section.

(f) Franchisee and the Principals understand and acknowledge that Franchisor has the right to reduce the scope of any covenant, or any portion thereof, without their consent, effective immediately upon notice to Franchisee; and Franchisee and the Principals agree that they will comply forthwith with any covenant as so modified, which will be fully enforceable in all cases.

(g) Franchisee and the Principals expressly agree that the existence of any claims that any of them may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section. Franchisee and the Principals agree to pay all costs and expenses (including reasonable attorneys' fees) incurred by Franchisor in connection with the enforcement of this Section against any of them.

(h) Franchisee and the Principals further acknowledge that a violation of the terms of this Section would result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Franchisee and the Principals accordingly consent on their behalf to the issuance of an injunction prohibiting any conduct by any of them in violation of the terms of this Section.

(i) At Franchisor's request, subject to Applicable Laws, Franchisee shall require and obtain execution of confidentiality and/or noncompetition covenants similar to those set forth in this Section (including covenants applicable upon termination of a Person's relationship with Licensee) from each and every Principal and any other Person who has received or shall receive training or confidential information from Franchisor. The covenants required by this Section shall be substantially in the form contained in the Confidentiality Agreement [and Covenant Not to Compete] set forth at Exhibit B; provided that only Persons with an Ownership Interest in Franchisee will be required to agree to the noncompetition sections of Exhibit B. Failure by Franchisee to obtain execution of agreements containing the covenants required by this Section shall constitute an Event of Default under Section 16.

5. Transfers.

(a) **Transfer by Franchisor.** Franchisor and any holder of an Ownership Interest in Franchisor may voluntarily, involuntarily, directly or indirectly sell, assign, transfer, license, sublicense, sublease, collaterally assign, grant a security, collateral or conditional interest, intervivos transfer, testamentary disposition or other disposition of all or any part of its rights or obligations under this

Agreement or any Ownership Interest in Franchisor to any Person without Franchisee's consent. Specifically, and without limitation to the foregoing, Franchisor may sell its assets, Marks or the System to a third-party; may offer its securities privately or publicly; may merge, spin-off, acquire other Business Entities, or be acquired by another Business Entity; may undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring; and with regard to any or all of the above sales, assignments, and dispositions, Franchisee expressly and specifically waives any claims, demands, or damages against Franchisor arising from or related to the transfer of the Marks (or any variation thereof) or the System from Franchisor to any other party. If Franchisor assigns its rights in this Agreement, such assignment will constitute a novation as to Franchisor and Franchisor will be released from all further liability to Franchisee under this Agreement after the effective date of such transfer, and the transferee will be liable to Franchisee as if it was the original party to this Agreement. Nothing contained in this Agreement requires Franchisor to offer any products or services, whether or not bearing the Marks, to Franchisee if Franchisor assigns its rights in this Agreement.

(b) **Limitations on Franchisee Transfer.** Franchisee and the Principals acknowledge that the integrity of the Franchise and the stability of the Success Tutoring Business Network depend on the business qualifications, financial capabilities, honesty and integrity of Franchisor's developers and franchisees. Franchisee and the Principals further acknowledge that Franchisor's lack of opportunity to evaluate and approve each potential franchisee's qualifications and the terms of each proposed Transfer could irreparably damage the System. Consequently, Franchisee and the Principals agree not to effectuate a Transfer, except as permitted by this Section, and in no event will Franchisee or any Principal attempt to effectuate any Transfer, without Franchisor's prior written consent. Under no circumstances may Franchisee transfer or attempt to transfer the Success Tutoring Business or all or substantially all of the assets associated with the Success Tutoring Business to a third-party who will operate a Competitive Business or other similar business but not under the System and the Marks, and not under a franchise agreement with Franchisor. Franchisor may, in its sole discretion, set limits from time to time as to the number of Success Tutoring Businesses any franchisee or its affiliates (or prospective transferee and its affiliates) may own and operate at any given time, may prohibit or condition sale leaseback transactions and/or may withhold its consent to the proposed sale of all then Franchisee or affiliate-owned Success Tutoring Businesses to a single prospective transferee via one or more transfer transactions. Any Transfer or attempted Transfer lacking Franchisor's prior written consent or that otherwise violates the restrictions in this Section will be null and void, will be ineffective and of no force or effect and will constitute a material default under this Agreement.

(c) **Conditions to Voluntary Transfer of Rights.** Any Transfer by Franchisee or any Principal will be subject to Franchisor's prior written consent, which may be conditioned on, among other things, any or all of the following:

(i) At the time of Transfer, Franchisee, the Principals and their respective Affiliates are in full compliance with their respective obligations under this Agreement and all other agreements with Franchisor and its Affiliates, including payment of all monetary obligations due Franchisor and its Affiliates.

(ii) If the proposed Transfer involves the complete disposition of the Franchise, Franchisee relinquishes the Franchise and related rights under this Agreement in writing.

(iii) If Franchisee is exiting the Success Tutoring Business Network, Franchisee returns the Brand Standards Manual and all Copyrighted Materials to Franchisor, including the Brand Standards.

(iv) The transferee meets Franchisor's criteria for qualifying as a new Franchisee, including having no existing relationship with a Competing Business.

(v) Franchisee furnishes Franchisor a copy of the contract of sale, including price and payment terms, and Franchisor determines that the transferee will be able to satisfy any debt obligations to Franchisee and still derive a reasonable profit from the Success Tutoring Business's operation.

(vi) If a Transfer of Control over Franchisee is contemplated, the transferee executes then current forms of Franchise Agreement (which will limit the term of the transferee's Franchise to the unexpired Term of Franchisee's Franchise and which will supersede the terms of this Agreement) and other collateral agreements Franchisor may then require.

(vii) The transferee agrees to upgrade the Success Tutoring Business to meet Franchisor's then-current Brand Standards for new Success Tutoring Businesses, including the furniture, fixtures, equipment, Trade Dress, Technology and Information Systems and promotional supplies, subject to Franchisee's prior Brand Standards satisfaction activities.

(viii) The transferee and its Affiliates provides Franchisor a waiver and release with respect to liability for any financial data, earnings claims, representations and other information Franchisee or its representatives provided the transferee.

(ix) All new Principals designated by Franchisor execute a Personal Guaranty and Principals' Undertaking, as determined by Franchisor in its sole discretion.

(x) The transferee and one or more of transferee's key management personnel satisfactorily complete Franchisor's training program.

(xi) Franchisee pays a Transfer Fee to Franchisor.

(xii) Franchisee, the Principals and Franchisee's transferees must provide to Franchisor an unconditional, general release of all claims any of them may have against Franchisor, its Affiliates, and their respective officers, directors, shareholders, partners and employees.

(xiii) The transferee must hold, or be immediately eligible to hold, any Applicable Licensure necessary to operate the Success Tutoring Business.

(d) Special Transfers.

(i) If Franchisee is an individual Person or multiple individual Persons, then such individual Person(s) may apply to Franchisor to transfer the Franchise and this Agreement to a Business Entity that is solely owned by such individual Person or multiple individual Persons and formed solely for the purpose of holding development rights for and/or operating the Success Tutoring Business, and Franchisor will waive payment of a Transfer Fee and its right of first refusal and consent to such transfer so long as Franchisee first provides Franchisor such documentation and information concerning the Business Entity and the resulting ownership of Franchisee as Franchisor may request, and the existing and New Franchisee and such Principals designated by Franchisor sign the new, current form of franchise agreement or an amendment to this Agreement, a transfer agreement and consent, and Personal Guaranty and Principals' Undertakings.

(ii) So long as the Controlling Principal will not change, Franchisor will consent to Transfers among Franchisee's original Principals and waive payment of a Transfer Fee and its right of first refusal upon its receipt of such documentation and information concerning a Transfer and the resulting ownership of Franchisee as Franchisor may request. The required documentation will include, without limitation, a Personal Guaranty and Principals' Undertaking, as generally required by this Agreement.

(iii) Neither Franchisee nor any of its Affiliates or Principals may engage in a Securities Offering without the prior written consent of Franchisor (whether or not Franchisor's consent is otherwise required under this Section with respect to such Transfer). Franchisor's consent may be withheld for any reason, and may be conditioned upon its verification that the Prospectus does state or imply (by use of the Marks or otherwise) that Franchisor is sponsoring or otherwise participating in the Securities Offering or that Franchisor will receive any part of the proceeds from the Securities Offering. To seek Franchisor's consent, Franchisee must submit a complete copy of the Prospectus to Franchisor prior to the time the Prospectus is filed with a government agency or official or, if an exempt Securities Offering is contemplated, prior to the delivery of the Prospectus to any prospective investor. Franchisor has 30 days after its receipt of the Prospectus either to provide its consent, withhold its consent or advise Franchisee of the deficiencies that must be corrected prior to Franchisor's providing its consent. Franchisor has no obligation to provide its consent, including unless and until all deficiencies it notes have been corrected. Any consent by Franchisor will not constitute an endorsement or ratification of the offering or the prospectus, either express or implied. Franchisee and the other participants in a Securities Offering will fully indemnify Franchisor in connection with the offering. For each proposed Securities Offering, Franchisee will reimburse Franchisor for its costs and expenses associated with reviewing the proposed offering, including, without limitation, legal and accounting fees and salaries of Franchisor's personnel; provided that Franchisor may request an advance on such costs and expenses before initiating its review.

(iv) Franchisee may grant a security interest in this Agreement or the Franchise to the limited extent permitted by Section 9-408 of the Uniform Commercial Code. Any such security interest may only attach to an interest in the proceeds of the Success Tutoring Business's operations and may not under any circumstances entitle or permit the secured party to take possession of or operate the Success Tutoring Business or to Transfer Franchisee's interest in the Franchise without Franchisor's express prior written consent. The grant of a security interest in a manner consistent with this Section will not be subject to the Transfer prohibitions in this Agreement.

(e) Right of First Refusal.

(i) If Franchisee or the Principal(s) wishes to effectuate a Transfer that will effect a direct or indirect change in Control of Franchisee, pursuant to any *bona fide* offer received from a third-party to purchase that interest, then the proposed seller will promptly notify Franchisor in writing of the offer, and will provide any additional information and documentation relating to the offer that Franchisor requires. Franchisor has the option, exercisable within 45 days after receipt of all written documentation requested by Franchisor describing the terms of the offer, to send written notice to the seller that Franchisor intends to purchase the seller's interest on the same terms and conditions offered by the third-party.

(ii) If an offer from a third-party provides for payment of consideration other than cash, Franchisor may elect to purchase the interest proposed to be sold for the cash equivalent. If the parties cannot agree within a reasonable time on the cash equivalent of the non-cash part of the offer, then the cash equivalent will be determined by two appraisers, with each party selecting one appraiser, and the

average of their determinations constituting the binding valuation. In the event of an appraisal under this provision, each party will bear its own legal and other costs and will split the appraisal fees equally.

(iii) If Franchisor elects to purchase the seller's interest, closing on the purchase will occur no later than 60 days after the date Franchisor gives notice to the seller of the election to purchase, provided that Franchisor has received all necessary permits and approvals, or on such other date as the parties agree in writing. If Franchisor exercises its right of first refusal, it may set off all amounts due from Franchisee or any of its Affiliates (including, if applicable, all fees for any appraiser due from Franchisee) against any payment for the interest to be purchased.

(iv) A decision of the Franchisor not to exercise the right of first refusal granted by this Section will not constitute a waiver of any other provision of this Agreement, including all of the Transfer requirements of this Section, with respect to a proposed Transfer. If Franchisor does not exercise its right of first refusal on any particular offer, any material change in the terms of the offer before closing will constitute a new offer subject to the same right of first refusal by Franchisor as in the case of the initial offer. Failure to comply with the provisions of this Section will constitute a material event of default under this Agreement.

(f) Purchase Upon Franchisee's Death or Disability.

(i) This Section applies only if (i) an individual Franchisee or a Principal owning a Controlling Interest in a Business Entity Franchisee dies or becomes Permanently Disabled during the Term, and (ii) the death or Permanent Disability results in a change in executive-level responsibility for managing the Success Tutoring Business.

(ii) During the first 120 days after Franchisor receives notice of the death or Permanent Disability, Franchisor will evaluate the new management's willingness and ability to operate the Success Tutoring Business in compliance with this Agreement. By the end of the 120-day evaluation period, Franchisor will decide whether the new management is qualified to manage the Success Tutoring Business and will notify Franchisee's new management of its decision. As conditions to continuing the Franchise relationship, Franchisor may require a new Personal Guaranty and Principals' Undertaking, and any deficiency in Franchisee's compliance with the requirements of this Agreement must be cured. Further, Franchisor may require management to attend and satisfactorily complete Franchisor's initial training program.

(iii) If any of the conditions stated in this Section are not satisfied, or if Franchisor decides that the new management has not adequately demonstrated its business qualifications or commitment to the Franchise relationship, the remaining Principals will have 120 days after delivery of Franchisor's notice to (i) locate new management that is acceptable to Franchisor, or (ii) sign a binding contract to sell the Franchise or a Controlling Interest in the Franchise to a buyer approved by Franchisor in accordance with the requirements of this Agreement. The proposed sale will be subject to Franchisor's right of first refusal.

(iv) If any of the Principals fail to sign a binding contract of sale before the 120-day selling period expires, or if a contract is signed, but the proposed sale is not concluded within 30 days after Franchisor relinquishes its right of first refusal, Franchisor has an additional option during the next 30 days to purchase the interest the deceased or Permanently Disabled person held at the date of death or Permanent Disability. The purchase price for the interest will be its fair market value, determined through good faith negotiations or, such negotiations failing, then by appraisal by an independent third party agreed upon by the parties. Unless otherwise agreed by the parties, the purchase price will be payable in cash at closing. If Franchisor delivers written notice of its intention to exercise the option within the

30-day period, the option will be considered effectively exercised whether or not the purchase is actually consummated within the 30-day period.

(v) If the parties fail to agree on a purchase price for the interest within 21 days after delivery of Franchisor's notice, the purchase price will be determined by two appraisers in accordance with the appraisal process specified in the right of first refusal provision.

(g) **Involuntary Transfers.** No involuntary Transfer or partitioning of Franchisee's or the Principals' interest in the Franchise or under this Agreement, whether in connection with a bankruptcy, foreclosure, divorce or other proceeding, will be effective against Franchisor unless and until (1) the transferee furnishes Franchisor a signed guaranty under which the transferee agrees to be jointly and severally liable for the payment of Franchisee's monetary obligations under this Agreement, whether or not such obligations are then delinquent, (2) the transferee agrees in writing to be personally bound by the confidentiality provisions and restrictive covenants in this Agreement, and (3) the Transfer encompasses Franchisee's and the Principals' total interest in the Franchise and under this Agreement, irrevocably designates and appoints Franchisee to be the transferee's agent and attorney-in-fact with whom Franchisor may deal for all purposes expressed in or contemplated by this Agreement.

(h) **Waiver of Interference Claims.** Franchisee acknowledges that Franchisor has legitimate reasons to evaluate the qualifications of potential transferees and to analyze and critique the terms of their purchase contracts with Franchisee. Franchisee also acknowledges that Franchisor's contact with potential transferees for the purpose of protecting its business interests will not constitute improper or unlawful conduct. Franchisee expressly authorizes Franchisor to investigate any potential transferee's qualifications, to analyze and critique the proposed purchase terms with the transferee, and to withhold consent to economically questionable transactions. Franchisee waives any claim that action Franchisor takes in relation to a proposed transfer to protect its business interests constitutes tortious interference with contractual or business relationships.

6. Default.

(a) If any Event of Default occurs, Franchisee will be in default under this Agreement, whether or not Franchisor gives notice of the default. Franchisor's failure to take prompt action with respect to a particular Event of Default will not constitute a waiver of that or any subsequent Event of Default.

(b) Except as otherwise described in this Section or required by Applicable Laws, the following are Events of Default that Franchisee may cure by taking appropriate remedial action within the applicable cure period. If Franchisee fails to cure such an Event of Default, Franchisor may terminate the Franchise or take any of the other actions this Agreement permits.

(i) Franchisee fails to pay or expend in full when due any Continuing Fees and other payments to Franchisor, or any trade account (including shipping charges) payable to Franchisor or its Affiliates, including for any Approved Equipment and Supplies and/or Approved Products and Services and other supplies, products and services, and fails to cure such default by making payment in full, including any applicable interest as provided by this Agreement, within 15 days after Franchisor notifies Franchisee in writing of the remedial action to be taken.

(ii) Franchisee fails to pay any trade obligation due to a vendor with whom Franchisor or any of its Affiliates does business, as a result of which the vendor withholds or threatens to withhold the sale of goods or services, or withdraws or threatens to withdraw the availability of normal

trade terms, to Franchisor, any Franchisor Affiliate or another Franchisee, and fails to cure such default within 30 days after Franchisor notifies Franchisee in writing of the remedial action to be taken.

(iii) Franchisee fails to fulfill any requirement, to perform any obligation, or to observe any restriction set forth in this Agreement or the Brand Standards Manual, including without limitation obligations or restrictions regarding the development, participation in initial training, opening and operations of the Success Tutoring Business and use, offer or sale of Approved Equipment and Supplies and/or Approved Products and Services or other products and services in connection with the Success Tutoring Business, or any other condition or restriction contained in this Agreement and not otherwise addressed in this Section, and fails to cure such default within 30 days after Franchisor notifies Franchisee in writing of the remedial action to be taken.

(iv) Franchisee fails to fulfill any requirement or to perform any obligation set forth in Section 10 with respect to advertising and promotions (other than with respect to payment or expenditure of Continuing Fees) and fails to cure such default within 15 days after Franchisor notifies Franchisee in writing of the remedial action to be taken.

(v) Franchisee or any other Person bound under this Agreement fails or refuses to honor a request for indemnification under this Agreement and fails to cure such default within 10 days after Franchisor notifies Franchisee in writing of the remedial action to be taken.

(vi) Franchisee or any other Person bound under this Agreement breaches (a) any restriction or obligation relating to advertising or use of the internet set forth in this Agreement or any related terms of use agreement, or (b) any covenant or obligation relating to Franchisor's intellectual property set forth in this Agreement or otherwise makes any unauthorized use of a Mark, an item of Copyrighted Materials or an element of the System and fails to cure such default within 10 days after Franchisor notifies Franchisee in writing of the remedial action to be taken.

(vii) Any lease for the Success Tutoring Business expires or is terminated and Franchisee fails to renew or obtain approved replacements for the Success Tutoring Business in accordance with this Agreement within 15 days after Franchisor notifies Franchisee in writing of the remedial action to be taken.

(viii) Franchisee or any agent, representative or employee of Franchisee or other Person associated with the Success Tutoring Business (a) violates any Applicable Laws in connection with the operation of the Success Tutoring Business, or (b) fails to obtain, prior to opening, one or more of the licenses, permits or certificates required to operate a Success Tutoring Business (including any Applicable Licensure or licenses to operate motor vehicles) in accordance with the Brand Standards, or if such certificates are suspended or terminated for any reason and fails to cure such default by promptly notifying Franchisor and taking all necessary action as approved by Franchisor to cure such violation within 72 hours after Franchisee receives notice of the violation.

(ix) Franchisee fails to comply with any notification, investigation and/or remediation requirements implemented by Franchisor during any Crisis Management Event, and/or fails to cure such default within 48 hours after Franchisor notifies Franchisee in writing of the remedial action to be taken.

(x) Franchisee fails an inspection conducted by Franchisor in accordance with this Agreement and there is one or more health, safety or sanitation conditions in the Success Tutoring Business that Franchisor reasonably determines may pose an imminent threat to public health or safety that Franchisee fails to cure within 24 hours after receipt of written notice thereof; provided that

Franchisor may also require Franchisee to immediately cease all operations of the Success Tutoring Business until any such default is fully cured if Franchisor deems it necessary in its sole discretion.

(c) Following are Events of Default that are irreversible and cannot be cured, and this Agreement will terminate immediately upon notice to Franchisee, unless otherwise indicated below.

(i) Franchisee or any other Person bound under this Agreement fails to observe or comply with the requirements of this Agreement regarding (a) any actual or purported or attempted sale, assignment or Transfer of interests or assets related to this Agreement or the Success Tutoring Business, (b) any non-competition and confidentiality covenants, (c) any unauthorized use or duplication of any aspect of the System, any use, offer and/or sale of unauthorized Approved Equipment and Supplies and/or Approved Products and Services in connection with the Success Tutoring Business or for other purposes, or (d) any representation, warranty or covenant with respect to terrorist activities and money laundering.

(ii) Franchisee abandons the Success Tutoring Business, including without limitation failing to respond to Franchisor or to Customer inquiries during normal business hours on more than 5 consecutive days, excluding major changes to the Approved Equipment and Supplies used in the Success Tutoring Business in accordance with a schedule approved by Franchisor.

(iii) Franchisee and/or any Person bound under this Agreement commits or allows to occur the same Events of Default 2 or more times in any 12-month period, whether or not notified to Franchisee and whether or not cured in accordance with this Agreement.

(iv) Franchisee and/or any Person bound under this Agreement commits or allows to occur three or more similar or different Events of Default in any 12-month period, whether or not notified to Franchisee and whether or not cured in accordance with this Agreement.

(v) Franchisee or any guarantor of Franchisee's monetary obligations to Franchisor becomes insolvent, is adjudicated a bankrupt, voluntarily files a petition for liquidation or reorganization under any provision of the United States Bankruptcy Code, makes an assignment for the benefit of creditors or takes any other action pursuant to any federal or state insolvency statute or a receiver or other custodian is appointed for Franchisee's business or business assets. In such event, this Agreement will terminate automatically and immediately without notice to Franchisee.

(vi) Franchisee or one or more of the Principals is convicted of, or pleads guilty or no contest to (even if a final court order has not issued), a felony or a crime involving fraud, sexual harassment, battery, drug possession, moral turpitude or any other crime or offense, or is credibly accused, charged or otherwise proven to have committed any act (regardless of whether such act constitutes a crime) that in Franchisor's sole opinion is reasonably likely to have an adverse effect on the System or the Marks, or the goodwill associated with the System or the Marks.

(vii) Franchisee and/or any Person bound under this Agreement has credibly been accused, charged or otherwise confirmed to have sexually harassed or intimidated any individual; has intentionally engaged in racial, ethnic, religious, sexual or other offensive discrimination against any individual or group; has knowingly engaged in any other activity or business practice that Franchisor reasonably considers materially detrimental to the reputation or public image of Franchisor or its Affiliates or their owners, directors, officers or employees, the Marks or the Success Tutoring Business Network; or has knowingly engaged in conduct that is grossly unethical in relation to the culture and business values on which the Success Tutoring Business Network is founded, whether or not the behavior or conduct constitutes a violation of federal, state or local law.

(viii) Franchisee knowingly maintains false books or records or submits any false reports to Franchisor, its Affiliates or any third-party vendor or supplier.

(d) Franchisor and Franchisee acknowledge that the franchise rights contemplated under this Agreement are granted on the assumption that there will be no Adverse Change of Law during the term of this Agreement. If, at any time during the term of this Agreement, there occurs an Adverse Change of Law, the parties agree to use their best efforts and to cooperate with each other in good faith to amend this Agreement either to bring it into conformity with the requirements of the Adverse Change of Law or to seek an alternative way to comply with the Adverse Change of Law which allows both parties to continue to enjoy the economic benefits of this Agreement. If, in Franchisor's or Franchisee's judgment, this Agreement cannot be modified to comply with the Adverse Change of Law without undermining material elements of the franchise relationship or the enjoyment of the economic benefits thereunder, Franchisor or Franchisee (as applicable) may, at its option, without liability for such action or any further obligation to the other, terminate this Agreement and the territorial rights granted hereby upon 60 days' written notice to Franchisor or Franchisee (as applicable); provided that Franchisee shall be required to comply with all post-termination obligations set forth in this Agreement as a continuing condition to any such termination.

(e) Franchisee may at any time provide Franchisor a written proposal for termination of this Agreement setting out in detail: (i) the reasons Franchisee is requesting early termination of the Agreement; (ii) the terms of the proposed termination of this Agreement; and (iii) any evidence in support of the Franchisee's proposal (the "Proposal"). On the receipt of a Proposal, Franchisor will in good faith consider and provide a substantive written response to the Proposal to the Franchisee within 28 days. If Franchisor's response is a refusal to terminate at all, or a refusal to agree to terminate the Franchise Agreement on the terms of the Proposal, Franchisor will provide reasons for such refusal, which reasons will be at the total discretion of Franchisor.

7. Termination; Other Remedies.

(a) If Franchisee commits or allows an Event of Default to occur and does not cure it before the related remedial period, if any, expires, Franchisor may, at its option, but subject to compliance with Applicable Laws, either terminate the Franchise and Franchisee's rights under this Agreement or compel Franchisee to sell the Franchised Success Tutoring Business in accordance with this Agreement. Upon termination or expiration of the Franchise, Franchisee's right and privilege to use the System, the Marks, the Copyrighted Materials, the Trade Secrets and all components of the Brand Standards Manual will absolutely and unconditionally cease. Franchisee will immediately:

(i) Cease using, offering and selling Approved Equipment and Supplies and/or Approved Products and Services and any other products and services, and either sell to or otherwise dispose of all unsold Approved Equipment and Supplies and/or Approved Products and Services and related products and services, as directed by Franchisor.

(ii) discontinue use of the Marks, the Copyrighted Materials, the System, Trade Secrets and all components of the Brand Standards Manual, and permanently remove and delete all such items from Franchisee's Technology and Information Systems;

(iii) return to Franchisor the entire Brand Standards Manual and any other printed, graphic or audio/visual item designated by Franchisor as containing Trade Secrets;

(iv) unless such items are sold to Franchisor or another Franchisee in the Success Tutoring Business Network, remove from the Success Tutoring Business all interior and exterior Success Tutoring Business signs and other uses of the Marks;

(v) unless such items are sold to Franchisor or another Franchisee in the Success Tutoring Business Network, alter the Success Tutoring Business and related furniture, fixtures, equipment and leasehold improvements to remove all Trade Dress items and otherwise eliminate any and all distinctive features of the Franchise and to eliminate the ability of Franchisee or any third-party to use the Success Tutoring Business and related furniture, fixtures, equipment and leasehold improvements for the offer or sale of Approved Products and Services or other products or services;

(vi) cease use of and/or transfer to Franchisor (at Franchisor's direction) all email addresses used in connection with the Success Tutoring Business, regardless of whether such email addresses contain or reference one or more of the Marks;

(vii) cease use of and/or provide all relevant details to Franchisor of all Customer Information in accordance with this Agreement; and

(viii) cease use of and/or remove to the extent possible all Social Media or other online profiles that use one or more of the Marks to advertise, promote or operate the Success Tutoring Business and cancel all rights in and to any accounts for such Social Media or other online profiles; and

(b) Upon the Franchise's termination or expiration, Franchisor may immediately instruct the telephone company and all other directory publishers (both web-based and print) to transfer use and control of the Success Tutoring Business's telephone number(s) and all directory listings to Franchisor or its designee. Franchisee irrevocably constitutes and appoints Franchisor and its designees as Franchisee's agent and attorney-in-fact to effect the transfer of the Success Tutoring Business's telephone number(s) and directory listings, including authority to execute and deliver on Franchisee's behalf any transfer of service agreement the telephone company or other directory listing providers requires, and to revoke any call-forwarding or similar instructions Franchisee has given the telephone company. Franchisor has no liability to Franchisee on account of or arising from any action it authorizes or takes to effect the transfer of the Success Tutoring Business's telephone number(s) and other directory listings in accordance with this Section. In addition, Franchisor will be entitled to injunctive or similar relief, without bond, against Franchisee and any other Person bound under this Agreement to enforce compliance with these requirements.

(c) If Franchisee does not comply with the requirements of this Section within seven days after the Franchise's termination or expiration, Franchisor may, at Franchisee's expense, enter the Success Tutoring Business's Success Tutoring Business and effect Franchisee's compliance with all of that Section's requirements, including removal and storage of Franchisee's signs, and alteration or removal and storage of Trade Dress items. Franchisee irrevocably constitutes and appoints Franchisor and its designees as Franchisee's agent and attorney-in-fact to effect compliance with these requirements, and Franchisor has no liability to Franchisee, in trespass or otherwise, on account of or arising from any action it authorizes or takes to effect Franchisee's compliance. In addition, Franchisor will be entitled to injunctive or similar relief, without bond, against Franchisee and any other Person bound under this Agreement to enforce compliance with these requirements.

(d) In lieu of immediately terminating the Franchise in accordance with Section 17(a), Franchisor may:

(i) suspend Franchisee's right to participate in one or more advertising, marketing, or promotional programs otherwise available to the Success Tutoring Business Network;

(ii) suspend or terminate Franchisee's participation in any temporary or permanent fee reductions to which Franchisor might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise);

(iii) refuse to provide any operational support this Agreement requires; or

(iv) demand and require Franchisee to sell the Success Tutoring Business and transfer Franchisee's rights under this Agreement to a purchaser acceptable to Franchisor. After Franchisor demands such sale, Franchisee has no further right or opportunity to cure a default or to reinstate Franchisee's right to continue operating the Success Tutoring Business. Except for Franchisor's right to approve a proposed purchaser and to ensure that all Continuing Fees and other amounts due Franchisor and/or Franchisee's trade creditors are paid at the closing of the sale, Franchisee will be entitled to establish and negotiate the terms of sale. If Franchisee does not execute a binding agreement with an approved purchaser and deliver a copy of such agreement to Franchisor within 90 days after Franchisee receives Franchisor's demand to sell, or does not consummate the sale within 45 days after negotiations are completed, Franchisor may terminate the Franchise under Section 17(a) without further notice. Franchisee acknowledges and agrees Franchisor will not act as a broker for any transaction contemplated by this Section and that actions to be taken by Franchisor in connection with approving a transfer pursuant to this Section will not make Franchisor a broker for such transfer.

(e) In addition to any other rights and remedies (and in lieu of immediately exercising its rights under Section 17(a)), Franchisor may notify each supplier, distributor or vendor of Approved Equipment and Supplies and/or Approved Products and Services or other products and services that Franchisee is no longer authorized to purchase these Approved Equipment and Supplies and/or Approved Products and Services or other products and services, and that sales of such items to Franchisee must therefore be discontinued until further notice from Franchisor.

(f) In addition to any other rights and remedies, Franchisee will immediately pay to Franchisor, and Franchisor is entitled to recover, all amounts owed to Franchisor in connection with this Agreement, and all trade obligations due Franchisor, plus interest and any late fees under this Agreement (as applicable), with or without terminating the Franchise. If any such obligation is referred to an attorney for collection or is collected in whole or in part through a judicial proceeding, Franchisee agrees to pay Franchisor's attorneys' fees and costs of collection, plus a charge for the staff and administrative time Franchisor expends to enforce its claims.

(g) In addition to any other rights and remedies, Franchisor may remove information on Franchisee and the Success Tutoring Business from the Success Tutoring Website, cancel Franchisee's access and use of the Technology and Information Systems, including the Success Tutoring Business Operating System if applicable), cancel Franchisee's account on the Success Tutoring Business Intranet network and/or deny Franchisee further access to communication via the Intranet, with or without terminating the Franchise.

(h) In addition to any other rights and remedies, Franchisor may obtain injunctive relief, without bond, against Franchisee and/or any other Person bound under this Agreement restraining the unauthorized or violative use of any Mark, item of Copyrighted Materials or Trade Secret, with or without terminating the Franchise.

(i) In addition to any other rights and remedies, Franchisor may recover damages from Franchisee and any other Person bound under this Agreement for the unauthorized use of any Mark and/or Trade Secret or the unauthorized use, copying or distribution of any item of Copyrighted Materials,

and for any loss of Customer or future Franchisee goodwill in the vicinity of the Success Tutoring Business.

(j) In addition to any other rights and remedies and regardless of whether Franchisor purchases the Success Tutoring Business, Franchisor has an option (but no obligation) to purchase all or any part of the Success Tutoring Business's useable Approved Equipment and Supplies and/or Approved Products and Services, and Franchisee's ownership interest (if any) in any non-home based Success Tutoring Business from Franchisee free and clear of all liens, restrictions or encumbrances, exercisable by giving written notice thereof to Franchisee within 60 days after the Franchise expires or is terminated. Franchisor will be entitled to all customary warranties and representations in connection with Franchisor's 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 effecting the assets, contingent or otherwise. The purchase price for useable Approved Equipment and Supplies and/or Approved Products and Services or other products will equal to its invoiced cost to Franchisee; and the purchase price for the Success Tutoring Business will be fair market value. Fair market value will be determined by two appraisers, with each party selecting one appraiser, and the average of their determinations constituting the binding market value. Each party will bear its own legal and other costs and will split the appraisal fees equally. The purchase price will be payable in cash (except that Franchisor may assume any note or lease for such items at its discretion). Franchisee agrees to provide Franchisor the information necessary to establish the purchase price, to sign and deliver to Franchisor a deed, bill of sale or an assignment of lease, transfer good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interest acceptable to Franchisor, if any) with all sales and other transfer taxes paid by Franchisee and all licenses and permits of the Success Tutoring Business which may be assigned, and otherwise to cooperate with Franchisor in its taking title to and possession and delivery of the items Franchisor purchases. The purchase price will be paid at the closing of the purchase, which will take place not later than 90 days after determination of the purchase price. Franchisor may exclude from the assets purchased hereunder cash or its equivalent and any equipment, signs, inventory, materials and supplies that are not necessary (in function or quality) to the Success Tutoring Business's operation or that Franchisor has not approved as meeting standards for Success Tutoring Business, and the purchase price will reflect such exclusions. Additionally, Franchisor has the right to set off against the purchase price, and thereby reduce the purchase price by, any and all amounts Franchisee or the Principals owe to Franchisor. If Franchisee fails or refuses to comply with its obligations under this Section during the option period, Franchisor's option will be extended until 15 days after Franchisee complies.

(k) In addition to any other rights and remedies, Franchisor or Franchisor's designee has the option (but no obligation) to assume any lease or sublease for the Success Tutoring Business Campus. If Franchisor or its designee assumes any lease or sublease for the Success Tutoring Business Campus, the assignee must assume all of Franchisee's obligations under the lease from and after the date of assignment, but has no obligation to pay any delinquent rent or to cure any other default under the lease that occurred or existed prior to the date of the assignment. Franchisee will be solely responsible for any assignment fee or similar charge, or any increase or acceleration of rent under all leases or subleases in connection with an assignment to Franchisor or its designee.

Indemnification.

(l) Franchisee and the Principals, jointly and severally, will, at all times and to the fullest extent permitted by Applicable Laws, indemnify the Indemnified Parties from and defend them against all Losses and Expenses of any of the Indemnified Parties that arise out of or are based upon any of the following:

(i) The operation or condition of any part of the Success Tutoring Business, including at the Success Tutoring Business and driving to and from and at Customer physical locations where the Success Tutoring Business is operated, the conduct of business by the Success Tutoring Business and any acts or omissions of Franchisee or Franchisee's employees, agents or contractors, including with respect to the collection or use of Customer Information.

(ii) The infringement, alleged infringement, or any other violation or alleged violation by Franchisee or any of the Principals of any patent, trademark, copyright, or other proprietary right owned or controlled by third parties unless, and to the extent that, the Action is based upon or arises from Franchisee's authorized use of the Marks in strict compliance with the terms of this Agreement.

(iii) The violation or breach by Franchisee or any of the Principals or any other Person affiliated with the Success Tutoring Business of any Applicable Laws, including but not limited to Privacy Laws or Applicable Licensure.

(iv) Franchisee's failure to obtain and maintain the types and amount of insurance coverage set forth in the Brand Standards Manual or otherwise required by Franchisor.

(v) Libel, slander, or any other form of defamation of the Indemnified Parties, the System or any other Franchisee by Franchisee or any of the Principals.

(vi) The violation or breach by Franchisee, or any of its Affiliates or Principals of any warranty, representation, agreement or obligation in this Agreement or other agreement between Franchisee or its Affiliates and one or more of the Indemnified Parties.

(vii) Acts, errors, or omissions of Franchisee, its Affiliates, the Principals and their respective owners, officers, employees, agents and representatives in connection with the establishment and operation of the Success Tutoring Business pursuant to this Agreement.

(viii) Any and all encumbrances, liens, assessments, levies, charges, surcharges, demands for payment, taxes or any other liabilities imposed on Franchisor or on or as a result of any payment due to or paid to Franchisor under this Agreement, by any taxing authority or any political subdivision, instrumentality, agency or other body of any governmental or taxing authority.

(ix) Any actual or alleged claim that Franchisor and Franchisee are joint employers of any Franchisee employee or personnel.

(m) Franchisee and each of the Principals agrees to give Franchisor immediate notice of any Action subject to indemnification under this Agreement. At the expense and risk of Franchisee and each of the Principals, Franchisor may elect to control (but under no circumstance is obligated to undertake), and associate counsel of its own choosing with respect to, the defense and/or settlement of any such Action. Such an undertaking by Franchisor will, in no manner or form, diminish the obligation of Franchisee and each of the Principals to indemnify the Indemnified Parties and to hold them harmless.

(n) In order to protect persons or property or the reputation or goodwill of itself or others, Franchisor may, at any time and without notice, as it deems appropriate, consent or agree to settlements or take such other remedial or corrective action as it deems expedient with respect to the Action if, in Franchisor's judgment, there are grounds to believe that:

(A) Any of the acts or circumstances enumerated in this Section has occurred; or

(B) Any act, error or omission as described in this Section may result directly or indirectly in damage, injury or harm to any Person or any property.

(o) All Losses and Expenses incurred under this Section will be chargeable to and paid by Franchisee or any of the Principals pursuant and subject to their respective obligations of indemnity under this Section, regardless of any action, activity, or defense undertaken by Franchisor or the subsequent success or failure of that action, activity, or defense.

(p) THE INDEMNIFIED PARTIES DO NOT ASSUME ANY LIABILITY WHATSOEVER FOR ACTS, ERRORS, OR OMISSIONS OF THOSE WITH WHOM FRANCHISEE, ANY OF ITS AFFILIATES OR ANY OF THE PRINCIPALS, MAY CONTRACT. FRANCHISEE AND EACH OF FRANCHISEE'S PRINCIPALS THAT EXECUTES THE PERSONAL GUARANTY AND PRINCIPALS' UNDERTAKING WILL HOLD HARMLESS AND INDEMNIFY THE INDEMNIFIED PARTIES FROM ALL LOSSES AND EXPENSES THAT MAY ARISE OUT OF ANY ACTS, ERRORS, OR OMISSIONS OF FRANCHISEE, ITS AFFILIATES AND THE PRINCIPALS AND ANY SUCH THIRD PARTIES, WITHOUT LIMITATION AND WITHOUT REGARD TO THE CAUSE OR CAUSES OF THE ACTS, ERRORS OR OMISSIONS OR THE NEGLIGENCE (WHETHER THAT NEGLIGENCE IS SOLE, JOINT, OR CONCURRENT, AND WHETHER ACTIVE OR PASSIVE) OR STRICT LIABILITY OF ANY OF THE INDEMNIFIED PARTIES OR ANY OTHER PARTY OR PARTIES ARISING IN CONNECTION THEREWITH, IN CONNECTION WITH THE ESTABLISHMENT AND OPERATION OF THE SUCCESS TUTORING BUSINESS, INCLUDING, BUT NOT LIMITED TO, ANY ACTS, ERRORS OR OMISSIONS OF ANY OF THE FOREGOING IN THE OPERATION OF ANY MOTOR VEHICLES, IN THE ESTABLISHMENT OR IMPLEMENTATION OF SECURITY FOR THE SUCCESS TUTORING BUSINESS, IN THE USE OF ANY INTERNET SITE OR INTRANET NETWORK DEVELOPED BY FRANCHISOR, ACTS OF ANY THIRD PARTIES, OR ACTS OR CLAIMS ARISING FROM THIS AGREEMENT.

8. Terrorist and Money Laundering Activities/

(a) Franchisee and the Principals represent and warrant to Franchisor that neither Franchisee, nor any Principal, nor any of their respective Affiliates is identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control.

(b) Further, Franchisee and the Principals represent and warrant that neither they nor any Principal or Affiliate referred to above has violated, and each of them agrees not to violate, any Applicable Laws prohibiting corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government, including acts prohibited by the U.S. Patriot Act, U.S. Executive Order 13224, or any similar Applicable Laws.

(c) The foregoing constitute continuing representations and warranties, and Franchisee and the Principals will immediately notify Franchisor in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading

Law Governing; Dispute Resolution.

(d) Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§1051 *et. seq.*), this Agreement will for all purposes be governed by and interpreted and enforced in accordance with the internal laws of the State of Texas, except that its choice of law and conflict of law rules will not apply. Notwithstanding the above, Franchisee and the Principals agree that the Texas Consumer Protection Act (and any successor laws, rules or regulations thereto) does not apply to the transactions contemplated by this Agreement.

(e) The parties mutually agree to use their best efforts to resolve and settle by direct, private negotiation any Dispute that arises under or in relation to this Agreement or arises between or among Franchisee or any Principal, on the one hand, and Franchisor, its Affiliates, successors or assigns, on the other hand, and any of their respective directors, officers, shareholders, members, managers, partners, attorneys, servants, employees, associates, independent contractors, agents, and representatives, before bringing an Action.

(f) Any party(ies) desiring to bring an Action related to a Dispute must submit to the other party(ies) a written notice that a Dispute exists ("Notice of Dispute") to commence the direct, private negotiation set forth in Section 20(b) above. Except as outlined in Section 20(d) below with respect to certain Franchisor initiated Actions, if the parties cannot resolve and settle a Dispute by private negotiation within 60 days after a party(ies) with a Dispute submit the Notice of Dispute to the other party(ies), the parties mutually agree to submit the Dispute to non-binding mediation, as follows:

(i) Mediation shall occur in Dallas, Texas, before a single mediator, using the facilities and mediation rules of a professional dispute-resolution organization selected by Franchisor and reasonably acceptable to the Franchisee (the "Mediation Organization"). If the parties cannot agree on a Mediation Organization, they shall use the facilities and mediation rules of the National Franchise Mediation Program in effect at the time the parties submit the Dispute to mediation (<https://drs.cpradr.org/rules>).

(ii) The parties shall jointly select a Texas-based mediator from the panel of mediators maintained by the Mediation Organization. The mediator must be either a retired judge or a trained mediator experienced in the resolution of disputes between franchisors and franchisees who has no prior familial relationship with any party to the Dispute. If the parties are unable to agree on a mediator within 30 days after the Dispute is submitted to mediation, the Mediation Organization shall select a mediator who possesses the indicated qualifications.

(iii) Each party agrees to send at least one representative to the mediation who has authority to enter into binding contracts on that party's behalf. Each party further agrees to sign a confidentiality agreement that exempts the mediator from disclosing, orally or in writing, any information the other party discloses to the mediator in confidence at any stage of the mediation process.

(iv) If any party fails or refuses to participate in mediation for a Dispute subject to mediation in accordance with this Section, the other parties shall be entitled to submit the Dispute to the designated courts immediately in accordance with Section 20(d) and the party failing or refusing to participate in mediation in accordance with this Section shall not be entitled to recover its costs or attorney fees in such court proceedings, even if they would otherwise be available to that party in such court proceeding.

(g) The parties mutually agree that the state and federal courts located in the county in which Franchisor has its then current principal place of business (currently the U.S. District Court for the

Northern District of Texas, Dallas Division, or if such court lacks jurisdiction, the state courts located in Dallas, Texas), will be the exclusive venue and exclusive forum in which to adjudicate any Action arising from or relating to this Agreement and any guarantees hereof, undertakings hereunder provided and relationship established thereby, however, with respect to any Action which seeks monies owed, injunctive relief or other extraordinary relief, Franchisor may bring such action in any court of competent jurisdiction. The parties irrevocably submit to the jurisdiction of such courts and waive any objections to either the jurisdiction of or venue in such courts. The parties mutually agree that personal jurisdiction may be effected by alternative means of service of process and that when so made will be as if served personally. This Agreement was executed and accepted at Franchisor's current place of business in or around Dallas, Texas. The parties anticipate that the performance of certain of Franchisee's obligations arising under this Agreement, including the payment of certain monies due Franchisor, will initially occur in or around Dallas, Texas.

(h) Except with respect to Franchisee's and each Principal's obligation to indemnify Franchisor and claims Franchisor brings for Franchisee's unauthorized use of the Marks or unauthorized use or disclosure of any Trade Secrets, the parties waive to the fullest extent permitted by law any right to or claim for any punitive, exemplary, special and consequential damages against the other and agree that, in the event of any Action between the parties, the parties bringing the Action will be limited to equitable relief and to recovery of any direct or general damages it sustains; provided, however that Franchisor has the right to seek and recover lost profits and/or all applicable liquidated damages afforded under this Agreement in the event of termination of this Agreement.

(i) Except for an Action arising from Franchisee's nonpayment or underpayment of amounts Franchisee owes Franchisor pursuant to this Agreement, or an Action related to Franchisee's unauthorized use of the Marks, any and all Actions arising out of or relating to this Agreement or the relationship created hereby will be barred unless an Action is commenced within 2 years and 1 day after the date on which the party asserting such Action knew or should have known of the facts giving rise to such Action. Notwithstanding the foregoing, with respect to any Actions arising out of or in connection with an Event of Force Majeure, the 2 years and 1 day limit on Actions provided for in this Section will be extended for a period equal to the extended performance period resulting from the Event of Force Majeure, provided that such period will not exceed 90 days.

(j) Franchisee and the Principals agree that any Action arising from or relating to this Agreement and any guarantees hereof, undertakings hereunder provided and the relationship established thereby shall be conducted on an individual basis, and not as part of a common, consolidated or class action.

JURY TRIAL WAIVER. THE PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER PARTY RELATING TO THE RELATIONSHIP BETWEEN THE PARTIES OR ARISING UNDER OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR ANY RIGHT OR CURE HEREUNDER. THE PARTIES ACKNOWLEDGE THEIR RIGHT TO A JURY TRIAL, THAT THEY HAVE HAD AN OPPORTUNITY TO CONSULT WITH COUNSEL AND THAT THIS WAIVER IS ENTERED INTO KNOWINGLY AND VOLUNTARILY.

Liquidated Damages.

(k) If Franchisee unilaterally abandons the Franchise prior to the natural expiration of the term or Franchisor terminates this Agreement for cause in accordance with the terms of this Agreement,

then, in addition to any other remedies available to Franchisor at law or in equity, Franchisor will be entitled to collect from Franchisee, and Franchisee agrees to pay within 15 days of demand by Franchisor, an amount equal to the average aggregated Royalty Fees that Franchisee paid or owed to Franchisor during the 12 months of operation preceding the effective date of termination multiplied by the lesser of (a) 24, or (b) the total number of months remaining in the Term of this Agreement had it not been terminated.

(l) If after (1) the expiration of the Franchise, or (2) the termination of the Franchise by Franchisor in accordance with this Agreement, Franchisee continues to use any of the Marks or element of the System in connection with the continued operation of the Success Tutoring Business or otherwise, then, in addition to any other remedies available to Franchisor at law or in equity, Franchisor will be entitled to collect from Franchisee, and Franchisee agrees to pay within 15 days of demand by Franchisor, Continuing Fees for such use of the Marks and/or the System equal to 200% of the Continuing Fees that Franchisee would otherwise have been obligated to pay under this Agreement with respect to the operations of the Success Tutoring Business.

(m) If Franchisee directly or indirectly opens or participates in the ownership or operation of a business in violation of the covenant not to compete expressed in this Agreement), then, in addition to any other remedies available to Franchisor at law or in equity, Franchisor will be entitled to receive throughout the term of the covenant, and Franchisee agrees to pay within 15 days of demand by Franchisor, a monthly fee equal to 15% of the competing businesses' revenues, measured in accordance with same parameters that Continuing Fees are measured under this Agreement.

(n) Any demand for payment of liquidated damages under this Agreement does not constitute an election of remedies and any payments received will be in addition to and not in lieu of any other remedies available to Franchisor at law or in equity.

9. Miscellaneous.

(a) This Agreement will be binding upon and inure to the benefit of Franchisor and Franchisee and their respective successors, assigns, executors, heirs and personal representatives. If Franchisee is, or subsequently Transfers the Franchise to, a Business Entity, each Principal will also be personally and individually bound by the provisions of this Agreement that expressly.

(b) This Agreement will not be binding on Franchisor and no franchise rights will be granted unless and until each Principal designated by Franchisor executes and delivers a Personal Guaranty and Principals' Undertaking in the form attached as Exhibit A.

(c) The provisions of this Agreement are severable, and if any provision is held illegal, invalid or unenforceable, the holding will not affect the legality, validity or enforceability of any other provision. Any illegal, invalid or unenforceable provision will be reformed to the minimum extent necessary to render it legal, valid and enforceable and, as so reformed, will continue in full force and effect.

(d) The term "Franchisee" includes the plural as well as the singular, the masculine and feminine genders, and Business Entities as well as individuals.

(e) This Agreement may not be amended, modified or rescinded, or any performance requirement waived, except by a written document signed by Franchisor and Franchisee. The parties expressly agree that this Agreement may not be amended or modified, or any performance standard

changed, by course of dealing or inference from a party's conduct. This provision does not apply to changes in the Brand Standards Manual, which Franchisor may modify unilaterally.

(f) Notwithstanding any contrary provisions contained in this Agreement, Franchisor and Franchisee acknowledge and agree that (i) this Agreement (and the relationship of the parties which arises from this Agreement) grants Franchisor the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's explicit rights and obligations hereunder that may affect favorably or adversely Franchisee's interests; (ii) Franchisor will use its business judgment in exercising such discretion based on Franchisor's assessment of Franchisor's own interests and balancing those interests against the interests, promotion and benefit of the System and Success Tutoring Businesses generally (including Franchisor, and its Affiliates and other Franchisees), and specifically without considering Franchisee's individual interests or the individual interests of any other particular Franchisee (examples of items that will promote or benefit the System and Success Tutoring Businesses generally include, without limitation, enhancing the value of the Marks, improving Customer service and satisfaction, improving project quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System); (iii) Franchisor has no liability to Franchisee for the exercise of its discretion in this manner; and (iv) even if Franchisor has numerous motives for a particular action or decision, so long as at least one motive is a reasonable business justification no trier of fact in any legal action will substitute its judgment for Franchisor's judgment so exercised and such action or decision will not be subject to challenge for abuse of discretion. IF FRANCHISOR TAKES ANY ACTION OR CHOOSES NOT TO TAKE ANY ACTION IN ITS DISCRETION WITH REGARD TO ANY MATTER RELATED TO THIS AGREEMENT AND ITS ACTION OR INACTION IS CHALLENGED FOR ANY REASON, THE PARTIES EXPRESSLY DIRECT THE TRIER OF FACT THAT FRANCHISOR'S RELIANCE ON A BUSINESS REASON IN THE EXERCISE OF ITS DISCRETION IS TO BE VIEWED AS A REASONABLE AND PROPER EXERCISE OF ITS DISCRETION, WITHOUT REGARD TO WHETHER OTHER REASONS FOR FRANCHISOR'S DECISION MAY EXIST AND WITHOUT REGARD TO WHETHER THE TRIER OF FACT WOULD INDEPENDENTLY ACCORD THE SAME WEIGHT TO THE BUSINESS REASON.

(g) This Agreement is not intended to create, and will not be interpreted or construed as creating, a partnership, joint venture, agency, employment, personal services, fiduciary or other "special" relationship between Franchisor and Franchisee, and no representation to the contrary will be binding upon Franchisor.

(h) This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement in electronic (e.g. "pdf") format shall be effective as delivery of a manually executed counterpart of this Franchise Agreement. The words "execution," "signed," "signature," and words of similar import in the Franchise Agreement shall be deemed to include electronic or digital signatures or the keeping of records in electronic form, each of which shall be of the same effect, validity and enforceability as manually executed signatures or a paper-based recordkeeping system, as the case may be, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 USC §7001 et seq.) or any other similar state or federal laws.

Notices. All notices permitted or required to be delivered pursuant to the provisions of this Agreement will be delivered in writing to the address listed on the Summary Pages for Franchisor and to the Success Tutoring Business Campus for Franchisee or such other address as the parties will specify by written notice, and will be deemed so delivered: (a) at the time delivered by hand; (b) 1 day after transmission by email, provided there is some proof of receipt; or (c) 1 day after being placed in the hands of a commercial courier service for next day delivery, provided there is some proof of receipt; and must

be addressed to the party to be notified at the addresses as described above for Franchisor and Franchisee or such other address as the parties will specify by written notice.

10. Franchisee's Acknowledgments.

(a) Franchisee acknowledges and agrees that this Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior agreement, understandings, negotiations and discussions, whether oral or written, of the parties hereto, and there are no warranties, representations or other agreements between the parties hereto in connection with the subject matter hereof except as specifically set forth herein and therein; provided that to the extent applicable nothing in this Agreement, the Exhibits or any related agreement is intended to disclaim Franchisor's representations contained in the franchise disclosure document provided to Franchisee in connection with this Agreement. No supplement, modification, waiver or termination of this Agreement will be binding unless executed in writing by the party hereto to be bound thereby. No waiver of any of the provisions of this Agreement will be deemed or will constitute a waiver of any other provisions (whether or not similar), nor will such waiver constitute a continuing waiver unless otherwise expressly provided.

(b) Franchisee acknowledges that no document that this Agreement requires will be binding on Franchisor unless it is signed on Franchisor's behalf by its authorized representative.

(c) Franchisee acknowledges and agrees that this Agreement creates an arm's length commercial relationship that cannot and will not be transformed into a fiduciary or other "special" relationship by course of dealing, by any special indulgences or benefits that Franchisor bestows on Franchisee, or by inference from a party's conduct.

(d) Franchisee acknowledges and agrees that Franchisee received (i) Franchisor's then current franchise disclosure document required by the Trade Regulation Rule of the Federal Trade Commission entitled "Disclosure Requirements and Prohibitions Concerning Franchising" at least 14 days prior to execution of this Agreement as required by such Trade Regulation Rule and (ii) a fully completed copy of this Agreement at least 7 days prior to execution as required by such Trade Regulation Rule, as further described on the Summary Pages.

[COMPLETED AND EXECUTED ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISOR:

Success Tutoring United States, Inc.,
a Delaware corporation

By: _____
Name: Michael Black
Title: Chief Executive Officer

FRANCHISEE:

LCC NAME
LCC

By: _____
Name: **FULL NAME**
Title: **INSERT TITLE**

EXHIBIT A

PERSONAL GUARANTY AND PRINCIPALS' UNDERTAKING

In consideration of, and as an inducement to, the execution of the Success Tutoring Business Franchise Agreement with the date set forth below, including any appendices and amendments thereto (the "Franchise Agreement"), by and between Success Tutoring United States, Inc., a Delaware corporation with its headquarters office located as of the date hereof at 750 N. San Vicente Blvd., West Hollywood, California 90069 ("Franchisor") and the Franchisee named below ("Franchisee"), the undersigned Principal hereby personally and unconditionally: (1) guarantees to Franchisor and its successors and assigns, for the Term of the Franchise Agreement and thereafter as provided in the Franchise Agreement, that Franchisee will punctually pay and perform the Franchise Agreements and covenants expressly provided by the terms of the Franchise Agreement; and (2) acknowledges that each is included in the term "Principal" as described in the Franchise Agreement and without limiting any guarantee of Franchisee's obligations under the Franchise Agreement, jointly and severally makes all of the covenants, representations, warranties and agreements of Principals set forth in the Franchise Agreement and is jointly and severally obligated to perform thereunder for so long as he or she qualifies as a Principal and thereafter to the extent expressly provided by the terms of the Franchise Agreement, including, but not limited to, the covenants, representations, warranties and agreements described in the following sections of the Franchise Agreement: Sections 14 (regarding confidentiality and non-competition), 15 (regarding Transfer), 18 (regarding indemnification), 20 (regarding governing law and dispute resolution) and 22 (Liquidated Damages); and (3) represents that each and every representation of Franchisee made in connection with the Franchise Agreement is true, correct and complete in all respects as of the time given and as of the time of the undersigned's execution of this Personal Guaranty and Principals' Undertaking. Any capitalized terms used but not defined in this Personal Guaranty and Principals' Undertaking has the meaning set forth in the Franchise Agreement.

The undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability; (e) notice of any amendment to the Franchise Agreement; and (f) any and all other notices and legal or equitable defenses to which he may be entitled.

The undersigned consents and agrees that: (i) his or her direct and immediate liability under this Personal Guaranty and Principals' Undertaking will be joint and several; (ii) he or she will render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses to do so punctually; (iii) such liability will not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (iv) such liability will not be diminished, relieved or otherwise effected by any extension of time, credit or other indulgence which Franchisor 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 Personal Guaranty and Principals' Undertaking, which will be continuing and irrevocable until satisfied in full.

The undersigned agrees that the state and federal courts in the county which Franchisor has its then current principal place of business (currently the U.S. District Court for the Northern District of Texas, Dallas Division, or if such court lacks jurisdiction, the state courts located in Dallas, Texas), will be the exclusive venue and exclusive forum in which to adjudicate any case or controversy arising from or relating to the Franchise Agreement and this Personal Guaranty and Principals' Undertaking. The undersigned irrevocably submits to the jurisdiction of such courts and waives any objections to either the

jurisdiction of or venue in such courts. The undersigned agrees that personal jurisdiction may be effected by service of process and that when so made will be as if served personally. The undersigned irrevocably waives, to the fullest extent the undersigned may lawfully do so, the defense of an inconvenient forum to the maintenance of such suit, action or proceeding and agrees that service of process for purposes of any such suit, action or proceeding need not be personally served or served within the State of Texas but may be served with the same effect as if served within the State of Texas, by means permitted by law addressed to the undersigned at the address set forth herein. Nothing contained herein will affect Franchisor's rights to bring a suit, action or proceeding in any other appropriate jurisdiction, including any suit, action or proceeding brought to enforce any judgment against one or more of the undersigned entered by a state or federal court.

The undersigned further acknowledges and agrees as follows:

Each has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this Personal Guaranty and Principals' Undertaking is in partial consideration for, and a condition to the granting of the rights to the Marks and the System, and the Franchisor would not have granted such rights without the execution of this Personal Guaranty and Principals' Undertaking by the undersigned;

This Personal Guaranty and Principals' Undertaking will remain in force notwithstanding the death of the undersigned, and will be binding on the undersigned's personal representatives; and

This Personal Guaranty and Principals' Undertaking will continue and will be enforceable notwithstanding any change in the name or the constitution of the Franchisor or Franchisee.

The undersigned represents and warrants that the following is a complete and accurate list of all Principals of Franchisee and a full description of the nature and extent of each Principal's Ownership Interest in Franchisee. Franchisee, and each Principal as to his Ownership Interest, represents and warrants that each Principal is the sole and exclusive legal and beneficial owner of his Ownership Interest in Franchisee, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Personal Guaranty and Principals' Undertaking.

Name of Franchisee: INSERT NAME **Date of Franchise Agreement:** INSERT DATE

IN WITNESS WHEREOF, the undersigned has hereunto affixed his signature, under seal, on the same day and year as the Franchise Agreement was executed.

**OWNERSHIP INTEREST IN
FRANCHISEE:**

%

CONTROLLING PRINCIPAL(S):

(Signature)

INSERT NAME

EXHIBIT B

CONFIDENTIALITY AGREEMENT [AND COVENANT NOT TO COMPETE]

This Confidentiality Agreement (this “Agreement”) is made and entered into as of the Effective Date set forth below, between Success Tutoring United States, Inc., a Delaware corporation with its principal business address at 750 N. San Vicente Blvd., West Hollywood, California 90069 (“Franchisor”), the Franchisee entity described in the signature below (“Franchisee”) and the owner, manager or employee described as the Recipient below (“Recipient”).

RECITALS

WHEREAS, Franchisor, as the result of the expenditure of time, skill, effort and money, has acquired the right to use and license others to use a distinctive System for the development and operation of the Success Tutoring Businesses that operate under the Success Tutoring Business trade name; and

WHEREAS, the System includes, but is not limited to, development and construction guidelines, opening guidelines, operational guidelines, initial and ongoing training programs, business methods, designs, arrangements and Brand Standards for developing, opening and operating Success Tutoring Businesses, including those pertaining to site selection, Approved Equipment and Supplies, Technology and Information Systems, equipment, supplies, signage and trade dress), Approved Products and Services and any other related products, services, supplies and items that are used, offered or sold in Success Tutoring Businesses generally, methods of inventory control and requirements and policies regarding accounting and financial performance and advertising and marketing programs, all of which Franchisor may improve, further develop or otherwise modify from time to time; and

WHEREAS, Franchisor’s Confidential Information developed and used in connection with the System provides economic advantages to Franchisor and includes information and know-how not generally known to, and not readily ascertainable by proper means by, Franchisor’s competitors who could obtain economic value from knowledge and use of the Confidential Information; and

WHEREAS, Franchisor has taken and intends to take all steps to maintain the confidentiality and secrecy of the Confidential Information; and

WHEREAS, Franchisor has granted Franchisee the limited right to develop a Success Tutoring Business using the System, the Marks and Confidential Information for the period defined in the Franchise Agreement made and entered into on the date described below (“Franchise Agreement”), by and between Franchisor and Franchisee; and

WHEREAS, Franchisor and Franchisee have agreed in the Franchise Agreement on the importance to Franchisor and to Franchisee and other licensed users of the System of restricting the use, access and dissemination of the Confidential Information; and

WHEREAS, it will be necessary for certain personnel, agents, independent contractors, officers, directors, partners and interest holders of Franchisee, or any entity having an interest in Franchisee to have access to and to use some or all of the Confidential Information in the management and operation of Franchisee’s business using the System; and

WHEREAS, Franchisee has agreed to obtain from recipients of Confidential Information written Agreements protecting the System against unfair competition; and

WHEREAS, Recipient wishes to remain, or wishes to become employed by or associated with Franchisee; and

WHEREAS, Recipient wishes and needs to receive and use the Confidential Information in the course of his or her employment or association in order to effectively perform services for Franchisee; and

WHEREAS, Recipient acknowledges that receipt of and the right to use the Confidential Information constitutes independent valuable consideration for the representations, promises and covenants made by Recipient herein;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. Recipient expressly acknowledges that Recipient possesses skills and abilities of a general nature and has other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Agreement will not deprive Recipient of any personal goodwill or ability to earn a living.

2. Franchisor and/or Franchisee will disclose to Recipient some or all of the Confidential Information relating to the System. As used in this Agreement, "Confidential Information" will include all items contemplated in the Franchise Agreement's definition "Confidential Information" as well as any and all other information and materials, including, without limitation, any manuals, drawings, specifications, techniques and compilations of data which Franchisor provides to Franchisee and/or Recipient.

3. Recipient will receive the Confidential Information in confidence and will, at all times, maintain them in confidence, and use the Confidential Information only in the course of his or her employment by or association with Franchisee and then only in connection with the development and/or operation by Franchisee of the Success Tutoring Businesses using the System for so long as Franchisee is licensed by Franchisor to use the System.

4. Recipient will not at any time make copies of any documents or compilations containing some or all of the Confidential Information without Franchisor's written permission.

5. Recipient will not at any time disclose or permit the disclosure of the Confidential Information except to other personnel of Franchisee and only to the limited extent necessary to train or assist other personnel of Franchisee in the development or operation or management of a Success Tutoring Business using the System.

[THE BELOW SECTION IS ONLY APPLICABLE IF THE RECIPIENT HAS AN OWNERSHIP INTEREST IN FRANCHISEE]

6. *If Recipient has a direct or indirect, legal or beneficial Ownership Interest of any type in Franchisee, including but not limited to (i) in relation to a corporation, the ownership of shares in the corporation; (ii) in relation to a partnership, the ownership of a general partner or limited partnership interest; (iii) in relation to a limited liability company, the ownership of a membership interest; or (iv) in relation to a trust, the ownership of the beneficial interest of such trust, Recipient covenants and agrees that, during the term of the Franchise Agreement and for 18 months after Recipient ceases to have such Ownership Interest or for 18 months after the Franchise Agreement has terminated for any reason, whichever occurs earlier, Recipient will not own or operate, directly or indirectly, or accept employment*

by or hold an interest in a Competing Business (defined as any English and/or Math-focused tutoring service business whose primary focus is performing, offering and/or selling products and services similar to the Approved Products and Services to third parties through any means of distribution), which is located (i) at the Success Tutoring Business Campus; or (ii) within the Territory, or (iii) within 25 miles of the perimeter of the Territory, or (iv) within 25 miles of the perimeter of the territory of any other Success Tutoring Business. For purposes of calculating the duration of the 18-month period, any time during which Recipient (as applicable) is in violation or breach of the covenant will be excluded. Recipient acknowledges that Recipient's covenant not to compete is reasonable and necessary to protect the business and goodwill of Franchisor and to avoid misappropriation or other unauthorized use of the System and Franchisor's Confidential Information. Recipient acknowledges and confirms that Recipient possesses the education, training and experience necessary to earn a reasonable livelihood apart from operating a Competing Business.

The parties agree that the foregoing covenant will be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Recipient expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section.

Recipient understands and acknowledges that Franchisor has the right to reduce the scope of any covenant set forth in this Section, or any portion thereof, without his or her consent, effective immediately upon notice to Recipient; and Recipient agrees that he or she will comply forthwith with any covenant as so modified, which will be fully enforceable notwithstanding the provisions of this Agreement.]

7. Recipient will surrender any material containing some or all of Franchisor's Confidential Information to Franchisee or Franchisor, upon request, or upon termination of employment by or association with Franchisee, or upon conclusion of the use for which such information or material may have been furnished to Recipient.

8. Recipient will not at any time, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the Confidential Information and the System.

9. All manuals are loaned by Franchisor to Franchisee for limited purposes only and remain the property of Franchisor and may not be reproduced, in whole or in part, without Franchisor's written consent.

10. Any capitalized terms used but not defined in this Agreement will have the meaning set forth in the Franchise Agreement.

11. Franchisee will make all efforts to ensure that Recipient acts as required by this Agreement.

12. Recipient agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate cure at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions hereof, Franchisor will be entitled to enforce the provisions of this Agreement and will be entitled, in addition to any other remedies which are made available to it at law or in equity (including any right to terminate the Franchise Agreement, as provided therein), to a temporary and/or permanent injunction and a decree for the specific performance of the

terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security.

13. Recipient agrees to pay all expenses (including court costs and attorneys' fees) incurred by Franchisor and Franchisee in enforcing this Agreement.

14. Any failure by Franchisor or the Franchisee to object to or take action with respect to any breach of any provision of this Agreement by Recipient will not operate or be construed as a waiver of or consent to that breach or any subsequent breach by Recipient.

15. THIS AGREEMENT WILL FOR ALL PURPOSES BE GOVERNED BY AND INTERPRETED AND ENFORCED IN ACCORDANCE WITH THE LAW OF TEXAS, WITHOUT REFERENCE TO CONFLICTS OF LAW PRINCIPLES. RECIPIENT HEREBY IRREVOCABLY AGREES THAT SERVICE OF PROCESS MAY BE MADE UPON HIM OR HER IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY APPLICABLE LAW. RECIPIENT FURTHER AGREES THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT WILL DALLAS, TEXAS; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION WHICH INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, FRANCHISOR MAY BRING SUCH ACTION IN ANY COURT THAT HAS JURISDICTION.

16. The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of Franchisor. The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which Franchisor is a party, Recipient expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

17. This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties.

18. For any breach of the non-competition/Competing Business obligations of this Agreement, and due to the difficulty of establishing the precise amount of damages for breach of these obligations, in addition to all other remedies provided for in this Agreement or otherwise available to Franchisor, and subject to Applicable Laws, Recipient agrees to pay Franchisor an amount equal to 20% of the gross revenues generated by a Competing Business with which Recipient is associated for a period equal to the duration Recipient is associated with the Competing Business. Demand for payment of liquidated damages does not constitute an election of remedies and any payments received will be in addition to and not in lieu of any other remedies to Franchisor at law or in equity.

19. This Agreement is not intended to create, and will not be interpreted or construed as creating, a partnership, joint venture, agency, employment, personal services, fiduciary or other "special" relationship between Franchisor and Recipient, and no representation to the contrary will be binding upon Franchisor.

20. All notices permitted or required to be delivered pursuant to the provisions of this Agreement will be delivered in writing to the appropriate address listed in the signature blocks for

Franchisor, Franchisee and Recipient, or such other address as the parties will specify by written notice, and will be deemed so delivered: (a) at the time delivered by hand; (b) 1 day after transmission by email (provided that the sender confirms the email by sending an original confirmation copy by expedited delivery service within 5 days after transmission); or (c) 1 day after being placed in the hands of a commercial courier service for next day delivery, provided there is proof of receipt.

21. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and will inure to the benefit of its respective Affiliates, successors and assigns. The respective obligations of Franchisee and Recipient hereunder may not be assigned by Franchisee or Recipient, without the prior written consent of Franchisor. Any assignment or attempted assignment lacking Franchisor's prior written consent or that otherwise violates the restrictions in this Section will be ineffective against Franchisor.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISOR

Success Tutoring United States, Inc.,
a Delaware corporation

By: _____
Name: Michael Black
Its: Chief Executive Officer

Franchisor's Address for Notice Purposes:

Success Tutoring United States, Inc.
750 N. San Vicente Blvd.
West Hollywood, California 90069
Email: michael@successtutoring.com

RECIPIENT:

FULL NAME

By: _____
Name: **FULL NAME**
Title: **INSERT POSITION**
Date: **DATE**

Recipient's Address For Notice Purposes:

FULL ADDRESS
Attention: **FULL NAME**
Email: **EMAIL ADDRESS**

FRANCHISEE

FULL DETAILS NAME
LLC

By: _____
Name: **INSERT NAME**
Its: **INSERT POSITION**

Franchisee's Address for Notice Purposes:

INSERT LCC NAME
INSERT FULL ADDRESS
Email: **INSERT EMAIL**

EXHIBIT C

**AUTHORIZATION AGREEMENT
FOR PRE-AUTHORIZED PAYMENTS**

Success Tutoring United States, Inc. ("FRANCHISOR")

ID NUMBER: _____

The undersigned ("DEPOSITOR") authorizes FRANCHISOR to initiate debit entries to the Checking Account indicated below at the DEPOSITORY named below, and authorizes DEPOSITORY to debit to such account all entries FRANCHISOR initiates.

DEPOSITORY

NAME _____ BRANCH _____

CITY _____ STATE _____

CHECKING ACCOUNT NO. _____

ROUTING NUMBER _____

DEPOSITOR agrees that this authorization will remain in full force and effect until DEPOSITOR has given FRANCHISOR written notice of its revocation in such time and in such manner as to afford FRANCHISOR and DEPOSITORY a reasonable opportunity to act on the notice.

DEPOSITOR'S
NAME _____ ID NUMBER _____

DEPOSITOR'S SIGNATURE _____

TITLE OF PERSON SIGNING (if signed in a representative capacity) _____

DATE _____

NOTE: ALL WRITTEN DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE DEPOSITOR MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE DEBIT ORIGINATOR (FRANCHISOR) IN THE MANNER SPECIFIED IN THE AUTHORIZATION

EXHIBIT D

LEASE RIDER

This Lease Rider is executed as of the date set forth below by and among Success Tutoring United States, Inc., a Delaware corporation with its principal business address at 750 N. San Vicente Blvd., West Hollywood, California 90069 (“Franchisor”), the Franchisee entity described in the signature below (“Franchisee”) and the landlord described (“Landlord”), as a Rider to the lease (as amended, renewed, and/or extended from time to time, “the Lease”) for the premises described below (the “Location”).

WHEREAS, Franchisee has executed or intends to execute a Franchise Agreement (the Franchise Agreement”) with Franchisor” for the operation of a Success Tutoring Business at the Location, and as a requirement thereof, the lease for the Location must include the provisions contained in this Rider; and

WHEREAS, Landlord and Franchisee agree that the terms contained herein will supersede any terms to the contrary set forth in the Lease;

NOW THEREFORE, in consideration of mutual covenants set forth herein, the execution and delivery of the Lease, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Franchisee hereby agree as follows:

- A. Landlord will deliver to Franchisor a copy of any notice of default or termination of the Lease at the same time such notice is delivered to Franchisee.
- B. Notwithstanding anything to the contrary contained in the Lease, Franchisee has the absolute right to sublet, assign or otherwise transfer its interest in the Lease to Franchisor or its affiliate, or to a business entity with which Franchisee or Franchisor may merge or consolidate, without Landlord’s approval, written or otherwise, and without execution of a guarantee of Franchisor’s obligations thereunder.
- C. Franchisee will, if requested by Franchisor, assign to Franchisor, and Landlord hereby irrevocably and unconditionally consents to such assignment, all of Franchisee’s rights, title and interest to and under the Lease upon any termination or if no successor franchise agreement is executed, but no such assignment will be effective unless: (a) the Franchise Agreement is terminated or expires without execution of a successor franchise agreement; and (b) Franchisor notifies the Franchisee and Landlord in writing that Franchisor assumes Franchisee’s obligations under the Lease.
- D. Franchisor has the right, but not the obligation, upon giving written notice of its election to Franchisee and Landlord, to cure any breach of the Lease and, if so stated in the notice, to also succeed to Franchisee’s rights, title and interests there under.
- E. The Lease may not be modified, amended, renewed or extended in any manner or assigned by Franchisee without Franchisor’s prior written consent.
- F. Franchisee and Landlord acknowledge and agree that Franchisor has no liability or obligation whatsoever under the Lease unless and until Franchisor assumes the Lease in writing pursuant to Sections 2, 3 or 4 above. Franchisor will assume all of Franchisee’s obligations under the lease from and after the date of assignment, but has no obligation to pay any delinquent rent or to cure any other default under the lease that occurred or existed prior to the date of the assignment.
- G. If Franchisor assumes the Lease, as above provided, Franchisor may further assign the Lease to another person or entity to operate the Success Tutoring Business at the Location, subject to Landlord’s consent which consent will not be unreasonably withheld, conditioned or delayed.

Landlord agrees to execute such further documentation to confirm its consent to the assignments and subleases permitted under this Rider as Franchisor may request.

- H. Landlord and Franchisee hereby acknowledge that Franchisee has agreed under the Franchise Agreement that Franchisor and its personnel or agents has the right to enter the Location for certain purposes. Landlord hereby agrees not to interfere with or prevent such entry by Franchisor, its personnel or agents. Landlord and Franchisee hereby further acknowledge that in the event the Franchise Agreement expires (without execution of a successor franchise agreement) or is terminated; Franchisee is obligated to take certain steps under the Franchise Agreement to de-identify the location as a Success Tutoring Business. Landlord agrees to permit Franchisor, its personnel or agents, to enter the Location and remove signs, decor and materials displaying any marks, designs or logos owned by Franchisor, provided Franchisor will bear the expense of repairing any damage to the Location as a result thereof.
- I. Copies of any and all notices required or permitted hereby or by the Lease pursuant to this Lease Rider will also be sent to the party at the addresses set forth below or such other address as a party will specify by written notice to the others.
- J. Under the Franchise Agreement, any lease for the location of the Success Tutoring Business is subject to Franchisor's approval. Accordingly, the Lease is contingent upon such approval.

IN WITNESS WHEREOF, the undersigned have entered into this Lease Rider as witnessed by their signatures below.

FRANCHISOR Success Tutoring United States, Inc., a Delaware corporation By: _____ Name: Michael Black Its: Chief Executive Officer	FRANCHISEE LCC NAME, a limited Liability Corporation By: _____ Print Name: FULL NAME Its: POSITION Date: DATE
Franchisor's Address for Notice Purposes: Success Tutoring United States, Inc. 750 N. San Vicente Blvd. West Hollywood, California 90069 Email: michael@successtutoring.com	Franchisee's Address for Notice Purposes: LCC NAME, FULL ADDRESS Email: EMAIL ADDRESS
LANDLORD: LCC NAME, a limited Liability Corporation By: _____ Name: FULL NAME Title: POSITION Date: DATE	
Landlord's Address For Notice Purposes: LCC NAME, FULL ADDRESS Email: EMAIL ADDRESS	

EXHIBIT E

The 'INSERT TERRITORY NAME' territory set out below:

(INSERT TERRITORY MAP)

TEMPLATE

EXHIBIT F

SUCCESS PACK LIST

Furniture & Decor		Quantity
1	Student Folder Shelving	2
2	Light Blue Soft Rug	1
3	Orange Student Chairs	30
4	Timber Student Desks	12
5	Student Prize Cabinet	1
6	Bean Bags	2
Office Supplies & Appliances		Quantity
7	50" TV	1
8	TV Wall Mount	1
9	Stapler	2
10	Hole Puncher	1
11	Plastic Sleeves	100
12	Student Certificates	50
13	Folder Stickers	50
14	Bin	2
15	Colours	2
16	Stamps	2
17	Sissors	2
18	First Aid Kit	1
19	Blue, Red and Black Pens	1
20	Small Desk Whiteboards	4
Marketing Equipment		Quantity
21	Shopping Promo Stand	1
22	Success Tutoring Promotional Flag	2
Company Merchandise		Quantity
23	Success Tutoring Student Folders	100
24	Success Tutoring Logo Stickers	2000
25	Success Tutoring Pens	250
26	Success Tutoring Staff Polo Shirt	10
27	Tote bags	100
28	Lanyards	100

**AMENDMENT TO SUCCESS TUTORING BUSINESS
FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA**

The Success Tutoring Business Franchise Agreement between _____ (“Franchisee” or “Franchisee”) and Success Tutoring United States, Inc. (“Franchisor”) dated _____ (the “Franchise Agreement”) will be amended by the addition of the following language, which will be considered an integral part of the Franchise Agreement (the “Amendment”):

CALIFORNIA LAW MODIFICATIONS

1. The California Department of Financial Protection and Innovation requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL. CORPORATIONS CODE Section 31000 et seq., and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 et seq. To the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. California Business and Professions Code Sections 20000 through 20043 provide rights to Franchisee concerning termination, transfer and nonrenewal of the Franchise Agreement. The Federal Bankruptcy Code also provides rights to Franchisee concerning termination of the Franchise Agreement upon certain bankruptcy-related events. To the extent the Franchise Agreement contains a provision that is inconsistent with these laws, these laws will control.
- b. The Franchise Agreement requires Franchisee to execute a release of claims in certain instances. Such release will exclude claims arising under the California Franchise Investment Law and the California Franchise Relations Act.
- c. The Franchise Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671. Accordingly, the liquidated damage clause may be unenforceable.
- d. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.
- e. Both the governing law and choice of law for Franchisees operating outlets located in California will be the California Franchise Investment Law and the California Franchise Relations Act regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the franchise agreement or amendment to or any agreement to the contrary is superseded by this condition.
- f. The Franchise Agreement requires an interest rate greater than 10% per annum (the highest amount allowed in California). Accordingly, such interest rate will be reduced to 10% per annum.
- g. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Franchisee.
- h. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship

shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

- i. Based upon our financial condition, the California Department of Financial Protection and Innovation has imposed a fee deferral requirement. Accordingly, you will not be required to pay the initial franchise fees due to us and/or our affiliates until we have completed all our pre-opening obligations to you and you begin operating your franchise business.

2. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that Franchisee has initiated.

IN WITNESS WHEREOF, Franchisee acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Franchise Agreement on the Effective Date set forth below.

FRANCHISOR

**Success Tutoring United States, Inc.,
a Delaware corporation**

By: _____

Name: _____

Its: _____

Effective Date: _____

FRANCHISEE

By: _____

Name: _____

Its: _____

Date: _____

**AMENDMENT TO SUCCESS TUTORING BUSINESS
FRANCHISE AGREEMENT
FOR THE STATE OF HAWAII**

The Success Tutoring Business Franchise Agreement between _____
("Franchisee" or "Franchisee") and Success Tutoring United States, Inc. ("Franchisor") dated
_____ (the "Franchise Agreement") will be amended by the addition of the following
language, which will be considered an integral part of the Franchise Agreement (the "Amendment"):

HAWAII LAW MODIFICATIONS

1. None

IN WITNESS WHEREOF, the parties hereto have signed this Agreement. Upon execution and
delivery of this Agreement by both parties the effective date shall be the date first above written.

FRANCHISOR

**Success Tutoring United States, Inc.,
a Delaware corporation**

By: _____
Print Name: _____
Its: _____

Effective Date: _____

FRANCHISEE

By: _____
Print Name: _____
Its: _____

Date: _____

**AMENDMENT TO SUCCESS TUTORING BUSINESS
FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS**

The Success Tutoring Business Franchise Agreement between _____ (“Franchisee” or “Franchisee”) and Success Tutoring United States, Inc. (“Franchisor”) dated _____ (the “Franchise Agreement”) will be amended by the addition of the following language, which will be considered an integral part of the Franchise Agreement (the “Amendment”):

ILLINOIS LAW MODIFICATIONS

The Illinois Attorney General’s Office requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Franchise Disclosure Act of 1987, Ill. Rev. Stat. ch. 815 para. 705/1 - 705/44 (1994) (the “Act”). To the extent that this Agreement contains provisions that are inconsistent with the following, those provisions are amended as follows:

- a. Sections 705/19 and 705/20 of the Act provide rights to franchisees concerning nonrenewal and termination of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the Act, the Act will control.
- b. Any release of claims or acknowledgments of fact contained in the Franchise Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act, are unenforceable with respect to claims under the Act.
- c. Any provision that designates jurisdiction or venue or requires Franchisee to agree to jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois, except arbitration may take place outside the state of Illinois.
- d. If this Agreement requires that it be governed by a state’s law, other than the State of Illinois, to the extent that such law conflicts with Illinois law, Illinois law will control.
- e. To the extent that the Act prohibits the disclaimer of representations contained in Franchisor’s Franchise Disclosure Document, the Franchise Agreement is amended to include representations made in’s Franchise Disclosure Document to the extent required by law.
- f. Section 41 of the Act states that “any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void.” To the extent that any provision in this Agreement is inconsistent with Illinois law, Illinois law will control.
- g. Illinois Franchise Disclosure Act paragraph 705/27 provide rights to Franchisee concerning periods of limitation for bring claims under this Agreement. If this Agreement contains a provision that is inconsistent with the Act, but the Act shall control
- h. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the representations made in the franchise disclosure document.

2. No statement, questionnaire, or acknowledgment signed or agreed to by Franchisor in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of the Illinois law applicable to the provision are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, Franchisee acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Franchise Agreement on the Effective Date set forth below.

FRANCHISOR

**Success Tutoring United States, Inc.,
a Delaware corporation**

By: _____

Name: _____

Its: _____

Effective Date: _____

FRANCHISEE

By: _____

Name: _____

Its: _____

Date: _____

**AMENDMENT TO SUCCESS TUTORING BUSINESS
FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND**

The Success Tutoring Business Franchise Agreement between _____ (“Franchisee” or “Franchisee”) and Success Tutoring United States, Inc. (“Franchisor”) dated _____ (the “Franchise Agreement”) will be amended by the addition of the following language, which will be considered an integral part of the Franchise Agreement (the “Amendment”):

MARYLAND LAW MODIFICATIONS

1. The Maryland Securities Division requires that certain provisions contained in franchise documents be amended to be consistent with Maryland law, including the Maryland Franchise Registration and Disclosure Law, MD. BUS. REG. CODE ANN. § 14-201 et. seq. (2015 Repl. Vol.). To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. Franchisee is required in this Agreement to execute a release of claims and/or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act. Such release will exclude claims arising under the Maryland Franchise Registration and Disclosure Law, and such acknowledgments will be void with respect to claims under the Law.
- b. This Agreement requires litigation to be conducted in a forum other than the State of Maryland. The requirement will not be interpreted to limit any rights Franchisee may have under Sec. 14-216 (c)(25) of the Maryland Franchise Registration and Disclosure Law to bring suit in the state of Maryland.
- b. The general release required as a condition of renewal, sale, and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
- c. This Agreement is hereby amended to reflect that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
- d. Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. This Agreement requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law. All representations in this Agreement requiring prospective franchisees to assent to any release, estoppel or waiver of liability are not intended to and will not act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law resulting from the offer or sale of the franchise.

2. No statement, questionnaire, or acknowledgment signed or agreed to by Franchisor in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, with respect to each such provision, are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

4. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that Franchisee has initiated.

IN WITNESS WHEREOF, Franchisee acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Franchise Agreement on the Effective Date set forth below.

FRANCHISOR

**Success Tutoring United States, Inc.,
a Delaware corporation**

By: _____
Name: _____
Its: _____

Effective Date: _____

FRANCHISEE

By: _____
Name: _____
Its: _____

Date: _____

**AMENDMENT TO SUCCESS TUTORING BUSINESS
FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA**

The Success Tutoring Business Franchise Agreement between _____ (“Franchisee” or “Franchisee”) and Success Tutoring United States, Inc. (“Franchisor”) dated _____ (the “Franchise Agreement”) will be amended by the addition of the following language, which will be considered an integral part of the Franchise Agreement (the “Amendment”):

MINNESOTA LAW MODIFICATIONS

1. The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be amended to be consistent with Minnesota Franchise Act, Minn. Stat. Section 80.01 et seq., and of the Rules and Regulations promulgated under the Act (collectively the “Franchise Act”). To the extent that the Franchise Agreement and Franchise Disclosure Document contain provisions that are inconsistent with the following, such provisions are hereby amended:

a. The Minnesota Department of Commerce requires that Franchisor indemnify Minnesota Franchisees against liability to third parties resulting from claims by third parties that Franchisee’s use of the Proprietary Marks infringes trademark rights of the third party. Franchisor does not indemnify against the consequences of Franchisee’s use of the Proprietary Marks except in accordance with the requirements of the Franchise Agreement, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any such claim within 10 days after the earlier of (i) actual notice of the claim or (ii) receipt of written notice of the claim, and must therein tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim. If the Franchise Agreement and/or the Franchise Disclosure Document contains a provision that is inconsistent with the Franchise Act, the provisions of the Franchise Agreement shall be superseded by the Act’s requirements and shall have no force or effect.

b. Franchise Act, Sec. 80C.14, Subd. 4., requires, except in certain specified cases, that Franchisee be given written notice of a Franchisor’s intention not to renew 180 days prior to expiration of the franchise and that Franchisee be given sufficient opportunity to operate the franchise in order to enable Franchisee the opportunity to recover the fair market value of the franchise as a going concern. If the Franchise Agreement and/or the Franchise Disclosure Document contains a provision that is inconsistent with the Franchise Act, the provisions of the Franchise Agreement shall be superseded by the Act’s requirements and shall have no force or effect.

c. Franchise Act, Sec. 80C.14, Subd. 3., requires, except in certain specified cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure). If the Franchise Agreement and/or the Franchise Disclosure Document contains a provision that is inconsistent with the Franchise Act, the provisions of the Franchise Agreement shall be superseded by the Act’s requirements and shall have no force or effect.

d. If the Franchise Agreement and/or the Franchise Disclosure Document requires Franchisee to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Franchise Act, such release shall exclude claims arising under the Franchise Act, and such acknowledgments shall be void with respect to claims under the Act.

e. If the Franchise Agreement and/or the Franchise Disclosure Document requires that it be governed by a state’s law, other than the State of Minnesota, those provisions shall not in any way abrogate or reduce any rights of Franchisee as provided for in the Franchise Act, including the right

to submit matters to the jurisdiction of the courts of Minnesota.

f. If the Franchise Agreement and/or the Franchise Disclosure Document requires Franchisee to sue Franchisor outside the State of Minnesota, those provisions shall not in any way abrogate or reduce any rights of Franchisee as provided for in the Franchise Act, including the right to submit matters to the jurisdiction of the courts of Minnesota.

g. Minn. Rule 2860.4400J. prohibits Franchisor from requiring Franchisee to consent to liquidated damages and prohibits waiver of a jury trial. If the Franchise Agreement and/or the Franchise Disclosure Document contains a provision that is inconsistent with the Minn. Rule, the provisions of the Franchise Agreement and/or the Franchise Disclosure Document shall be superseded by the Minn. Rule's requirements and shall have no force or effect.

h. Franchisee cannot consent to the Franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rule 2860.4400J. A court will determine if a bond is required.

i. The Limitations on Actions section must comply with Minnesota Statutes, Section 80C.15, Subd. 5.

j. 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 Statutes, Section 80C.12, Subd. 1(g).

k. NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

2. No statement, questionnaire, or acknowledgment signed or agreed to by Franchisor in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. Each provision of this Agreement and/or the Franchise Disclosure Document will be effective only to the extent that the jurisdictional requirements of the Minnesota law applicable to the provision are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

4. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that Franchisee has initiated.

IN WITNESS WHEREOF, Franchisee acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Franchise Agreement on the Effective Date set forth below.

FRANCHISOR

**Success Tutoring United States, Inc.,
a Delaware corporation**

By: _____

Name: _____

Its: _____

Effective Date: _____

FRANCHISEE

By: _____

Name: _____

Its: _____

Date: _____

**AMENDMENT TO SUCCESS TUTORING BUSINESS
FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK**

The Success Tutoring Business Franchise Agreement between _____ (“Franchisee” or “Franchisee”) and Success Tutoring United States, Inc. (“Franchisor”) dated _____ (the “Franchise Agreement”) will be amended by the addition of the following language, which will be considered an integral part of the Franchise Agreement (the “Amendment”):

NEW YORK LAW MODIFICATIONS

1. The New York Department of Law requires that certain provisions contained in franchise documents be amended to be consistent with New York law, including the General Business Law, Article 33, Sections 680 through 695 (1989). To the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. If Franchisee is required in the Franchise Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the General Business Law, regulation, rule or order under the Law, such release will exclude claims arising under the New York General Business Law, Article 33, Section 680 through 695 and the regulations promulgated thereunder, and such acknowledgments will be void. It is the intent of this provision that non-waiver provisions of Sections 687.4 and 687.5 of the General Business Law be satisfied.
- b. If the Franchise Agreement requires that it be governed by a state’s law, other than the State of New York, the choice of law provision will not be considered to waive any rights conferred upon Franchisee under the New York General Business Law, Article 33, Sections 680 through 695.
- c. Notwithstanding any rights Franchisee may have in the Franchise Agreement permitting Franchisee to terminate the Franchise Agreement, Franchisee may also have additional rights to terminate the Franchise Agreement on any grounds available by law.
- d. With respect to any transfer or assignment by Franchisor, no assignment will be made except to an assignee who, in good faith and judgment of Franchisor, is willing and financially able to assume Franchisor’s obligations under the Franchise Agreement.

2. No statement, questionnaire, or acknowledgment signed or agreed to by Franchisor in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of the New York General Business Law, with respect to each such provision, are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, Franchisee acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Franchise Agreement on the Effective Date set forth below.

FRANCHISOR

Success Tutoring United States, Inc.,
a Delaware corporation

By: _____

Name: _____

Its: _____

Effective Date: _____

FRANCHISEE

By: _____

Name: _____

Its: _____

Date: _____

**AMENDMENT TO SUCCESS TUTORING BUSINESS
FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA**

The Success Tutoring Business Franchise Agreement between _____ (“Franchisee” or “Franchisee”) and Success Tutoring United States, Inc. (“Franchisor”) dated _____ (the “Franchise Agreement”) will be amended by the addition of the following language, which will be considered an integral part of the Franchise Agreement (the “Amendment”):

NORTH DAKOTA LAW MODIFICATIONS

1. The North Dakota Securities Commissioner requires that certain provisions contained in franchise documents be amended to be consistent with North Dakota law, including the North Dakota Franchise Investment Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17 (1993). To the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. If Franchisee is required in the Franchise Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate North Dakota Law, or a rule or order under North Dakota Law, such release will exclude claims arising under North Dakota Law, and such acknowledgments will be void with respect to claims under the Law.
- b. Covenants not to compete during the term of and upon termination or expiration of the Franchise Agreement are enforceable only under certain conditions according to North Dakota Law. If the Franchise Agreement contains a covenant not to compete which is inconsistent with North Dakota Law, the covenant may be unenforceable.
- c. If the Franchise Agreement requires litigation to be conducted in a forum other than the State of North Dakota, the requirement is void with respect to claims under North Dakota Law.
- d. If the Franchise Agreement requires that it be governed by a state’s law, other than the State of North Dakota, to the extent that such law conflicts with North Dakota Law, North Dakota Law will control.
- e. If the Franchise Agreement requires mediation or arbitration to be conducted in a forum other than the State of North Dakota, the requirement may be unenforceable under North Dakota Law. Arbitration involving a franchise purchased in the State of North Dakota must be held either in a location mutually agreed upon prior to the arbitration or if the parties cannot agree on a location, the location will be determined by the arbitrator.
- f. Section 21 of the Franchise Agreement entitled “Jury Trial Waiver” is deleted in its entirety.
- g. Section 22 of the Franchise Agreement entitled “Liquidated Damages” is deleted in its entirety.

2. No statement, questionnaire, or acknowledgment signed or agreed to by Franchisor in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of

Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of North Dakota Law, with respect to each such provision, are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

4. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that Franchisee have initiated.

IN WITNESS WHEREOF, Franchisee acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Franchise Agreement on the Effective Date set forth below.

FRANCHISOR

**Success Tutoring United States, Inc.,
a Delaware corporation**

By: _____

Name: _____

Its: _____

Effective Date: _____

FRANCHISEE

By: _____

Name: _____

Its: _____

Date: _____

**AMENDMENT TO SUCCESS TUTORING BUSINESS
FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND**

The Success Tutoring Business Franchise Agreement between _____ (“Franchisee” or “Franchisee”) and Success Tutoring United States, Inc. (“Franchisor”) dated _____ (the “Franchise Agreement”) will be amended by the addition of the following language, which will be considered an integral part of the Franchise Agreement (the “Amendment”):

RHODE ISLAND LAW MODIFICATIONS

1. The Rhode Island Securities Division requires that certain provisions contained in franchise documents be amended to be consistent with Rhode Island law, including the Franchise Investment Act, R.I. Gen. Law. ch. 395 Sec. 19-28.1-1 -19-28.1-34. To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. If this Agreement requires litigation to be conducted in a forum other than the State of Rhode Island, the requirement is void under Rhode Island Franchise Investment Act Sec. 19-28.1-14.
- b. If this Agreement requires that it be governed by a state’s law, other than the State of Rhode Island, to the extent that such law conflicts with Rhode Island Franchise Investment Act it is void under Sec. 19-28.1-14.
- c. If Franchisee is required in this Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act, such release will exclude claims arising under the Rhode Island Franchise Investment Act, and such acknowledgments will be void with respect to claims under the Act.

2. No statement, questionnaire, or acknowledgment signed or agreed to by Franchisor in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Act, with respect to each such provision, are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

4. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that Franchisee have initiated.

IN WITNESS WHEREOF, Franchisee acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Franchise Agreement on the Effective Date set forth below.

FRANCHISOR

**Success Tutoring United States, Inc.,
a Delaware corporation**

By: _____

Name: _____

Its: _____

Effective Date: _____

FRANCHISEE

By: _____

Name: _____

Its: _____

Date: _____

**AMENDMENT TO SUCCESS TUTORING BUSINESS
FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements

that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to

the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____ 20____.

FRANCHISOR

**Success Tutoring United States, Inc.,
a Delaware corporation**

By: _____

Name: _____

Its: _____

Effective Date: _____

FRANCHISEE

By: _____

Name: _____

Its: _____

Date: _____

EXHIBIT C
FINANCIAL STATEMENTS

TEMPLATE

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

TEMPLATE

Success Tutoring United States, Inc.

Financial Statements as of May 23, 2025

Contents

Financial Statements

Opening Balance Sheet	1
Notes to Financial Statements	2

Financial Statement:

Success Tutoring United States, Inc.	
Assets	May 23, 2025
Current Assets	(Unaudited)
Cash	\$250,000.00
Total Assets	\$250,000.00
Shareholders' Equity	
Shareholders' Contribution	\$250,000.00
Accumulate deficit	\$0
Total Shareholders' Equity	\$250,000.00

Success Tutoring United States, Inc.

Notes to Financial Statements

May 23, 2025

1. Organization and Basis of Presentation

Background

Success Tutoring United States, Inc. (the Company) is a Delaware corporation formed on April 29, 2025.

The Company was formed primarily for the purposes of serving as the franchisor and conducting the sale and servicing of franchises for the right to locate, own and operate 1 or more tutoring service businesses (each a “Success Tutoring Business”) that offer approved personalized English and Math tutoring services for students aged 5 to 17.

The Company was funded by an equity contribution totaling \$250,000 from its affiliate company Success Tutoring Australia Pty Ltd.

The Company’s fiscal year end is June 30th of each year.

EXHIBIT D

APPLICANT CONFIDENTIALITY AGREEMENT AND AUTHORIZATION

TEMPLATE

APPLICANT CONFIDENTIALITY AGREEMENT AND AUTHORIZATION

This Applicant Confidentiality Agreement and Authorization ("Agreement") is entered into effective as of _____, 20__, by and among _____ (collectively, "Applicant," "you," or "your") and Success Tutoring United States, Inc., a Delaware corporation with its principal business address at 750 N. San Vicente Blvd., West Hollywood, California 90069 ("Success Tutoring", "we", "us" or "our"), with reference to the following facts:

RECITALS

We and our affiliates own, operate and grant franchises for Success Tutoring Businesses (each a "Success Tutoring Business") that offer and sell Approved Products and Services.

The distinguishing features of a Success Tutoring Business include, but are not limited to, the name "Success Tutoring"; specially designed equipment and other emblems, insignia, logos, trade names, trademarks and service marks (the "Marks"); products, methods, procedures, distinctive products and the formula and quality standards therefor; and instructional materials and training courses (collectively, the "System").

You are considering purchasing a franchise for a Success Tutoring Business, and we wish to give you access to certain confidential and proprietary information and documents related to our business in order to assist you to evaluate the purchase of a franchise for a Success Tutoring Business from us.

You wish to also grant us authorization to conduct a background check and other due diligence on you in connection with your interest in purchasing a franchise for a Success Tutoring Business.

NOW, THEREFORE, in consideration of the premises, the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Definition of Confidential Information. The term "Confidential Information" means all information, oral or written, know-how and documents (including, without limitation, our Manuals) relating to our franchise for a Success Tutoring Business and the development and operation of a Success Tutoring Business, furnished by us or our representatives to you or your representatives. Confidential Information also includes any analysis or study prepared by or for you which to any extent is based on our Confidential Information.

2. Your Agreement to Maintain Confidentiality. You acknowledge that it is important to our business to maintain the confidentiality of the Confidential Information and that we are making the Confidential Information available to you only for the limited purpose of investigating the purchase of a franchise for a Success Tutoring Business. You further acknowledge and agree that the Confidential Information is proprietary to and a valuable trade secret of ours and that any disclosure or unauthorized use of the Confidential Information will cause us irreparable loss and harm. In consideration of the opportunity to obtain access to the Confidential Information, you hereby agree as follows:

a. To use the Confidential Information solely to carry out your evaluation of purchasing a franchise for a Success Tutoring Business. During and after your evaluation, you will not use the Confidential Information for your own use, including in connection with any business, other than a Success Tutoring Business operated under a valid franchise agreement with us. You agree not to disclose the Confidential Information, except (i) as may be required by law, or (ii) to your employees, outside counsel, accountants, and other representatives or affiliates who need to know such information for the

purpose of helping you evaluate the purchase of a franchise for a Success Tutoring Business. In the event you or any persons to whom you disclose the Confidential Information become legally compelled (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information, you will give us prompt prior written notice of such requirement so that we may seek a protective order or other appropriate remedy and/or waive compliance with the terms hereof. In the event that such protective order or other remedy is not obtained, or we waive compliance with provisions hereof, you agree to furnish only that portion of the Confidential Information which you are advised by written opinion of counsel is legally required and exercise your best efforts to obtain assurances that confidential treatment will be accorded such Confidential Information.

b. To ensure that all your employees, outside counsel, accountants and other representatives and affiliates who are given access to the Confidential Information on your behalf will be bound by, and will conduct their evaluation in accordance with the terms of this Agreement. You will be fully responsible for any breach of this Agreement by any person to whom you give access to the Confidential Information.

c. Not to make copies of the Confidential Information except as necessary to assist you in your evaluation of the purchase of a franchise for a Success Tutoring Business.

d. If you do not enter into a franchise relationship with us, or upon our request, to promptly return to us all Confidential Information and to retain no copies thereof.

3. Absence of Representations or Warranties. You understand and acknowledge that we are not making any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information, and neither we nor any of our officers, directors, employees, agents or affiliates will have any liability to you or any other person resulting from your use of the Confidential Information. Only those representations and warranties, if any, that are made to you in any franchise and/or Development Agreements when, as, and if executed, and subject to such limitations and restrictions as may be specified therein, will have any legal effect.

4. Ownership. You acknowledge and agree that the Confidential Information is owned solely by us and our affiliates, and that this Agreement does not grant to you any rights in or to the Confidential Information except the limited right to use the Confidential Information to evaluate the purchase of a franchise for a Success Tutoring Business.

5. Remedies. You agree that your obligations hereunder are necessary and reasonable in order to protect us and expressly agree that monetary damages would be inadequate to compensate us for any breach of any covenant or agreement set forth herein. Accordingly, you agree and acknowledge that any such violation or threatened violation will cause irreparable injury to us and that, in addition to any other remedies that may be available, in law, in equity or otherwise, we shall be entitled to obtain injunctive relief and specific performance against you for the threatened breach of this Agreement or the continuation of any such breach, without proof of actual damages and without posting bond.

6. Your Authorizations, Consents and Releases regarding this Agreement and Your Personal Information.

a. You understand that we will be requesting information on you from various companies, financial and other institutions, universities, credit reporting agencies, professional and academic certification law enforcement agencies, former employers, and/or the military, and you hereby authorize such entities to release any information that they may have about you to us and our agents and designees, and release them from any liability arising out of or related to their release of such information.

b. You authorize all financial institutions holding funds or other property on your behalf or on behalf of any business entity in which you hold a beneficial interest, whether or not identified in this Agreement, to release all records including signature cards, statements and all documentation reflecting the source of deposited funds, whether the funds were received in the form of cash, credit, electronic fund transfer or wire transfer.

c. You also authorize us and our agents and designees to obtain such credit and other civil and criminal investigative reports as they consider necessary to evaluate this Agreement, and understand that these reports may contain information about your background, mode of living, character and personal reputation. This authorization is valid for any current and future reports and updates that may be requested and you agree to execute all additional documents, waivers or releases that might be necessary for us or our agents and designees to obtain such information or reports.

☐ You request a copy of your credit report
☐ You do not request a copy of your credit report

d. You further authorize us and our agents and designees to contact individuals or entities identified by you, or whose names arise in connection with the civil and criminal investigative reports described above for purposes of obtaining character references and verifying the information contained in this Agreement. You hereby authorize any individual or entity contacted by us or our agent or designee to provide all requested information, and release them from any liability arising out of or related to their release of such information.

7. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the undersigned parties, their successors and assigns; provided however that the Confidential Information shall not be assigned without our prior written consent.

8. Amendments and Waiver. This Agreement may be amended only in writing executed by the parties hereto. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES. Failure to enforce any provision of this Agreement in one or more instances shall not constitute a waiver of any term hereof.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Texas (regardless of the laws that might otherwise govern under applicable principles of conflicts of law) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

10. JURISDICTION, VENUE AND WAIVER OF JURY TRIAL. ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT SHALL BE BROUGHT EXCLUSIVELY IN THE TEXAS STATE COURTS LOCATED IN DALLAS, TEXAS, OR IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF TEXAS. FOR THE PURPOSES OF SUCH EXCLUSIVE JURISDICTION, THE PARTIES HEREBY IRREVOCABLY WAIVE ANY OBJECTIONS WHICH THEY MAY NOW OR HEREAFTER HAVE TO THE JURISDICTION OR VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT BROUGHT IN SUCH COURTS AND HEREBY FURTHER IRREVOCABLY WAIVE ANY CLAIM THAT SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. THE PARTIES HEREBY FURTHER IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY RELATED AGREEMENTS.

The undersigned parties have executed and delivered this Agreement to be effective as of the day and year first above written.

APPLICANT

By: _____

Print Name: _____

Its: _____

Date: _____

FRANCHISOR

**Success Tutoring United States, Inc.,
a Delaware corporation**

By: _____

Print Name: _____

Its: _____

Date: _____

EXHIBIT E

FRANCHISE APPLICATION

TEMPLATE

THIS IS AN ONLINE FORM GENERALLY PREPARED FROM AND THROUGH OUR WEBSITE.



FRANCHISE APPLICATION

Territory Selection

Thank you for your interest in becoming a Success Tutoring franchise partner. By submitting this application, you are formally expressing your interest in owning a Success Tutoring franchise. Please note that this does not constitute an offer of a franchise at this stage. Once submitted, your application will be reviewed by our Head Office team. You will be notified of the outcome within 24 hours.

How did you find out about this opportunity?

Please specify the name of the person who guided you to this application

Select your country*

A country must be provided

Country*

What is your preferred territory?*

Do you intend to operate this franchise with other people?*

Yes

No

(ie: partner, close relative, friend etc)

Your Details

General Information About You

Your Name*

Required field

First Name

Last Name

Number*

Email*

Address

Address Line 1

Address Line 2

City

State/Province

ZIP / Postal

Country

Linkedin Profile Link (add URL link here)

*Optional

Are you currently employed?*

Yes

No

What is your education level?

Grade 9/10

GED

Highschool Diploma

Associate's Degree

Bachelor's Degree

Masters

PHD

Other

Other

Previous

Next

Professional Questions

Please answer to the best of your ability

Why would you like to own a Success Tutoring Franchise?*

In your opinion, what makes a Successful business?*

In your opinion, what makes a Successful leader?*

What makes Success Tutoring different from other tutoring providers?*

[Previous](#)

[Next](#)

Finance Related Questions

Please answer to the best of your ability

How much access do you have to liquid capital?*

How do you plan to run your franchise business?*

Have you identified a location to operate from?

Yes

No, I need help to find a location in my chosen territory

No, I don't mind where the location is

Have you operated a franchised business before?*

Yes

No

Have you hired staff previously?*

Yes

No

Have you been convicted of any criminal activity?*

Yes

No

You may be subject to a Criminal History Check to determine your suitability for a franchise*:

I agree

I disagree

You may be subject to a Credit Check to determine your suitability for a franchise*

I agree

I disagree

Have you been insolvent or bankrupt in the past?*

Yes

No

Do you have a valid Police/ State Working With Children Check number?*

Yes

No

You will be required to apply for a Police/ State Working with Children Check to determine your suitability for a franchise:

I agree

I disagree

I agree to Success Tutoring's Standard NDA*:

I agree

I disagree

Signature*

Use your mouse or finger to draw your signature above

Previous

Submit Form

[CONTINUED ON THE FOLLOWING PAGES]

Your Acknowledgments and Representations Regarding this Application

By completing and submitting this Application to Success Tutoring, you acknowledge and/or represent to Success Tutoring on your own behalf and behalf of your key officers and directors that:

- Success Tutoring is relying upon the information provided in this Application and upon the documents you submit in connection with, or in support of, this Application (including all business information, business plans and/or financial statements you provide).
- All information contained in, and documents submitted in connection with, this Application is true, correct and complete as of the date submitted and you understand that any misrepresentation or inaccuracy in the information provided by you will be grounds for termination of any franchise or development rights that Success Tutoring may grant to you based on the information in this Application. You will promptly inform Success Tutoring of any material change in any of the information or documents submitted.
- Neither the submission of this Application nor the execution of any definite agreements will violate or conflict with the terms of any other agreement to which you are a party or by which you are bound. You have not been induced by Success Tutoring to terminate or breach any agreement with respect to any opportunity to develop or operate one or more Success Tutoring Businesses.
- Success Tutoring does not enter into, and has not entered into, oral agreements or understandings with respect to (i) the development and operation of one or more Success Tutoring Businesses, or (ii) matters pertaining to the granting of development and franchise rights for one or more Success Tutoring Businesses.
- Success Tutoring has no obligation to grant to you development or franchise rights for one or more Success Tutoring Businesses and no such rights to develop or operate one or more Success Tutoring Businesses shall be granted or obtained unless and until definitive Development and/or Franchise Agreements are signed.
- Success Tutoring reserves the right to approve or reject this Application in its sole discretion, and if Success Tutoring rejects this Application, Success Tutoring shall have no liability to you or any other person or entity.
- Any projections and other financial information you provide Success Tutoring in connection with this Application is voluntarily provided or made by you and has or will have been prepared by you and/or your advisors. Success Tutoring has not, and will not, participate or provide any assistance to you in connection with the preparation of such projections or other financial information prepared by you. You further acknowledge that Success Tutoring has not, and will not, ratify, confirm, approve or make any other representations concerning the accuracy of such projections and/or information supplied by you, or that you will attain any particular level of financial performance indicated by such projections or other information. You hereby release and forever discharge Success Tutoring and its affiliates from any claims or liability arising from or related to the financial information and/or projections that you provide to Success Tutoring.
- You will indemnify Success Tutoring and its affiliates and the directors, employees, agents, representatives and assignees thereof and will hold them harmless from all liability, costs, damages and expenses (including legal and accounting fees and expenses) in connection with the breach of any contract or any representation, warranty or information contained in this Application or in connection with Success Tutoring's reliance on such representations, warranties and information. Success Tutoring shall have the right independently to take any action it may deem necessary in its sole discretion, to protect and defend itself against any threatened action without regard to the expense, forum or other parties involved. Success Tutoring shall have sole and exclusive control over the defense of any such action (including the right to be represented by counsel of its choosing) and over the settlement, compromise or other disposition thereof.
- You will keep all oral and written information regarding the Success Tutoring Business franchise program that you may receive or have access to, in strict confidence for an indefinite time period, and will neither use for your own benefit nor disclose or divulge to any other person any part of such information.
- The terms of this Application will survive any approval or rejection of this Application by Success

Tutoring.

TEMPLATE

Your Authorizations, Consents and Releases regarding this Application and Your Personal Information

- You understand that Success Tutoring will be requesting information from various companies, financial and other institutions, universities, credit reporting agencies, professional and academic certification law enforcement agencies, former employers, and/or the military, and you hereby authorize such entities to release any information that they may have about you to Success Tutoring and its agents and designees, and release them from any liability arising out of or related to their release of such information.
- You authorize all financial institutions holding funds or other property on your behalf or on behalf of any business entity in which you hold a beneficial interest, whether or not identified in this Application, to release all records including signature cards, statements and all documentation reflecting the source of deposited funds, whether the funds were received in the form of cash, credit, electronic fund transfer or wire transfer.
- You also authorize Success Tutoring and its agents and designees to obtain such credit and other civil and criminal investigative reports as they consider necessary to evaluate this Application, and you understand that these reports may contain information about your background, mode of living, character and personal reputation. This authorization is valid for any current and future reports and updates that may be requested, and you agree to execute all additional documents, waivers or releases that might be necessary for Success Tutoring or its agents and designees to obtain such information or reports.
- You have a right to request a copy of your credit report. Please signify your request below:
 - ☐ You request a copy of your credit report
 - ☐ You do not request a copy of your credit report
- You further authorize Success Tutoring and its agents and designees to contact individuals or entities identified in this Application, or whose names arise in connection with the civil and criminal investigative reports described above for purposes of obtaining character references and verifying the information contained in this Application. You hereby authorize any individual or entity contacted by Success Tutoring or its agent or designee to provide all requested information, and release such persons from any liability arising out of or related to their release of such information.

EXHIBIT F

TABLE OF CONTENTS OF BRAND STANDARDS MANUAL

TEMPLATE

Total Pages in Brand Standards Manual: 250 Pages



Table of Contents

Operations Manual	6
Company Information	6
Who is Success Tutoring?	6
What we do	6
Mission Statement	7
Vision Statement	7
Company contact information	7
Hours of Operations	7
Memberships	9
Approved Products & Services	9
Recommended Timetable	11
Recommended Pricing	13
Organisational Chart	13
Job descriptions	14
Franchisor	14
Franchisee	14
Campus Manager	14
Assistant Manager	15
Tutors	15
Password lists	15
Company Contact Information	16
Primary/Emergency Contact	16
Secondary Contacts	16
Suppliers/Vendors	16
Insurance Companies	17
Bank Accounts	17
Attorney	17

Departmental Operations	18
How to answer phones	18
1. New Enquiry	18
2. New Enquiry - Facebook Ads	20
3. Make a payment	21
4. Cancel a lesson	22
5. Suspend or Cancel a membership	22
6. School Holidays	22
How to conduct a free assessment (Grades K - 10)	23
How to conduct a free consultation (Grades 11 - 12)	26
How to answer emails	27
How to handle outgoing mail	28
How to order supplies	28
Software	28
SuccessResources	28
Class Dojo	29
Xero	31
Hapana	34
Eventbrite	42
Sales policies and procedures	44
Source of income	44
How to accept Direct Debit	44
How to operate the point-of-sales system	45
How to take bookings	45
How to deal with Subscription Cancellations	46
How to find a replacement tutor	46
How to issue and redeem gift cards	47
Cash handling procedures	47
Fulfilment policies and procedures	47
How to order inventory	47
How to receive shipments	47
How to store inventory	47
How to track inventory	47
Shipping Procedures	48
Customer service policies and procedures	49
How to retain customers	49
How to greet customers upon arriving for their scheduled lesson	50
How to regularly communicate with customers	51
1. After their first lesson	51
2. After their first week	51
3. Every month after that	51
How to handle returns and exchanges	51

How to issue refunds	51
Warranties	52
How to handle customer complaints	52
Community Events & Sponsorships	52
Business Partnerships	53
Terms & Conditions	53
Campus fitout policies and procedures	54
Centre Walkthrough	54
Painting	55
Internal Branding (Access the signage pack here)	55
External signage	56
Cleaning	57
Campus Layout	57
Flooring	58
The Board of Success (Optional)	58
Class Dojo Points Set Up (Compulsory)	61
TV Timer Set Up (Optional)	61
Student Check-in Setup	61
HR policies and procedures	62
Profile of the ideal Success Tutoring employee	62
How to advertise new job opportunities	62
Exemplar Job Listing - Tutor	62
Background check procedures	63
How to interview job candidates	64
Contacting Successful Candidates	68
Employee Contracts	69
Employee Policies and Procedures	70
General Rules of Conduct	70
Attendance	70
Presentation	70
Privacy Policy	70
Employee Training	70
How to conduct employee reviews	72
How to maintain employees	73
How to discipline and terminate employees	75
How to approve timesheets and handle payroll	77
How to handle manager resignations	77
How to handle staff complaints	79
Marketing/ Advertising policies and procedures	79
Marketing Guidelines	79
Procedures for developing, approving and placing advertisements	79
Reports and records policies and procedures	79

What records and reports to keep and for how long	79
How to secure records	80
How to generate reports	80
Safety and Security Policies and Procedures	81
Emergency Procedures	81
Fire	81
Fire Emergency Procedure	81
CPR/First Aid Emergency	81
CPR Responses	81
First Aid Responses	82
Personal Threats	83
Within Operating Hours	83
Outside Operating Hours	83
Student Accountability	83
Physical/Sexual Assault and Harrasment	83
Allegations of Physical/Sexual Assault and Harrasment	84
Disaster Recovery Plan	84
How to operate security system	85
Accident prevention procedures	85
CPR/First Aids Emergency Prevention	85
Personal Threat Prevention	85
Fire Prevention	85
Procedure for reporting accidents	85
Maintenance and Repair Procedures	86
Centre Fitout	86
Technology	86
Vehicles	86
Premises	86
Systems (Electrical, plumbing, HVAC, etc)	86
Daily Proceedings	87
Daily procedures (Manager)	87
End of week procedures (Manager)	87
End of Fortnight procedures (Franchisee)	87
End of month procedures (Manager)	87
End of month procedures (Franchisee)	87
End of quarter procedures (Franchisee)	87
End of year procedures (Franchisee)	87
Any checklists, forms or other documents needed for each procedure	87
Appendix	88
Tutor Contract	88
Job Interview	89
Employee Review Procedure	93

Employee Review Form	93
Incident Report	96
Copy of Keys	98
Form	98
Laptop & Mobile Assignment	99
New Employment Record Form	100
Team Meeting Template Agenda	102
Itemised Fitout List	103

TEMPLATE

EXHIBIT G

LIST OF CURRENT FRANCHISEES
(as of June 30, 2024)

FRANCHISEES:

***means the Success Tutoring Business was still in development and not yet open as of June 30, 2024 (if any)**

State	Franchisee Contact	Franchisee Name	Corporate Address	Phone Number
None				

EXHIBIT H

LIST OF FORMER FRANCHISEES
(as of June 30, 2024)

None

TEMPLATE

EXHIBIT I

FRANCHISE COMPLIANCE QUESTIONNAIRE

**DO NOT SIGN THIS QUESTIONNAIRE IF YOU ARE A
RESIDENT OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA,
MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH
DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA,
WASHINGTON OR WISCONSIN OR IF THE SUCCESS TUTORING
BUSINESS IS TO BE OPERATED IN CALIFORNIA, HAWAII, ILLINOIS,
INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK,
NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA,
WASHINGTON OR WISCONSIN**

As you know, Success Tutoring United States, Inc. and you are preparing to enter into a Franchise Agreement for the operation of a Success Tutoring Business. In this Questionnaire, Success Tutoring United States, Inc., will be referred to as “we” or “us.” The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

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

	Question	Yes/No
1.	Did you receive a copy of our Disclosure Document (and all exhibits and attachments) at least (a) 14 calendar days prior to signing the Franchise Agreement, or (b) if you are a resident of New York or Rhode Island, at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or payment of any consideration, or (c) if you are a resident of Michigan, at the earlier of 10 business days before the execution of any binding agreement or payment of any consideration?	
2.	Have you personally reviewed the Disclosure Document, the Franchise Agreement and each exhibit, amendment and/or addendum attached to it?	

	Question	Yes/No
3.	Do you understand that the franchise granted is for the right to operate a Success Tutoring Business at a specific location described in the Franchise Agreement, and that we and our affiliates have the right to issue franchises or operate competing businesses for or at locations, as we determine, near your Success Tutoring Business and related Territory?	
4.	Do you understand that you are bound by the non-compete covenants (both in-term and post-term) listed in the Franchise Agreement, and that an injunction is an appropriate remedy to protect the interests of the Success Tutoring Network if you violate the covenant(s)?	
5.	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 us?	
If you answered "No" to any of the questions numbered 1-5, please explain:		
6.	Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the Disclosure Document?	
7.	Was any oral, written or visual claim or representation made to you which stated, suggested, predicted or projected your sales, income or profit levels?	
8.	Did any employee or other person speaking on our behalf make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Disclosure Document or that is contrary to or different from the information in the Disclosure Document?	
9.	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 Success Tutoring Business?	
10.	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 to you that is contrary to, or different from, the information contained in the Disclosure Document?	
11.	Have you ever been convicted of a felony, crime or other offense that may affect your ability to be a successful business owner or which may reflect poorly on the Success Tutoring Network? (Note: Answering "Yes" to this question, does not	

	Question	Yes/No
	automatically disqualify you from franchise ownership but a failure to disclose may.)	
<p>If you answered "Yes" to questions 6-11, please explain in detail:</p>		

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.

Name of business entity or person who will be the Franchisee

Signature

Name: _____

Date: _____

Signature

Name: _____

Date: _____

EXHIBIT J

STATE ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT

TEMPLATE

**ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE FRANCHISE REGISTRATION STATES**

Required NASAA Statement. The following only applies in *California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin*:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA**

1. **The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.**

2. The following is added to Item 3 of the Disclosure Document:

Neither the franchisor nor any person, or franchise broker identified in Item 2 of the Disclosure Document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U.S.C.A. 78a et seq., suspending or expelling these persons from membership in the association or exchange.

3. Item 5 of this Disclosure Document is amended by adding the following:

Based upon our financial condition, the California Department of Financial Protection and Innovation has imposed a fee deferral requirement. Accordingly, you will not be required to pay the initial development fees or franchise fees due to us and/or our affiliates until we have completed all our pre-opening obligations to you and you begin operating your franchise business.

4. The following is added to Item 17 of the Disclosure Document:

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

You must sign a release if you renew or transfer your franchise. California Corporations Code voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 and California Corporations Code §31512 void a waiver of your rights voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 2000 through 20043).

The Franchise Agreement contains a covenant not to compete that extends beyond expiration or termination of the Agreement. This provision may not be enforceable under California law.

Certain liquidated damages clauses are unenforceable under California Civil Code Section 1671.

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

The Franchise Agreement requires binding arbitration. The arbitration will occur at Houston, Texas. This provision may not be enforceable under California law.

The Franchise Agreement provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101 *et seq.*).

5. **THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT AT LEAST 14 DAYS PRIOR TO EXECUTION OF THE AGREEMENT.**

6. The California Corporations Code, Section 31125, requires that we give you a Disclosure Document, approved by the Department of Financial Protection and Innovation, before solicitation of a proposed material modification of your Franchise Agreement.

7. OUR WEBSITE (successtutoringfranchise.com) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

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

9. Franchisor and its affiliates reserve the right to establish alternative channels of distribution in the franchise's trade area without compensation.

10. Franchisees will not receive an exclusive territory.

11. Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

- (a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
- (b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
- (c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
- (d) Violations of any provision of this division.

12. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF HAWAII**

THESE FRANCHISES WILL BE/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 REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES 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.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS**

The State Cover Page and Item 17 of this disclosure document are amended by adding the following:

1. Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside Illinois is void with respect to any action which is otherwise enforceable in Illinois, except that the Franchise Agreement may provide for arbitration outside Illinois. In addition, Illinois law will govern the Franchise Agreement.
2. Illinois Franchise Disclosure Act paragraphs 705/19 and 705/20 provide rights to you concerning non-renewal and termination of the Franchise Agreement. If the Franchise Agreement contains a provision that is inconsistent with the Act, the Act will control.
3. Any release of claims or acknowledgments of fact contained in the Franchise Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act will be void and are deleted with respect to claims under the Act.
4. Section 41 of the Illinois Franchise Act states that “any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void.” To the extent that any provision in the Franchise Agreement is inconsistent with Illinois law, Illinois law will control.
5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
6. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the representations made in the franchise disclosure document.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND**

1. Item 17, under the Summary column of parts (c) and (m), is amended to include the following paragraph:

A general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Item 17, under the Summary column of part (h), is amended to include the following sentence:

A provision in the Franchise Agreement that provides for termination on your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

3. Item 17, under the Summary column of part (v), is modified to include the words “A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

4. Item 17 is amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. Item 17 is amended to state that the franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise..

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MICHIGAN**

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTling ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISION OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISE BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS; AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

(i) THE FAILURE OF THE PROPOSED TRANSFEREE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C).

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

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

As to any state law described in this Addendum that declares void or unenforceable any provision contained in the Franchise Agreement, Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA**

1. The following is added to Item 17 of the Disclosure Document:

Under Minnesota law and except in certain specified cases, we must give you 90 days' notice of termination with 60 days to cure. We also must give you at least 180 days' notice of its intention not to renew a franchise, and sufficient opportunity to recover the fair market value of the franchise as a going concern. To the extent that the Agreement is inconsistent with the Minnesota law, the Minnesota law will control.

To the extent that any condition, stipulation or provision contained in the Agreement (including any choice of law provision) purports to bind any person who, at the time of acquiring a franchise is a resident of Minnesota, or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota to waive compliance with the Minnesota Franchises law, such condition, stipulation or provision may be void and unenforceable under the nonwaiver provision of the Minnesota Franchises Law.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Agreement can abrogate or reduce any of 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. Specifically, we cannot require you to consent to us obtaining injunctive relief, however, we may seek such relief through the court system.

Minn. Rule 2860.4400J prohibits us from requiring you to assent to a general release. To the extent that the Agreement requires you to sign a general release as a condition of renewal or transfer, the Agreement will be considered amended to the extent necessary to comply with Minnesota law.

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 Statutes, Section 80C.12, Subd. 1(g).

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
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 RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. 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 THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

Except as provided above, the following applies 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 that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations. C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years 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.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years 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.

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 the “Summary” sections of Item 17(c), titled “Requirements for a 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; this proviso intends that the nonwaiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by a franchisee”: “You may terminate the agreement on any grounds available by law.”
5. 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 the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA**

1. Items 6 and 17(i) of this disclosure document are amended to reflect that all liquidated damages provisions in the Franchise Agreement are deleted in their entirety.
2. Item 17(r) of this disclosure document is amended to reflect that covenants not to compete such as those contained in the Development Agreement and Franchise Agreement are generally considered unenforceable in the State of North Dakota.
3. Item 17(v) of this disclosure document is amended to reflect that the jury trial waiver provisions in the Development Agreement and the Franchise Agreement are deleted in their entirety.
4. Item 17(w) of this disclosure document is amended to reflect that the choice of law provisions in the Development Agreement and the Franchise Agreement may not be enforceable in the State of North Dakota.
5. Notwithstanding the Development Agreement and the Franchise Agreement requiring the franchisee to consent to a waiver of exemplary and punitive damages, this provision is deleted in its entirety.
6. Notwithstanding the Development Agreement and the Franchise Agreement requiring the franchisee to consent to a limitation of claims within one year, the provision is changed to read the statute of limitations under North Dakota Law will apply.
7. Notwithstanding the Development Agreement and the Franchise Agreement stipulating that the franchisee shall pay all costs and expenses incurred by the franchisor in enforcing the Franchise Agreement, the provision is changed to read that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.
8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF RHODE ISLAND**

The following language will apply to Disclosure Documents issued in Rhode Island and be attached by addendum to Agreements issued in the state of Rhode Island:

If any of the provisions of this disclosure document (Risk Factor 1., Cover Page, and Item 17) are inconsistent with §19-28.1-14 of the Rhode Island Franchise Investment Act, which states that a provision in an Agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act, then said Rhode Island law will apply.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA**

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, Item 17 of the Franchise Disclosure Document for use in the Commonwealth of Virginia is amended as follows:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

Any securities offered or sold by the franchisee as part of the Success Tutoring Business must either be registered or exempt from registration under Section 13.1-514 of the Virginia Securities Act.

**ADDENDUM TO SUCCESS TUTORING UNITED STATES, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WASHINGTON**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

TEMPLATE

State Effective Dates

The following states have franchise laws that 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 document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Not Applicable
Hawaii	Not Applicable
Illinois	Not Applicable
Indiana	Not Applicable
Maryland	Not Applicable
Michigan	Not Applicable
Minnesota	Not Applicable
New York	Not Applicable
North Dakota	Not Applicable
Rhode Island	Not Applicable
South Dakota	Not Applicable
Virginia	Not Applicable
Washington	Not Applicable
Wisconsin	Not Applicable

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT K

RECEIPTS

TEMPLATE

ITEM 23

RECEIPT

This Disclosure Document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Success Tutoring United States, Inc. offers you a franchise, it must provide this disclosure document to you 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. New York requires that Success Tutoring United States, Inc. give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or make any consideration that relates to the franchise relationship. Connecticut and Michigan require that Success Tutoring United States, Inc. give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Iowa and Maine require that Success Tutoring United States, Inc. give you the disclosure document at the earlier of the first personal meeting or 14 days before you sign a binding agreement with, or make a payment to, us in connection with the proposed franchise sale.

If Success Tutoring United States, Inc. 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20590 or the appropriate state agency listed in Exhibit A.

Date of Issuance: June 6, 2025

The name and address of our registered agent authorized to receive service of process is shown in Exhibit A.

The franchise seller is Michael Black (can be reached on 750 N. San Vicente Blvd., West Hollywood, California 90069 and (469) 476 5459).

I have received a Disclosure Document dated June 6, 2025 that included the following Exhibits:

- A – State Administrators/Agents for Service of Process
- B – Franchise Agreement (including State Addenda)
- C – Financial Statements
- D – Applicant Confidentiality Agreement and Authorization
- E – Franchise Application
- F – Table of Contents of Brand Standards Manual
- G – List of Current Franchisees
- H – List of Former Franchisees
- I – Franchise Compliance Certification (for use only in certain states)
- J – State Addenda to Franchise Disclosure Document
- K – Receipts

PROSPECTIVE FRANCHISEE: _____

Full Name: _____ Date: _____