

## GOIN' POSTAL FRANCHISE AGREEMENT

THIS AGREEMENT IS ENTERED INTO EFFECTIVE ON THE DATE OF FRANCHISOR'S SIGNATURE APPEARING AT THE END OF THIS AGREEMENT (THE "**EFFECTIVE DATE**"), BY AND BETWEEN GOIN' POSTAL FRANCHISE CORPORATION, A FLORIDA CORPORATION, WHOSE PRINCIPAL ADDRESS IS 4941 4<sup>TH</sup> STREET, ZEPHYRHILLS, FLORIDA 33542 (HEREINAFTER REFERRED TO AS "GPFC" OR SOMETIMES REFERRED TO AS "FRANCHISOR") AND THE PERSON OR PERSONS OR LEGAL ENTITY LISTED BELOW DESCRIBED AS "FRANCHISEE" (HEREINAFTER REFERRED TO AS "FRANCHISEE", WHICH, FOR PURPOSES OF THE OBLIGATIONS OF FRANCHISEE DESCRIBED IN THIS AGREEMENT, SHALL INCLUDE EACH AND EVERY INDIVIDUAL SIGNING ON BEHALF OF FRANCHISEE HEREINBELOW). **IF THE DISCLOSURE DOCUMENT WHICH WAS FURNISHED TO FRANCHISEE AND WHICH INCLUDED THIS FRANCHISE AGREEMENT ALSO INCLUDED AN ATTACHED EXHIBIT "H", THIS AGREEMENT IS MADE SUBJECT TO ANY APPLICABLE PROVISIONS OF ANY EXHIBIT "H" ATTACHED TO THE DISCLOSURE DOCUMENT WHICH SPECIFICALLY AND EXPRESSLY RELATE TO THE STATE OF FRANCHISEE'S RESIDENCY (SEE SECTION 20.6 OF THIS AGREEMENT).**

FRANCHISOR ("**GPFC**"): GOIN' POSTAL FRANCHISE CORPORATION,  
A FLORIDA CORPORATION

FRANCHISEE: FULL LEGAL NAME  
**\*Should be the same entity/individuals listed in Exhibit "C" to the Disclosure Document, Part II, Franchise Ownership Information Form.**

\_\_\_\_\_  
\_\_\_\_\_

LOCATION OF FRANCHISEE'S GOIN' POSTAL STORE (THE "**LOCATION**"): \_\_\_\_\_

\_\_\_\_\_  
(street address)

\_\_\_\_\_  
(city)

\_\_\_\_\_  
(state)

\_\_\_\_\_  
(zip code)

GOIN' POSTAL STORE #: \_\_\_\_\_ (THE "**FRANCHISEE'S STORE**")

## RECITALS

**WHEREAS**, GPFC is the owner of all rights, title and interest in and to those certain trademarks, service marks, logos, indicia of origin and trade names, and all related registrations and applications for registrations as more particularly described in the registration files designated by Registration Number 3083574, Registration Number 3274805, Registration Number 3283156, Registration Number 3302660, Registration Number 3279690, Registration Number 3360732, Registration Number 3654805, and Registration Number 3887679, together with any and all amendments thereto, including, in particular, but not limited to, "Goin' Postal", "Goin' Postal Your Friendly Neighborhood Shipping Center", "Delivering the Best of America", "Postage for Patriots", and all similar, related, comparable and derivative names, marks and logos, and all registered and common law trademark, service mark and trade name rights and interests reflected in the depiction of the composite mark appearing on **Exhibit "A"** attached to this Agreement and incorporated in this Agreement by this reference, and GPFC owns, and will own, as applicable, any and all other current and future trade names, trademarks, service marks and logos associated with Goin' Postal franchises, including our website addresses ([www.goinpostal.com](http://www.goinpostal.com); [www.goinpostalfranchisecorporation.com](http://www.goinpostalfranchisecorporation.com); and [www.hutno8.com](http://www.hutno8.com)); and all website materials, and our current advertising slogans, "Don't Go it Alone...Go with Goin' Postal", "Sometimes Goin' Postal is the Only Way", and "Relieve Stress by Goin' Postal" (collectively, all of the foregoing, including each separate text only element and each separate design element, being referred to in this Agreement as the "Marks");

**WHEREAS**, GPFC owns and has the rights to license and franchise the Marks, including "Goin' Postal", the distinctiveness and value of which are acknowledged by the Franchisee;

**WHEREAS**, GPFC has developed and continues to develop know-how and a comprehensive method for establishing, equipping, designing, marketing, managing and operating franchised stores under the Marks which provide authorized postal, packaging, shipping, business services, and other authorized goods and services through retail locations (hereinafter, the "Method");

**WHEREAS**, Franchisee acknowledges substantial goodwill and business value in the Marks and Method and Franchisee understands and accepts the importance of GPFC's standards and specifications for quality, appearance, and service to the value of the Marks and the Method, and the necessity of operation of Franchisee's business activities in conformity with the Method and with the services, sales development programs and other related business practices GPFC has developed as part of the Method for use by all franchisees in the Goin' Postal franchise chain ("GPFC's Goin' Postal Franchise Chain") as it exists from time to time during the "Term" hereof; and

**WHEREAS**, Franchisee desires to acquire from GPFC, and GPFC is willing to grant Franchisee, a Goin' Postal franchise upon the terms and subject to the conditions contained in this Agreement.

NOW THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE FEES AND OTHER SUMS PAYABLE BY FRANCHISEE AND THE MUTUAL COVENANTS CONTAINED IN THIS AGREEMENT, THE PARTIES AGREE AS FOLLOWS:

### 1. GRANT OF FRANCHISE

#### 1.1 Store Location

- a. GPFC hereby grants Franchisee, and Franchisee hereby accepts, the right and license during the Term (i) to use and display the Marks; (ii) to operate solely one (1) Goin' Postal franchised store designated as Goin' Postal Store No. \_\_\_\_\_ (hereinafter such Store No. being referred to as the "Franchisee's Store", and the individual Goin Postal franchised stores within GPFC's Goin' Postal Franchise Chain, in general (including any owned or operated by GPFC or one of its affiliates), being referred to as a "Store"); and (iii) to exercise such rights as specified in (i) and (ii) immediately preceding at, and only at the Location, all upon

the terms and subject to provisions of this Agreement and all ancillary documents to this Agreement, and all in accordance with and through authorized use of the Method.

- b. Franchisee may relocate the Franchisee's Store (even within the Franchisee's own protected territory) only with the prior written consent from GPFC. Should any approved relocation be outside of Franchisee's Territory, Franchisee will be assessed a \$500.00 relocation fee. All relocation requests are subject to GPFC's sole discretion and subject to reasonable availability of non-protected territories.

## 1.2 Territory

During the Term:

- a. Once Franchisee has submitted to GPFC in writing a specific physical address for the Location of Franchisee's Store and such Location has been approved in writing by GPFC and Franchisee's Store has been allocated a Store No., Franchisee shall be allocated a protected territory consisting of an area approximately one (1) mile in radius (5-mile radius if the Location is in a rural area) with the Location being at the center (such protected territory specifically allocated to Franchisee by GPFC being referred to throughout this Agreement as the "Territory"). The perimeter of the outer boundaries of the Territory assigned to Franchisee by GPFC based upon the applicable radius may be slightly more or less at any given point than the established mile radius in order to make use of existing streets and other well known landmarks to provide a more easily recognizable and supportable Territory. Unless and until Franchisee has submitted to GPFC in writing a specific physical address for the Location of Franchisee's Store and that Location has been approved by GPFC in writing, neither a Territory for Franchisee's Store nor any rights of Franchisee to claim or possess any territory (protected or otherwise) shall exist. The standard Territory allocation may be reduced by GPFC if the Location Franchisee has chosen for Franchisee's Store is in an area of extreme high population density, such as Manhattan (New York City), New York, downtown Los Angeles, California, downtown Seattle, Washington, downtown Boston, Massachusetts, downtown Chicago, Illinois or Washington, D.C. This reduced Territory must be mutually agreed upon by GPFC and Franchisee before GPFC will proceed with counter-signing this Agreement (as reflected in this Agreement, this Agreement is not effective until GPFC countersigns it). If Franchisee refuses to accept such a reduced Territory under the circumstances permitting GPFC to assign a reduced Territory, GPFC will refund Franchisee any and all monies paid and Franchisee shall not become a Goin' Postal franchisee or have any rights or entitlements under this Agreement.
- b. Except as reflected in this Section 1.2, GPFC will neither own or operate a Store, as that term is specifically defined in this Agreement, nor license or franchise others to do so, at any site located within the Territory.
- c. GPFC expressly reserves for itself or its designee, the unrestricted right to produce, franchise, license, sell, distribute and market any products or services (under any brands, including but not limited to the Marks) from any Stores the physical premises of which are located outside of the Territory, regardless of (i) the proximity of the Franchisee's Store, or (ii) whether or not such products or services are purchased by customers whose residences or places of business are located within the Territory.
- d. GPFC may engage in any activities, without any restrictions whatsoever, outside of the Territory that is not specifically prohibited by this Section of the Agreement.

- e. So long as Franchisee is not in default of this Agreement, and provided GPFC has given its prior written approval to do so, Franchisee shall have the right during the Term to open additional Stores within the Territory by execution of another franchise agreement, as in existence at such time, and payment of all fees required under the franchise agreement in existence at such time, for each approved additional Store. Franchisee's Territory will be expanded to include and protect the new location(s), provided that it does not interfere with another franchisee's protected territory.
- f. Franchisee may operate an unrestricted mobile shipping store van (a "mobile shipping store" is a vehicle outfitted with a Point of Sale System, a scale and the ability to serve customers and receive payment for shipping services at a remote location) within the Territory. Franchisee may operate a mobile shipping store van outside of the Territory but not within the protected territory of another franchisee. Franchisee may not under any circumstances operate either a pick-up or delivery service within the protected territory of another franchisee's Store.
- g. Franchisee acknowledges that customers, including customers located in Franchisee's Territory, are free to patronize any Store within GPFC's Goin' Postal Franchise Chain of their choosing, and no Store (including those owned or operated by GPFC or one of its affiliates) shall be precluded from serving or transacting business with any customer who chooses to patronize that particular Store.
- h. With GPFC's prior written consent, and provided Franchisee first signs the then current Franchise Agreement and pays both the then current franchise fee and the then current cost for the Required Minimum Purchases (see Section 5.1(d) below) for each new territory intended to be so purchased, Franchisee may expand Franchisee's Territory through the purchase of one or more (as approved by GPFC) non-protected territories equal in area to Franchisee's initial Territory assigned hereunder (subject to any reduction in the new territory resulting from its potential encroachment into another franchisee's protected territory). Should Franchisee purchase another non-protected territory in accordance with these provisions, Franchisee must, within this new territory, and within six (6) months of the date Franchisee signed the Franchise Agreement and paid the franchise fee and the then existing cost for the two (2) Point of Sale Systems and other Required Minimum Purchases with respect to such new territory, (i) submit a specific physical address for the location of the new Store to GPFC in writing, and receive written approval from GPFC for such location; (ii) complete all necessary Store build-outs and improvements; (iii) complete all required training; and (iv) open a Store within this new territory. Failure on the part of Franchisee to so open a Store within the new territory within the allotted six (6) month time period shall cause the option to acquire such new territory to lapse and terminate, in which case Franchisee shall forfeit the franchise fee and other fees paid to acquire such new territory and Franchisee shall have no further rights, claims or interests in or to such new territory. Should Franchisee only desire to expand the Territory allocated to Franchisee's Store without opening another Store within that region, GPFC will have the sole discretion to grant any such expansion, and if granted, Franchisee will be required to pay such additional fee as GPFC deems appropriate in light of the scope and extent of expansion requested and the level of competition from other Stores within the general vicinity of Franchisee's desired expanded Territory.

## 2. TERM AND RENEWAL

- 2.1 The term of this Agreement shall begin on the Effective Date of this Agreement and shall continue for a period of fifteen (15) years, unless terminated as provided in this Agreement (the "Term"). As indicated in the introductory provisions of this Agreement, the "Effective Date" of this Agreement is the date it has been signed by GPFC as such date appears adjacent to the signature of GPFC appearing at the end of this Agreement. In the event Franchisee fails to renew or GPFC elects not to renew this Agreement (in accordance with Sections 2.2, 2.3 and 2.4 below) , this Agreement will expire at the end of the Term. Expiration shall constitute a termination of this Agreement for all purposes and effects.
- 2.2 Provided that Franchisee shall have complied with all the terms of this Agreement, and subject to prior fulfillment of the terms and conditions of renewal provided in Section 2.3 below, Franchisee shall have the right and option to renew the Goin' Postal franchise granted to Franchisee under this Agreement for successive period(s) of 15 years each. Each 15 year renewal period shall be an independent Term, and the conditions of renewal must be met and satisfied with respect to each independent 15 year renewal opportunity.
- 2.3 As conditions to renewal, Franchisee must first meet and satisfy each of the following:
- a. Provide GPFC with written notice of Franchisee's intent to renew this Agreement not less than 2 months and not more than 12 months before the end of the Term then in effect.
  - b. Sign the then-current franchise agreement being utilized by GPFC for new Stores, and all other documents required by GPFC, and comply with GPFC's then current Standards and Specifications and GPFC's then current Manuals.
  - c. Be in compliance with this Agreement, including payment of all fees due, and with the requirements provided in Manuals and other agreements between GPFC and/or its affiliates and Franchisee.
  - d. Be in compliance with all financial obligations to third parties, including Franchisee's landlord and other vendors of products or services of Franchisee's Store at the Location.
  - e. Provide GPFC with a signed lease and other written confirmation satisfactory to GPFC that Franchisee maintains the right to possess, occupy and use the Franchisee's Store at the Location for the applicable fifteen (15) year term of the renewal.
  - f. Sign a general release in favor of GPFC from any claims, known or unknown, arising during the Term of this Agreement.
- 2.4 If and when GPFC receives Franchisee's timely renewal notice, and all other terms of this Agreement and renewal conditions are met, GPFC agrees to give Franchisee notice, not later than 30 days after the receipt of the renewal notice, of the renewal of the Franchise Term for an additional 15 year period. Alternatively, should, upon receipt of Franchisee's timely renewal notice, the terms of this Agreement and renewal conditions not be met, GPFC shall, within said 30 day period, give Franchisee its written notice electing not to renew this Agreement.
- 2.5 Upon any such grant by GPFC of a renewal of the Term of this Agreement, Franchisee shall be required, as a condition to the continued effectiveness of such renewal authorization, upgrade, remodel, refurbish and redesign, prior to the conclusion of the

Term intended to be renewed, or within twenty (20) days of receiving GPFC's notice that renewal has been granted, whichever date is later, Franchisee's Store, both exterior and interior, as well as Point of Sale Systems and associated hardware and software, as mandated by GPFC to comply with GPFC's then current Standards and Specifications as described in the Manuals.

### **3. SITE LOCATION AND CONSTRUCTION OF STORE**

- 3.1 Store Location.** The Location of Franchisee's Store reflected on the first page of this Agreement (or to be reflected on the first page of this Agreement upon Franchisee's decision of Location), has been accepted by GPFC upon GPFC's counter-execution of this Agreement (provided, acceptance shall not be deemed given by GPFC if the first page of this Agreement is not completed in its entirety upon Franchisee's execution and delivery of this Agreement; in such event, acceptance will occur when GPFC counter-signs and delivers a counterpart original with the Location information appearing on the first page of this Agreement completed or when GPFC subsequently initials and delivers to Franchisee a completed first page of this Agreement). Nevertheless, GPFC's acceptance of the Location shall in no way constitute a guarantee, representation nor an express or implied warranty as to the viability or success of a Store at such Location. Upon GPFC's acceptance, the Location inserted on the first page of this Agreement shall be deemed to be the "Location", as defined in this Agreement. For purposes of applying this Section 3.1, the "first page of this Agreement" is the page at the beginning of this Franchise Agreement designated by **Exhibit "A" to Uniform Franchise Disclosure Document**.
- 3.2 Store Design.** GPFC or its representative will act in a consultant capacity to advise Franchisee upon a suggested layout of the Franchisee's Store. Franchisee may accept or disregard this advice upon the suggested layout, except to the extent Franchisee's desired design would violate GPFC's principles of accepted business practices, would violate any OSHA regulations or any other applicable laws (including the Americans with Disabilities Act), would deviate from the uniformity of GPFC's Method and Standards for the general appearance of all Stores within GPFC's Goin' Postal Franchise Chain, or would create any safety or health risks. Further, any Store layout or alterations which deviate from GPFC's suggested layout may not be implemented by Franchisee without GPFC's prior written approval. Any suggested layout from GPFC does not guarantee the viability or success of said layout or compliance with any applicable laws, and Franchisee shall, at Franchisee's sole cost and expense, ensure that the Store design complies with all applicable laws, including the Americans with Disabilities Act and any OSHA regulations. If Franchisee chooses to disregard GPFC's suggested layout without receiving GPFC's prior written approval, Franchisee will be responsible for making any necessary changes when the GPFC representative arrives for Store set up and training so as to bring Franchisee's Store into uniformity with the Method and general appearance of all Stores within GPFC's Goin' Postal Franchise Chain.
- 3.3 Store Construction.** The Franchisee, at Franchisee's sole cost, shall be solely responsible for obtaining local permits, contractors, and constructing the Franchisee's Store in a timely manner. Construction shall be completed within six (6) months of the Effective Date of this Agreement. All internal and external signs shall be uniform with the Marks and the Method and shall be subject to GPFC's prior approval.
- 3.4 Store Appearance.** Franchisee shall maintain the appearance and condition of the Franchisee's Store in a "Like New" level of cosmetic appearance to maintain the cosmetic appearance of the Store as attractive, clean and efficiently operated, offering high quality products and services. The internal color and paint schemes of Franchisee's Store must be red, white and blue and shall be uniform with the Method as detailed in GPFC's Store

Set-Up Manual. Any deviations from these required color and paint schemes are subject to, and prohibited without, GPFC's prior written approval.

- 3.5 **Turn-Key Store Agreement.** If Franchisee has signed and paid the additional costs associated with a Turn-Key Store Agreement (**Exhibit "J"** to GPFC's current UFDD to which this Agreement was a part), it is acknowledged that GPFC will perform the majority of the above Store construction responsibilities on behalf of Franchisee.

#### **4. TRAINING AND FRANCHISOR'S CONTINUING OBLIGATIONS**

##### **4.1 Initial Training**

- a. GPFC provides its franchisees with two phases of initial training. The first week (and first phase) of Franchisee's training will be conducted at GPFC's headquarters located at 4941 4<sup>th</sup> Street, Zephyrhills, Florida 33542 ("GPFC's Headquarters"), where the Franchisee or its designee(s) will undergo one week (generally Monday through Friday) of classroom training. The second phase of Franchisee's training will be completed by a GPFC representative on-site at the Franchisee's Store at the Location. The GPFC staff at the first phase of training conducted at GPFC's Headquarters, and the GPFC representative while conducting the second phase of training on-site at the Franchisee's Store, will train the Franchisee or its designee(s) in all aspects of the shipping business developed and utilized by GPFC under its Method, including but not limited to: UPS, FedEx, DHL, USPS, Freight, Rate Shopping, Point Of Sale, QuickBooks Pro and packaging.
- b. GPFC shall determine the content and manner of conducting the Franchisee's training program at its sole discretion; however, the program shall be structured to provide practical training in the day to day operation of the Franchisee's Store in accordance with the Method. Franchisee shall pay all travel and accommodation expenses incurred (if any) by GPFC's representative. Expenses shall include airfare, car rental, hotel accommodation, per diem meal expenses (currently \$50.00 per day), transport to and from the originating airport (or, if applicable, parking expenses at the originating airport), and transport to and from the Franchisee's Store daily. While conducting the on-site training at Franchisee's Store, Franchisee will be responsible to pay the costs for the GPFC representative to stay at a commercial accommodation such as a hotel, motel or motor lodge, and the GPFC representative will not be permitted to stay at the Store or at the residence of Franchisee or its owners, representatives or employees. The Franchisee will also be responsible to pay the costs to provide the GPFC representative with a rental vehicle, and the GPFC representative will not be permitted to use or borrow the personal vehicle of Franchisee or its owners, representatives or employees.
- c. Franchisee may, with GPFC's prior permission, send additional manager(s) for a one week on-site course at GPFC's Headquarters. Franchisee will be responsible for all expenses of Franchisee's manager(s) while at training.
- d. The initial training at GPFC's Headquarters and the subsequent training at Franchisee's Store at the Location are both mandatory training sessions for both original franchise Store purchases and for Store transfers. Franchisee must attend and successfully complete both phases of training to the satisfaction of GPFC before opening Franchisee's Store. If Franchisee will not be the primary operator (the person managing the day-to-day Store operation) of the Store, then Franchisee's primary operator(s) must attend and successfully complete the two phases of the Franchisee training before assuming the responsibility as the

primary operator of the Store. If the primary operator of the Store is ever replaced, then the new primary operator must attend and successfully complete the two phases of the Franchisee training program (i) before assuming the responsibility of Store manager, or, at a minimum (ii) by no later than 90 days after such replacement. Franchisee, and all of Franchisee's Owners, managers and primary operators, as the case may be, must each sign that certain Non-Competition and Non-Solicitation Agreement attached as **Exhibit "B"** to GPFC's "UFDD" (as defined in Section 12.1 of this Agreement) prior to, and as a condition for any of them to attend and participate in, the first phase of training at GPFC's Headquarters.

- e. In the event Franchisee cancels the first phase of training scheduled at GPFC's Headquarters less than one (1) month prior to the scheduled training commencement date, Franchisee will be subject to a \$200.00 cancellation fee per each scheduled attendee to subsidize GPFC for lost classroom capacity. In the event Franchisee cancels the second phase of training which has been scheduled on-site at Franchisee's Store, Franchisee will be assessed a cancellation penalty in the amount of \$1,500.00 to cover ticket cancellation charges and associated administration expenses to cancel and re-schedule this training at Franchisee's Store. Franchisee will, upon any cancellation of the second phase of training, additionally be responsible for all travel, living, and other costs and expenses incurred by GPFC and its representative to reschedule, attend and conduct their second phase of training at Franchisee's Store. The \$1,500.00 cancellation fee will also apply if at the time of arrival of GPFC's representative, Franchisee's Store is not setup and ready to become operational in accordance with the mandatory procedures outlined in the Store Setup Manual and any checklist provided by GPFC to Franchisee prior to GPFC's visit to conduct the second phase of training and Store opening.
- f. In the event GPFC requires or otherwise deems it necessary, in its sole discretion, Franchisee or, if Franchisee is an entity, its Owners, or, if Owners do not manage the Store's day-to-day operations, then Franchisee's primary operator, shall attend supplemental or additional training programs to be conducted on-site at Franchisee's Store. Franchisee shall pay all travel, living, per diem meal allocation (currently \$50.00 per day), compensation (currently \$1,000.00, but subject to modification as provided in the Operations Manual), and other expenses incurred by GPFC's representative in connection with attending and conducting such additional training at Franchisee's Store.
- g. In the event Franchisee converted an independently owned shipping business to a Goin' Postal Store, Franchisee must attend and successfully complete both a one week first phase of mandatory training at GPFC's Headquarters (the cost of this training, exclusive of Franchisee's travel/airfare, hotel/living accommodations, meals and related personal expenses to attend such training, are included within the mandatory \$5,000.00 transfer/conversion fee) as well as a second phase of training at Franchisee's Store conducted during the Franchisee's initial week of operation of Franchisee's Store (travel expenses for GPFC's representative are included in the \$5,000.00 conversion fee). In the event Franchisee is a purchaser of an existing Store, Franchisee may, but is not obligated, to attend and successfully complete a one week first phase of training at GPFC's Headquarters, but must successfully complete the phase of training conducted at the Franchisee's Store. Franchisee's ability to attend such an optional training session at GPFC's Headquarter shall be on a first come, first served basis and shall be subject to space and availability.



## 4.2 Franchisor's Continuing Obligations

From time to time during the Term of this Agreement, GPFC, or its designee, may provide the following assistance to Franchisee:

- a. GPFC may provide, at its discretion, proprietary and non-proprietary software licenses and updates. Should GPFC insist that Franchisee update existing purchased software systems, GPFC will provide this initial software at no charge to Franchisee. Franchisee will still be responsible for yearly update costs. This update cost shall initially be \$250.00 per year (but may be increased from time to time by GPFC) for Goin' Postal proprietary software and at the rate set by the vendor for non-Goin' Postal software.
- b. Provide, upon Franchisee's request, reasonable continuing consultation and training in the operation of the Franchisee's Store via telephone, e-mail, fax, the GPFC website and other means of GPFC's choosing.
- c. Make available, via password access to the Owners' Section of the GPFC website, GPFC's Store Set-Up Manual, GPFC's Operations Manuals, training materials and, in the near future, video clips that can be downloaded at Franchisee's discretion.
- d. Make available, via password access to the Owners' Section of GPFC website, various advertising materials and resources.

## 5. FEES AND OTHER PAYMENTS

5.1 Franchisee shall, in accordance with the following, pay to GPFC the following fees:

- a. An initial franchisee fee of \$15,000 shall be due and payable by Franchisee to GPFC on the date of Franchisee's execution of this Agreement. The initial franchise fee is fully earned and non-refundable upon receipt unless Franchisee is not accepted by GPFC as a Franchisee, in which case it will be fully refunded. The initial \$15,000 is due with submission of this Franchise Agreement and shall be paid by check or credit card.
- b. The initial franchise fee shall not apply if the Franchisee is:
  - i. signing this Agreement as a renewal of a previous franchise agreement at the end of a completed Term. In such case the initial franchise fee for the renewal shall be waived.
  - ii. signing this Agreement in connection with the purchase of an existing Goin' Postal franchise and Store from another franchisee. In such case the transfer fee due to GPFC shall be \$5,000.00.
  - iii. signing this Agreement in connection with an approved relocation of Franchisee's Store; provided if such approved relocation is outside of the Territory, a relocation fee of \$500.00 shall be due to GPFC.
  - iv. Subject to the conditions of this subsection **iv** pertaining to time duration of Franchisee's existing business operations, and subject to satisfactory completion by Franchisee of the mandatory training requirements imposed under Section 4.1g of this Agreement, GPFC may discount, at its discretion, the initial franchise fee due from any Franchisee signing this

Agreement as part of converting an existing shipping/packaging store from either a recognized competing chain (no such conversion will in any way or under any circumstances be permitted if Franchisee is subject to any agreement which would restrict, prohibit or otherwise limit the conversion of Franchisee's existing store to a Goin' Postal Store) or from an independent store owned and operated by Franchisee. In such a case, in addition to the initial franchise fee (discounted or otherwise), Franchisee will pay GPFC a conversion fee of \$5,000.00, which will cover the first phase of training), if elected by Franchisee, and will also cover the costs of conducting the second phase of training at Franchisee's Store in like manner as a purchaser of an existing Store. The foregoing notwithstanding, in order to be considered for any discount of the full initial franchise fee then in effect on converting an existing shipping/packaging store, the Franchisee must have operated their existing store for a period of no less than two (2) years, if an independently owned and operated store, or for a period of no less than one (1) year if converting from a recognized chain of franchised shipping stores (subject to the prohibition on this type of conversion if Franchisee and/or Franchisee's existing store is subject to any form or manner of restriction or prohibition which would preclude the lawful conversion to a Goin' Postal Store). Franchisee shall disclose to GPFC upon any desired conversion of an existing shipping/packaging store to a Goin' Postal shipping Store whether Franchisee and/or Franchisee's existing store is/are subject to any form or manner of restriction or prohibition which would preclude the lawful conversion to a Goin' Postal Store, and Franchisee shall be solely liable for any breach of any such restrictions or prohibitions and shall indemnify, defend and hold harmless GPFC, its officers, directors and shareholders therefrom.

- c. At the time of signing this Agreement and concurrent with payment of the initial franchise fee required under Section 5.1(a) immediately above, Franchisee must also pay and remit to Franchisor, using the same mode of payment as with the initial franchise fee, the sum of \$10,115.00 (plus any and all applicable sales taxes if Franchisee's Store is located in the State of Florida, which will be billed by separate invoice) for the purchase of the following required items (the "Required Minimum Purchases") which GPFC mandates as part of Franchisee's set up and establishment of Franchisee's Store (this separate payment is not required under a Turn-Key Franchise):

<u>Item</u>	<u>Qty</u>	<u>Total</u>
Point of Sale Systems	2	\$ 8,475.00
Counter Wall Sign	1	\$ 299.00
Window Sign	1	\$ 295.00
Rubber Stamp Set	1	\$ 50.00
1000 Shipping Forms	1	\$ 50.00
Wall Display	1	\$ 99.00
Thermal Label Printer	1	\$ 349.00
150lb. Scales	2	<u>\$ 498.00</u>
Total		\$10,115.00

- d. Should Franchisee desire to purchase additional Point of Sale Systems for Franchisee's Store at the Location, the cost for each shall be \$3,350.00 and shall also be due with payment of the initial franchise fee. Once paid, the cost(s) for each Point of Sale System you order from us is (are) non-refundable.
- e. A continuing royalty in the initial amount of \$360.00 per month during the initial calendar year of the Term, and then increasing each calendar year during the

Term thereafter at an approximate rate of five percent (5%) per calendar year as reflected in the table below (hereunder, the “Royalty” or “Royalties”), shall be paid by Franchisee in accordance with the provisions of this Agreement each month commencing with the date specified in this Agreement and continuing during the initial Term of the Goin’ Postal franchise granted hereby (this period of time being referred to in this Agreement as the “Royalty Payment Period”). Franchisee’s obligation to pay monthly Royalties shall commence the first business day of the calendar month following the month in which Franchisee opens Franchisee’s Store for business. For instance, if Franchisee has opened Franchisee’s Store on January 30<sup>th</sup>, the obligation to pay Royalties would commence February 1<sup>st</sup> of that same year.

The Royalties are payable as prescribed in the following table:

<u>Calendar Year</u>	<u>Monthly Royalties</u>
2012	\$ 360.00
2013	\$ 380.00
2014	\$ 400.00
2015	\$ 420.00
2016	\$ 440.00
2017	\$ 460.00
2018	\$ 480.00
2019	\$ 500.00
2020	\$ 525.00
2021	\$ 550.00
2022	\$ 575.00
2023	\$ 600.00
2024	\$ 630.00
2025	\$ 660.00
2026	\$ 700.00
2027	\$ 735.00

Royalties commence at the monthly rate applicable to the calendar year in which the Franchisee’s Store opens for business, and then increase by approximately five percent (5%) each calendar year thereafter. These Royalty rates apply to all new Goin’ Postal franchisees until changed. For example, if left unchanged, a franchisee whose store opens in 2012 would pay an initial monthly Royalty of \$360.00 per month, whereas a franchisee whose Store opens in 2013 would pay an initial monthly Royalty of \$380.00 per month.

- f. A portion of the Royalty as determined by GPFC in its sole discretion will be used for the production of advertising materials for use by all franchisees within GPFC’s Goin’ Postal Franchise Chain in their own respective markets and territories.
- g. If Franchisee enters into a Domain Name License Agreement with Franchisor (see **Exhibit “L”** attached to GPFC’s Disclosure Document to which this Agreement is attached as **Exhibit “A”**) for a minimum term of twelve (12) months, Franchisee shall pay to Franchisor a monthly web hosting fee in the amount of \$5.00 per month which shall be due on the first business day of each month commencing with the effective date of such agreement and shall be payable in the same manner as the payment by Franchisee of Royalties.
- h. Any and all other applicable fees and sums due to GPFC as provided in GPFC’s then current Franchise Disclosure Document, the current version of which is accessible via password in the Owners’ Section of GPFC’s website.

## 5.2 Method of Payment

- a. Franchisee shall pay the Royalty on a monthly basis as instructed in the Owners' Section of the GPFC website. Payment of a particular month's Royalty is due on the 1<sup>st</sup> business day of such month.
- b. As mandatorily imposed by GPFC, Franchisee is required to make all Royalty payments by the electronic funds transfer payment program established by GPFC whereby GPFC will electronically debit from Franchisee's designated bank account(s) (as designated by Franchisee in **Exhibit "D"** to GPFC's Franchise Disclosure Document to which this Agreement is attached as **Exhibit "A"**) the Royalties and any other amounts due from or owed by Franchisee to GPFC hereunder which GPFC requires to be paid by electronic funds transfer. If GPFC permits, Franchisee may make payments due to GPFC other than Royalty payments by credit card or other approved method other than GPFC's automated electronic funds transfer program.

## 5.3 Auditing

In order to maintain the strength and integrity of GPFC's Goin' Postal Franchise Chain and Method, GPFC may, at its discretion, order an audit of Franchisee and Franchisee's Store by GPFC's designated auditor, at GPFC's expense. Franchisee will provide GPFC's designated auditor with Franchisee's complete cooperation.

## 5.4 Other payments

In addition to all other payments provided in this Agreement, it shall be a material requirement for Franchisee to pay to GPFC, its affiliates, designees, and others promptly when due:

- a. All obligations, including Royalties, trade accounts, promissory notes, financing agreements and equipment purchase and lease payments, arising out of the operation of Franchisee's Store. Royalties owed by Franchisee to GPFC shall be paid electronically as previously provided hereinabove. Unless GPFC requires otherwise, all monetary obligations owed by Franchisee to GPFC other than Royalties may be paid by use of Franchisee's designated credit card.
- b. All lease and rental payments for Franchisee's Location.
- c. All amounts advanced by GPFC or which GPFC has paid on behalf of or became obligated to pay for the Franchisee.
- d. The amount of all sales taxes, use taxes, personal property taxes and similar taxes which shall be imposed on Franchisee or in connection with Franchisee's Store at the Location. If Franchisee's Store is located outside of the State of Florida, Franchisee shall pay any applicable sales tax due on Franchisee's purchase of the Required Minimum Purchases (see Section 5.1c of this Agreement) directly to the applicable taxing authority. Franchisees whose Store is located in the State of Florida shall pay any applicable sales taxes on the purchase of Required Minimum Purchases to GPFC immediately upon being invoiced for such taxes. Any sales taxes not paid within fifteen (15) days of invoice date will be charged to Franchisee's credit card on file with GPFC or through electronic funds transfer from Franchisee's designated bank account.
- e. In order to have access to and use the automatic credit card processing features of each Point of Sale System Franchisee orders from GPFC, it will be necessary

for Franchisee to apply for, qualify and enter into the applicable application agreement with Intuit. Failure by choice or by inability to qualify on the part of Franchisee to procure merchant services from Intuit will require Franchisee to buy the additional card reading equipment and enter into a merchant services agreement with an alternate provider. In either event, Franchisee will incur the costs to procure required merchant services.

- f. Any amounts due on account of the purchase of goods, supplies, or services relating to the operation of the Franchisee's Store.

## **5.5 Finance Charges and Late Fees on Delinquencies Owed to GPFC.**

- a. If Franchisee fails to pay to GPFC the entire amount of any payment due to GPFC hereunder promptly when due, Franchisee shall pay to GPFC, in addition to all other amounts that are due but unpaid (including the late fee described below), finance charges on the unpaid amounts, for the period beginning on the day after the original due date and continuing until the date of actual payment, at a rate equal to the highest annual rate allowed by applicable law.
- b. The parties stipulate that the finance charges and late fees provided within this Section represent reasonable estimates of the additional administrative costs that will be incurred by GPFC and shall be in addition to and not in lieu of any other remedies available to GPFC at law or at equity.
- c. In addition to the interest amounts previously described, GPFC shall be entitled to charge a late fee of \$35.00 for each and every month of delinquent fees.
- d. GPFC will invoice Franchisee for these late fees and interest and such invoice is payable upon receipt. GPFC will either charge these amounts to Franchisee's credit card or conduct an electronic funds transfer payment from Franchisee's designated account if not paid in full within 15 days of invoice date.

## **5.6 Personal Guaranty**

If Franchisee, as designated in **Exhibit "C"** attached to GPFC's Franchise Disclosure Document to which this Agreement is attached as **Exhibit "A"** and as first depicted in the "Franchisee" designation appearing on the initial page of this Agreement, is an entity as opposed to one or more individuals, each of the equity Owners of Franchisee (as required to be disclosed in Part II, Paragraph 3 of said **Exhibit "C"**) must sign and deliver to GPFC concurrent with Franchisee's execution of this Agreement the Continuing Personal Guaranty attached as **Exhibit "K"** to GPFC's Franchise Disclosure Document to which this Agreement is attached as **Exhibit "A"**.

## **5.7 State Tax Gross-Up**

Any taxes, duties or fees of any type whatsoever (collectively, "taxes") imposed upon GPFC by the State where Franchisee's Store is located on or with respect to any franchise fees, royalties or other payments made to GPFC by Franchisee as a result of the operation by Franchisee of the Store within such State, shall be paid by Franchisee to the extent of Franchisee's proportionate share of such taxes. Franchisee shall pay to GPFC an amount equal to Franchisee's proportionate share of any excise tax, license tax, franchise tax, income tax or similar taxes which are imposed, directly or indirectly, by Franchisee's State with respect to any payments made by Franchisee to GPFC. Franchisee's proportionate share of such taxes in any given calendar year during the Term shall be determined by first dividing Franchisee's payments so subject to tax for that calendar year by the total amount of all payments so subject to tax within the same calendar year from all Goin' Postal franchisees whose Goin' Postal store(s) are located within Franchisee's State, and then multiplying such fraction by the total taxes GPFC paid to Franchisee's State

during such calendar year as a result of receiving franchise fees, royalties and other payments from Goin' Postal franchised stores conducting business with Franchisee's State. Franchisee's proportionate share of such taxes for any particular calendar year during the Term shall be paid to GPFC in as many equal monthly installments during the ensuing calendar year as there are months within that ensuing calendar year for which Royalty obligations remain due once GPFC has calculated and paid such taxes. The equal monthly installments of such taxes shall be added to and paid with each monthly Royalty obligation still owed by Franchisee to GPFC during the year in which they are due. Franchisee shall not be entitled to see or review a copy of any tax returns filed by GPFC, but may, upon written request, receive a copy of GPFC's independent accountant's calculation of Franchisee's payments subject to such taxes in Franchisee's State, the amount of such taxes, and Franchisee's proportionate share of those taxes.

## **6. OWNERSHIP OF INTELLECTUAL PROPERTY**

- 6.1 Franchisee hereby acknowledges and agrees that all right, title and interest (including goodwill) in and to GPFC's Goin' Postal Franchise Chain, the Marks, the Method, the Manuals, GPFC's websites (including, without limitation, the Owners' Section and all confidential materials located within GPFC's website maintained at URL [www.goinpostal.com](http://www.goinpostal.com)), the GP Rate Pro 7.0 Software and the Goin' Postal name, are and shall remain vested solely in GPFC. Franchisee hereby disclaims any right, title, claim or interest in GPFC's Goin' Postal Franchise Chain, the Marks, the Method, the Manuals, GPFC's websites (including the Owners' Section and all confidential materials located within GPFC's website maintained a URL [www.goinpostal.com](http://www.goinpostal.com)), the GP Rate Pro 7.0 Software, the Goin' Postal name, or the goodwill derived therefrom. Upon termination or expiration of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with the Franchisee's use, and discontinuation of use, of GPFC's Goin' Postal Franchise Chain, Marks, Method, Manuals, GPFC's websites (including the Owners' Section and all confidential materials located within GPFC's website maintained a URL [www.goinpostal.com](http://www.goinpostal.com)), the GP Rate Pro 7.0 Software or Goin' Postal name.
- 6.2 Franchisee agrees not to contest at any time, either directly or indirectly, the validity of the Marks or GPFC's ownership, right, title or interest in the Marks and/or GPFC's sole right to register, use, franchise or license others to use the same.
- 6.3 Franchisee understands that any use of the Marks other than as expressly authorized by this Agreement, without GPFC's prior written consent, constitutes infringement and/or counterfeit of GPFC's rights in the Marks, and that Franchisee's right to use the Marks does not extend beyond the termination and/or expiration of this Agreement and does not extend beyond the rights granted by this Agreement during the Term in relation to Franchisee's Store at the Location in accordance with the Method and as part of GPFC's Goin' Postal Franchise Chain.
- 6.4 If Franchisee is an entity, Franchisee shall not use any of the Marks or any abbreviations or variations of any of the Marks, or any words deemed by GPFC to be confusingly similar to the Marks as part of the name of any entity or Franchisee's name, including any of the words "Goin' Postal" or "Goin'" or "Postal".
- 6.5 Franchisee is restricted from independently establishing a presence on, or independently marketing Franchisee's Store using, the Internet without Franchisor's prior written consent and then by only maintaining a website in strict accordance with the Domain Name License Agreement attached as **Exhibit "L"** to GPFC's Franchise Disclosure Document to which this Agreement is attached as **Exhibit "A"**. Franchisee may not use the Goin' Postal name or any of the Goin' Postal Marks or similar words as part of an Internet domain name except to the extent of a domain name registered in the name of GPFC and then licensed to Franchisee in accordance with the Domain Name License Agreement. Franchisee may not use within the content of any approved website any or all, or any part

of, the Goin' Postal Marks, or any other mark GPFC owns or will own, without GPFC's prior written consent or direction, and only in strict accordance with the provisions of the Domain Name License Agreement. With GPFC's approval, Franchisee shall use and display the Goin' Postal Marks, and/or any other trademark, service mark, or trade name adopted by GPFC, only in the form, manner, design, verbiage, and appearance as exactly adopted by GPFC (see **Exhibit "A"** attached to this Agreement) or as otherwise instructed by GPFC in writing, including in form and manner and appropriate legends as may be prescribed by GPFC from time-to-time. Franchisee may not use or display on any approved website for Franchisee's Store any other trademark, service mark or trade name in combination with any of the Goin' Postal Marks without GPFC's prior written consent. Franchisee may not use or display the Goin' Postal Marks, or any other mark GPFC owns or will own, in any advertising which has not been provided to Franchisee by GPFC or previously approved in writing by GPFC. Franchisee shall not use or associate in any way the Goin' Postal Marks with any products or services not approved by GPFC in writing. All uses and depictions of the Goin' Postal Marks on or within Franchisee's approved website must properly depict and portray the appropriate trademark symbol (TM or SM for unregistered trademarks or service marks, as the case may be, owned by GPFC; and the symbol ® for all of GPFC's registered trademarks and service marks). All uses and depictions of the Goin' Postal Marks on or within Franchisee's approved website for Franchisee's Store must give proper attribution of GPFC's ownership of each of the Goin' Postal Marks using a format such as the following: **"Goin' Postal" and all associated, related and connected drawings, designs, slogans, tag-lines, deliveryman characters and characterizations, and other depictions used with or as part of "Goin' Postal" are registered trademarks of Goin' Postal Franchise Corporation".**

- 6.6 Franchisee shall immediately notify GPFC of any infringements or imitations of the Marks, and of any challenges to Franchisee's use of any of the Marks, of which Franchisee becomes aware. GPFC shall have sole discretion to take any action, administrative proceeding or litigation affecting the Marks. Franchisee shall cooperate in the prosecution or defense of any such action as requested by GPFC. GPFC will (provided Franchisee has notified GPFC immediately upon becoming aware of an infringement of or challenge to Franchisee's use of the Marks) reimburse Franchisee any reasonable costs Franchisee incurs in its defense or participation in the defense of GPFC's Marks.
- 6.7 GPFC reserves the right, in its sole discretion to designate one or more new, modified or replacement Marks for use by Franchisee and, upon written notice from GPFC, Franchisee shall implement such new, modified or replacement Marks, as prescribed by GPFC. Any expense or costs associated with the use by Franchisee of any such new Marks shall be the sole responsibility of the Franchisee.

## **7. STANDARDS AND SPECIFICATIONS; CONFIDENTIAL OPERATIONS MANUAL**

### **7.1 Operating Standards and Specifications**

- a. Throughout the Term, the Franchisee shall adhere to the methods and practices developed by GPFC for the operation of the Franchisee's Store, including the Method established by GPFC for postal, packaging, shipping, business and communication services as provided in this Agreement and in the GPFC Operations Manuals.
- b. Throughout the Term, Franchisee shall operate the Franchisee's Store at the Location as specified in this Agreement and in compliance with GPFC's Store Set-Up Manual and current Standards and Specifications for internal and external Store image specifications, Store design, advertising, computer hardware and software, and products and services.

- c. Franchisee shall do business under Franchisee's legal name followed by the initials "d/b/a" and the business name "Goin' Postal of [City of Location]. If Franchisee is required by applicable law, Franchisee shall promptly upon execution of this Agreement, file a notice of intent to conduct business under the name "Goin' Postal of [City of Location]" and file any associated state or local registration. Promptly upon an expiration or termination of this Agreement, Franchisee shall file such documents as are necessary by local law to terminate such assumed name, and if Franchisee shall fail to do so, Franchisee hereby appoints GPFC as its attorney-in-fact to do so for and on behalf for Franchisee. An example of the proper format for designating a business name for a corporate Franchisee whose Store Location is in Austin, Texas would be, "XYZ, Inc., d/b/a Goin' Postal of Austin".
- d. GPFC may revise its Standards and Specifications for all franchisees from time to time. Consequently, Franchisee may be required to upgrade or update its computer hardware and software system, or its Store image and trade dress consistent with the then existing Standards and Specifications adopted by GPFC as part of the Method. There are no limitations on the frequency of these upgrades, though GPFC's industry reflects an update or upgrade every 3 to 4 years. If Franchisee is required to upgrade, Franchisee must purchase and utilize these upgrades as specified in the GPFC Manuals. If at any time GPFC shall mandate a software change to replace (as opposed to updating) currently approved Point of Sale System and/or accounting software, GPFC shall provide this software at no charge to existing franchisees. GPFC's proprietary GP Rate Pro software, as well as various third party software program, require annual updating, and Franchisee is solely responsible for the costs to do so (presently, \$250.00 annually for GPFC's GP Rate Pro software).
- e. Franchisee shall timely submit reports and Royalty payments as required in Section 5 of this Agreement.

## 7.2 Confidential Manuals

- a. Upon execution of this Agreement, GPFC shall furnish the Franchisee, via password access to the Owners' Section of the GPFC website, with one copy of the GPFC Store Set-Up Manual and New Franchisee Primer (referred to throughout this Agreement as the "Store Set-Up Manual") and with one copy of the GPFC Operations Manual (referred to throughout this Agreement as the "Operations Manual"), both of which may be printed by Franchisee and used in the operation of Franchisee's Store (sometimes in this Agreement the Store Set-Up Manual and the Operations Manual may be referred to collectively as the "Manuals"). GPFC will periodically update the Store Set-Up Manual and/or Operations Manual and make these updates available on the GPFC website. Once Franchisee's Store is open and operational, Franchisee shall be required, on a schedule as prescribed by GPFC, to download and print any new updated Operations Manual, and either destroy all prior versions of the Operations Manual by shredding, or alternatively they must be returned to GPFC.
- b. Franchisee shall strictly adhere to the Standards and Specifications (referred to throughout this Agreement as the "Standards and Specifications") laid out in the GPFC Store Set-Up Manual and GPFC Operations Manual, or as included in the secure password protected Owners' Section of the GPFC website. If Franchisee cannot lawfully or practically adhere to any of such Standards and Specifications, Franchisee must immediately notify GPFC in writing advising of such inability and the reasons therefore, and asking for a waiver of the specific Standards and Specifications at issue. GPFC shall have the sole discretion to determine whether any such waiver request is justifiable and whether or not to issue any such waiver.



- c. As GPFC continues to develop additional confidential information and other trade secrets associated with the Method and GPFC's Goin' Postal Franchise Chain, GPFC will make this information available to Franchisee as and to the extent it is needed for the operation of Franchisee's Store. Franchisee will use GPFC's Store Set-Up Manual, Operations Manual, online website materials (including, specifically, but not limited to, all materials and information contained within the secure password protected Owners' Section), and other confidential information and trade secrets created by GPFC and provided or made available to Franchisee only in connection with the operation of Franchisee's Store at the Location as part of GPFC's Goin' Postal Franchise Chain and Franchisee will keep this information confidential and will not disclose, disseminate or distribute it to any third party for any reason.
- d. Franchisee's duty not to disclose to any unauthorized third party, and not to use for any unauthorized purpose, the confidential information outlined in this Section 7 shall survive the expiration or termination of this Agreement.

### 7.3 Purchase and Sale Of Goods and Services

- a. At all times throughout the Term, Franchisee shall offer, sell and provide in connection with the Franchisee's Store, only those goods and services that are authorized by Goin' Postal Franchise Corporation. Franchisee shall only purchase authorized goods and services from GPFC approved suppliers.
- b. If Franchisee should desire to purchase a product or service from a supplier other than one already pre-approved by GPFC, Franchisee must first obtain approval from GPFC. The request must be made in writing via e-mail to GPFC and, if approved, GPFC will e-mail approval to Franchisee authorizing Franchisee to proceed with the purchase.
- c. Franchisee may not offer for sale any goods or services using the "Goin' Postal" name or by using any of the Marks unless expressly authorized in writing by GPFC to do so.

### 7.4 Trained Staff

Franchisee shall at all times during the Term designate and retain as a primary operator to direct the operation and manage Franchisee's Store at the Location a Manager, an Owner, the Franchisee (if an individual) or another employee of Franchisee who has successfully completed to the satisfaction of GPFC all training conducted at GPFC's Headquarters and at the Franchisee's Store at the Location. Franchisee shall immediately notify GPFC of any change in this designated person and Franchisee shall be responsible to pay for the training of any replacement designee within 60 days of any such change; provided, however, should there be space available in a particular training session at GPFC's Headquarters scheduled by Franchisee for any additional designee(s) of Franchisee which is not otherwise filled with new franchisees, there will be no additional charge imposed by GPFC upon Franchisee for its new designee(s) to attend this training (but Franchisee shall be solely responsible for all travel expenses, meals, lodging and living expenses for the designee(s) to attend such training in Zephyrhills, Florida), with the understanding that the new designee's(s') scheduled dates may be cancelled upon reasonable notice to make space for any new franchisee(s) wanting to schedule their initial training during such period.

## 8. ADVERTISING AND MARKETING

The parties acknowledge the value of standardized advertising and marketing programs to the growth and public awareness of GPFC's Goin' Postal Franchise Chain and the goodwill and public image toward it, and, as such, the following terms and conditions shall govern the scope of,

and conditions and limitations on, all advertising and marketing of Stores, the Method, and GPFC's Goin' Postal Franchise Chain:

- 8.1 A portion of the Royalty received by GPFC from all Goin' Postal franchisees may be expended by GPFC, in its sole discretion, for public relations, advertising, testing and marketing new programs, products and services, promotional programs and other related undertakings pertaining to the entire Method and GPFC's Goin' Postal Franchise Chain. GPFC shall have complete discretion as to the use and allocation of these funds.
- 8.2 GPFC has the final decision as to all advertising, marketing and promotional decisions and activities, as well as the use of the funds in the marketing fund generated by Royalties paid by all franchisees.
- 8.3 GPFC shall make available to Franchisee all advertising, marketing and promotional materials produced by or at the direction of GPFC through use of the marketing fund, at no cost to the Franchisee. Franchisee agrees that GPFC shall have the right and ability during all training sessions and during reasonable business hours of Franchisee's Store operation to photograph Franchisee, Franchisee's owners and employees, and Franchisee's Store and use those photographs in GPFC's website, advertising and promotional materials.
- 8.4 Franchisee may not independently advertise Franchisee's Store on the Internet. Any Internet presence which Franchisee desires to maintain for Franchisee's Store must comply with GPFC's strict Internet quality standards, must be approved by GPFC in advance of any use or dissemination of such advertising materials, and must be in strict accordance with the Domain Name License Agreement entered into between Franchisee and Franchisor. All website designs must be approved by GPFC before being made available to the public. Any approved website for Franchisee's Store should be limited to furnishing information specific to Franchisee's Store such as (i) location and contact information; (ii) hours of operation; (iii) specific services and products available at Franchisee's particular Location; (iv) Franchisee's specific ownership information; (v) community events which Franchisee is sponsoring or in which Franchisee is participating; and (vi) any approved specials or promotions being offered by Franchisee's particular Store Location. Franchisee may not advertise or promote on any approved website for Franchisee's Store any independent business which is not an approved component of Franchisee's Store without GPFC's prior written approval and, even with such approval, without having a conspicuous disclaimer of affiliation with GPFC, with the Goin' Postal Franchise Network and with Franchisee's Store such as the following:  
“ \_\_\_\_\_ **[name or title of such independent business] is not sponsored or endorsed by, or affiliated with, Goin' Postal Franchise Corporation, the Goin' Postal Franchise Network, or this independently owned and operated Goin' Postal Franchise Store**”.
- 8.5 Franchisee shall use the Marks, trade styles, color combinations, designs, and slogans of GPFC only in the form and manner adopted by GPFC and only in a manner only as expressly permitted by this Agreement or by GPFC in writing.
- 8.6 Franchisee shall not use the Marks or slogans of GPFC in any Internet domain name, Internet home page or other website or Internet accessible materials without prior written consent of GPFC and without being in accordance with the provisions of the Domain Name License Agreement entered into between Franchisee and GPFC.

## 9. RECORDS, STATEMENTS, INSPECTIONS AND AUDITS.

### 9.1 Statements and Records

- a. Franchisee shall at all times keep, maintain, and retain for a period of at least 3 calendar years, true and accurate accounts and records concerning the yearly operation of the Franchisee's Store in accordance with the recordkeeping procedures specified in the GPFC Operations Manual.
- b. Franchisee hereby authorizes GPFC to publish and/or include Franchisee's reports for use in promoting GPFC's Goin' Postal Franchise Chain. If GPFC chooses to publish any information provided by Franchisee, it will be in an anonymous form not linked in any way to the Franchisee.

### 9.2 Inspections

GPFC or its representative(s) shall have the right to enter and inspect the Location and Franchisee's Store at any time with or without notice. GPFC shall also be permitted to photograph the Franchisee's Store, and make copies of any books or records relating to the operation of the Franchisee's Store. GPFC shall use its rights under this Section of the Agreement to minimize interference with the operation of the Franchisee's Store.

## 10. REPRESENTATIVES, WARRANTIES, AND COVENANTS

10.1 During the Term of this Agreement, Franchisee, and its Owners and/or Managers signing below, covenant and represent that they and each of them shall:

- a. use their best and continuing efforts to promote and develop the Goin' Postal shipping business at the Franchisee's Store;
- b. devote their full time and attention to the running of the Franchisee's Store, or have the Franchisee's Store operated by a well trained and competent manager who has successfully completed all training requirements under Section 4.1 of this Agreement above, has signed this Agreement below, and has signed the Non-Competition and Non-Solicitation Agreement (**Exhibit "B"** to GPFC's Franchise Disclosure Document);
- c. maintain a sufficient number of well trained and competent staff to operate the Franchisee's Store efficiently;
- d. comply with all applicable laws;
- e. not disclose or disseminate to anyone other than the Franchisee's Store staff, on a need to know basis, any confidential information or trade secrets of GPFC (as more fully described in Section 7 hereinabove) provided by GPFC for the operation of the Franchisee's Store, including, without limitation, any materials contained within the secure password protected Owners' Section of GPFC's website;
- f. not use any of GPFC's confidential information or trade secrets (as described in this Agreement) provided for the operation of the Franchisee's Store in any other business venture or endeavor;
- g. operate and keep open to the public for business the Franchisee's Store at least 50 hours per week; and

- h. operate Franchisee's Store in such a way that will promote a first class and professional appearance and reputation of GPFC and of the Marks, the Method and GPFC's Goin' Postal Franchise Chain, and refrain from any business practice or conduct which would defame, damage or otherwise injure the reputation, goodwill or desirability of the Franchisee's Store, GPFC, the Method, the Marks, or GPFC's Goin' Postal Franchise Chain.
- 10.2 If, and only if, GPFC provides prior written consent to Franchisee's proposal to engage in a business other than the operation of the Franchisee's Store, and provided such business does not violate Franchisee's covenants within the Non-Competition and Non-Solicitation Agreement signed by Franchisee in connection herewith, then GPFC's consent as just described shall be subject to the additional following conditions:
  - a. Such other business authorized to be conducted shall not be operated at the Location without GPFC's prior written consent (which may be withheld at GPFC's sole and absolute discretion) and shall not interfere with the operation of the Franchisee's Store at the Location;
  - b. No other authorized business, and no combination of other authorized business, may be conducted in or out of Franchisee's Store or at the Location which generate(s) total sales or revenues greater than forty-nine percent (49%) of the sum of all sales and revenues generated by all such other authorized business operations plus all sales and revenues generated by the Franchisee's Goin' Postal Store business operations.
  - c. Franchisee shall maintain separate books, records and a distinct different image for the other business, and shall not commingle income, expenses or funds with those pertaining to the operations of the Franchisee's Store;
  - d. Such other business does not damage, infringe upon, diminish or interfere with the validity, value or reputation of GPFC's Marks, Method or GPFC's Goin' Postal Franchise Chain, or goodwill associated therewith. Under no circumstances may Franchisee use the Goin' Postal name, any of GPFC's Marks, or GPFC's Goin' Postal Franchise chain as part of or in connection with any other authorized business for which such use is prohibited as designated on **Exhibit "F"** to GPFC's Franchise Disclosure Document, or in order to sponsor, endorse, market or promote such other authorized business for which such use is so prohibited;
  - e. Such other business does not directly or indirectly interfere or compete with the Franchisee's Store or any other Store; and
  - f. If approval has been given by GPFC to operate such other business at the Location, such other business does not violate any of the UPS, FedEx, DHL or other carrier's regulations on types of businesses that may be operated out of the Location.
- 10.3 As of the date of signing of this Agreement by Franchisee, the information provided in the Personal Data Disclosure and Franchisee Ownership Information Form (**Exhibit "C"** to GPFC's Franchise Disclosure Document) by the Franchisee is true, accurate and complete. Should any data not be available at the time of signing this Agreement, such as Store telephone numbers etc., Franchisee will forward this information immediately to GPFC when it is available, but no later than the date Franchisee's Store opens for business.
- 10.4 Franchisee affirms that all information provided to GPFC is, and all future submissions of information shall be, true, factual and complete. Franchisee acknowledges that GPFC

relies on the truthfulness, accuracy and completeness of all information provided by the Franchisee.

- 10.5 Franchisee shall display in Franchisee's Store any promotional materials as supplied by preferred vendors and/or GPFC in the manner instructed when supplied with said materials. GPFC shall not require Franchisee to promote any service or product that would not generate to Franchisee's Store additional income if sold.
- 10.6 Franchisee and its Owners and Managers signing below, if any, represent, warrant and covenant that they received a copy of GPFC's current Franchise Disclosure Document at least fourteen (14) calendar days before any of them signed this Agreement or paid any money to GPFC, that they read and reviewed a copy of GPFC's current Franchise Disclosure Document in its entirety, and that this Agreement which has been signed by each of them is in all material respects identical to that Franchise Agreement which was attached as Exhibit "A" to the specific copy of GPFC's current Franchise Disclosure Document which was so received, read and reviewed; and to the extent any material alterations were unilaterally made by GPFC to this Agreement as compared to the Franchise Agreement which was attached as **Exhibit "A"** to the specific GPFC Franchise Disclosure Document each of them received, read and reviewed, they received and reviewed a copy of this Agreement at least seven (7) calendar days before any of them signed this Agreement.

## 11. TRANSFER AND ASSIGNMENT

### 11.1 By GPFC

GPFC may assign all of its rights, title and interests in this Agreement, and the rights hereunder shall inure to the benefit of its successors and assigns, provided that any such successors and assigns shall agree in writing to assume all of GPFC's obligations hereunder. Such assignment shall discharge GPFC from any further obligation hereunder. In addition, upon such terms as GPFC may determine, GPFC may assign all or part of its responsibilities and rights under this Agreement to an agent, a Regional Director whose territory includes all or part of Franchisee's Territory, or such other Regional Director as selected by GPFC.

### 11.2 By Franchisee

- a. The Franchisee is not permitted to pledge, encumber, or otherwise give any third party a security interest in this Agreement (or the Franchisee's rights associated with this Agreement), unless, and only if, such third party agrees in writing issued to and in favor of GPFC that if and when it seeks to pursue its rights related to the security interest in this Agreement via a repossession or similar remedy, it shall not be permitted, without the prior written consent of GPFC, to operate the Franchisee's Store associated with this Agreement, nor resell to a third party the franchise rights associated with the Franchisee's Store under this Agreement. GPFC shall apply its standard selection criteria when determining whether to grant its consent just as if the third party were a candidate to open a new Store or purchase an existing Store.
- b. The rights and duties created by this Agreement are personal to Franchisee, and GPFC has entered into this Agreement in reliance on certain factors, including the character, skill, aptitude and financial capacity of Franchisee and its Owners, if it is an entity. Accordingly, neither Franchisee's (or any Owner's) interest in this Agreement, nor any of his/her/its rights or privileges hereunder, shall be sold, conveyed, assigned, transferred, disposed of or divided, voluntarily or involuntarily, by operation of law or otherwise (including division of community property in a

divorce proceeding), in any manner (all such described means of transfer or disposition being referred to simply as an "Assignment"), without GPFC's prior written consent as provided in Section 11.3 below. Any such Assignment occurring by operation of law or otherwise, including any Assignment by a trustee in a bankruptcy, without GPFC's prior written consent, shall be null and void and be a material default of this Agreement and grounds for an immediate termination requiring no notice or opportunity to cure.

- c. Any sale, assignment, transfer, conveyance, gift, pledge, mortgage, encumbrance or other disposition, of a substantial portion of the assets of Franchisee's Store, or of more than 50% of the outstanding and issued stock, membership interests, partnership rights or other ownership interest of Franchisee, by one or more transfers, by operation of law, or any other event or transaction which, directly or indirectly, effectively changes the ownership of the business operations (or assets essential to continue such business operations) of Franchisee's Store or the management or voting control of Franchisee shall constitute an "Assignment" hereunder. It shall be assumed for all purposes in applying this provision that Franchisee's management and voting control is determined under its governing documents by simple majority decision.
- d. It shall also constitute an "Assignment" hereunder if less than 50% of the ownership interest in Franchisee effectively changes the management or voting control of Franchisee. Example: If A owns 40%, B owns 30%, and C owns 30%, and C sells his or her shares to B, then B would be able to assume voting and management control, and as such, C's transfer would constitute an "Assignment".

11.3 Franchisee acknowledges the vital importance of Franchisee and Franchisee's Store to the market position and overall image of GPFC, the Marks, the Method and GPFC's Goin' Postal Franchise Chain. Franchisee also recognizes that there are many objective and subjective factors that comprise the process by which GPFC selects a suitable Franchisee; therefore, GPFC may impose any reasonable condition to its consent to an Assignment, which shall include without limitation, the satisfaction of all of the following conditions:

- a. Proposed transferee must complete, sign and comply with all requirements of the then current Franchise Agreement and GPFC's then current Franchise Disclosure Document, including satisfactory completion of all mandatory training then required by GPFC for new franchisees (currently provided in Section 4.1 of this Agreement above).
- b. Proposed transferee must be a person or entity that meets GPFC's then current standards and qualifications for new franchisees.
- c. The proposed Assignment shall be on commercially reasonable terms, and shall include as part of the documentation otherwise entered into between Franchisee and the transferee an Addendum identical in form and substance as that attached to this Agreement as **Exhibit "B"** and incorporated in this Agreement by this reference (such Addendum being hereinafter referred to as the "Required Transfer Addendum"). The Required Transfer Addendum, fully completed and signed by both Franchisee and the transferee, must be forwarded to GPFC with the required notice of intended Assignment required under Section 11.5 of this Agreement immediately below. For purposes of defining the specific transfer arrangements applicable to any approved Assignment, the Required Transfer Addendum is incorporated into and made a part of this Franchise Agreement, of any new Franchise Agreement to be signed by the transferee, and of those particular agreements pursuant to which the approved Assignment is structured,

contemplated and consummated. GPFC's consent to the Assignment does not constitute a guarantee of, and does not ensure, the transferee's success as a franchisee, nor should any approved transferee rely upon GPFC's consent to the Assignment in determining whether to acquire the Franchisee's Store or not, or in determining the soundness of such transferee's investment in purchasing the Franchisee's Store. Under no circumstances shall GPFC's consent to any Assignment be deemed or considered to be an acknowledgment or representation on the part of GPFC in favor of either the Franchisee or Franchisee's intended transferee that the Location of Franchisee's Store is marketable, profitable, promising, or otherwise has the characteristics or potential for generating a customer and income stream to support the financial needs or requirements of the Store, the transferee, or the obligations due to GPFC under the new Franchise Agreement or to Franchisee under the sale arrangements.

- d. As of the effective date of the proposed Assignment, all obligations of Franchisee hereunder and under all agreements between GPFC or any of its affiliates and Franchisee shall be fully satisfied and not be in default.
- e. The transferee must sign a new Franchise Agreement in form and substance of GPFC's then current Agreement, for a new Term, and all associated documents, including, but not limited to, the then current Non-Competition and Non-Solicitation Agreement, and, if applicable, the then current Continuing Personal Guaranty.
- f. At or prior to the Assignment, GPFC must receive payment from Franchisee (also known, for these purposes as the "transferor" or "seller") and/or from the Franchisee's "buyer" or "transferee" of a "Transfer Fee" in the amount of \$5,000.00.
- g. Franchisee shall enter into a general release (in a form prescribed by GPFC) that will release GPFC and its affiliates from any and all suits, claims or causes of action arising from or in any way connected with this Agreement, the operation by Franchisee of Franchisee's Store, and/or the sale of Franchisee's ownership of both the Franchisee's Store and the Goin' Postal franchise granted to Franchisee under this Agreement.
- h. GPFC may withhold its consent to any proposed Assignment even upon compliance with the above conditions, and GPFC shall not incur any liability on account of withholding any consent of any proposed Assignment.

#### 11.4 Death or Incapacity of Franchisee or Controlling Owner(s)

- a. In the event of the death or incapacity of Franchisee or any of its Controlling Owner(s), GPFC may, upon the written request of the heirs or representatives of Franchisee or its Controlling Owner(s), subject to this Section 11.4, allow such heirs or representatives a period of six (6) months from the date of death or incapacity to:
  - i. Demonstrate that such heirs or representatives meet GPFC's Standards and Specifications for new Store franchisees and sign and agree to the terms of the then current Franchise Agreement (except that the term shall be the remaining Term of this Agreement and that no initial franchise fee or Transfer Fee shall be payable); or
  - ii. Assign this Agreement to a third party acceptable to GPFC who meets GPFC's Standards and Specifications for new Store Franchisees.

- b. GPFC may impose reasonable conditions as to the rights granted under this Section 11.4, including the following which shall be deemed reasonable: (i) the Franchisee's Store at the Location must continue to be operated in conformity with this Agreement, the Method and GPFC's Manuals; and (ii) if GPFC determines that the Franchisee's Store is not being operated properly, GPFC may assign a manager to the Franchisee's Store (at Franchisee's expense) until such time as the new owners are in a position to properly manage and operate the Franchisee's Store.

#### 11.5 GPFC's Right of First Refusal.

- a. If Franchisee desires to make any Assignment for value, including any Assignment consisting of a sale of the assets of Franchisee's Store or the equity ownership interests of Franchisee, as applicable, at least forty-five (45) days prior to the scheduled date to close and consummate such proposed Assignment for value, Franchisee shall notify GPFC in writing of such intended Assignment. Such notice shall disclose the name of the proposed purchaser or other transferee, all terms and conditions of the proposed Assignment for value, and must be accompanied by a fully signed purchase and sale agreement or other signed agreement which reflects the terms and conditions of the proposed Assignment for value, and by a complete set of all the documents required under Section 11.3 hereinabove (including the Required Transfer Addendum). The effectiveness of the purchase and sale agreement or other agreement providing for the proposed Assignment must be expressly contingent upon GPFC's waiver in writing of its rights of first refusal provided in this Section 11.5 and also upon GPFC's written consent to the proposed Assignment. GPFC shall have a period of thirty (30) days within which to exercise its rights of first refusal granted in this Section 11.5, with such 30 day period commencing upon receipt by GPFC of all required notices, documents and information stated in this Section 11.5.
- b. Within the thirty (30) day period provided for GPFC to act upon its rights of first refusal, GPFC may elect to purchase or otherwise acquire Franchisee's rights under this Agreement and the assets of Franchisee's Store (or, as applicable, the ownership interests of Franchisee) on the same terms and conditions reflected in the notice required under Section 11.5(a) immediately above. In the event that GPFC exercises its rights of first refusal provided in this Section 11.5, the closing on GPFC's purchase or other acquisition of Franchisee's rights under this Agreement and the assets of Franchisee's Store (or, as applicable, the ownership interests in Franchisee) shall take place on the later of the closing date stated in the notice of the proposed Assignment or ninety (90) days following GPFC's receipt of all required documents as described in Section 11.3 and Section 11.5(a) hereinabove.
- c. If GPFC does not exercise its right of first refusal provided for in this Section 11.5, GPFC shall, within the 30 day period provided for hereinabove, notify Franchisee whether it consents to the proposed Assignment, which approval shall not be unreasonably withheld upon Franchisee's strict compliance with GPFC's Assignment requirements provided in Sections 11.2 and 11.3 hereinabove.

## 12. DEFAULT AND TERMINATION

### 12.1 Termination by Franchisee.

Franchisee may terminate this Agreement due to a material default by GPFC of its obligations hereunder, which is not cured by GPFC within 60 days of prompt written notice by Franchisee to GPFC outlining the alleged default with specificity; provided, that if the



default is such that cannot be reasonably cured within such 60 day period, GPFC shall not be deemed to be in default for so long as it commences to cure such default within 60 days and diligently continues to prosecute such cure to completion. Such notice of material default must be given by Franchisee to GPFC within 60 days of the date upon which the alleged default occurs. Failure to give such notice shall constitute a waiver of any such alleged default. If Franchisee terminates this Agreement under this Section 12.1, Franchisee shall comply with all of the terms and conditions of Section 14 and Section 7.2 of this Agreement, and Franchisee (and if applicable, Owners and Managers) shall fully comply with the Non-Competition and Non-Solicitation Agreement signed by Franchisee, its Owners, and Managers, as the case may be, in connection with the execution and delivery of this Agreement and as evidenced by **Exhibit "B"** to GPFC's Franchise Disclosure Document (such Disclosure Document being sometimes referred to in this Agreement as the "UFDD"), and Franchisee's Owners, as applicable, shall continue to be bound by the provisions of the Continuing Personal Guaranty evidenced by **Exhibit "K"** to GPFC's UFDD.

#### 12.2 Termination by GPFC

GPFC has the right to terminate this Agreement only for "cause". "Cause" is hereby defined as a material breach of this Agreement.

#### 12.3 Termination With Notice and Opportunity to Cure.

Except for any default under Section 12.4, and as otherwise expressly provided elsewhere in this Agreement or by applicable laws, Franchisee shall have 30 days after GPFC's written notice of default in which to remedy any default under this Agreement and to provide evidence of such remedy to GPFC. If any such default is not cured within that time period, or such longer time period as applicable law may require or as GPFC may specify in the notice of default, such failure shall constitute a material breach hereunder and this Agreement and all rights granted by it shall thereupon automatically terminate without further notice or opportunity to cure.

#### 12.4 Termination by GPFC Without Notice or Opportunity to Cure.

Subject to any controlling applicable laws to the contrary, Franchisee shall be deemed to be in material breach and default and GPFC may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon delivery or attempted delivery to Franchisee of notice by GPFC of the occurrence of any of the following events:

- a. Failure on the part of Franchisee (or, as applicable, on the part of any of Franchisee's Owners under the Continuing Personal Guaranty signed by such Owner's as evidenced by **Exhibit "K"** to GPFC's UFDD) to pay any Royalty or any other sum or monetary amount due from Franchisee to GPFC under the terms of this Agreement or any other agreement between Franchisee and GPFC (or any of its affiliates) on the designated date due, or any failure, refusal or rejection of payment or payment authorization in connection with any established credit card, electronic funds transfer or other automatic payment arrangement established by and between Franchisee and GPFC for purposes of transacting and effecting Franchisee's payments of Royalties and/or other obligations due and owing from Franchisee to GPFC under this Agreement or any such other agreements;
- b. Franchisee or any Controlling Owner(s) (throughout this Agreement, "Controlling Owner(s)" shall mean any person(s) or entity(ies) owning alone or in combination 50% or more of the ownership interests of Franchisee) of Franchisee is adjudicated bankrupt or judicially determined to be insolvent (subject to any

contrary applicable state or federal laws), or fails to meet his/her/its financial obligations as they become due, or makes a disposition for the benefit of his/her/its creditors;

- c. Franchisee or any of its Owners allows a judgment against it or them in the amount of \$10,000 to remain unsatisfied for a period of more than 30 days (unless a supersedeas or appeal bond has been filed);
- d. The Franchisee's Store, the Location (including the real property or building thereon), or the Franchisee's assets are seized, taken over, or foreclosed by a government official in exercise of its duties, or seized, taken over, or foreclosed by a creditor or lienholder, provided that the final judgment remains unsatisfied for a period of 30 days or more (unless a supersedeas or appeal bond has been filed);
- e. A levy of execution or attachment has been made or attempted to be made upon the Franchisee's Store and/or the franchise granted by this Agreement or upon any of the assets used in the Franchisee's Store, and it is not discharged within 5 days of such levy or attachment;
- f. Franchisee allows or permits any judgment to be entered against GPFC or its subsidiaries or affiliated corporations, arising out of or relating to the operation of the Franchisee's Store;
- g. A condemnation or Assignment in lieu of condemnation of, affecting or involving the Franchisee's Store and/or the Location;
- h. If Franchisee abandons the Franchisee's Store at the Location. For purposes of this Agreement, "abandon" shall mean (i) Franchisee's failure, at any time during the Term of this Agreement, to keep the Franchisee's Store open and operating for a period of three (3) consecutive business days, except as provided for in any written permission by GPFC, (ii) Franchisee's failure to keep the Franchisee's Store open and operating for any period, or any act or statement by Franchisee, after or from which it is not unreasonable under the facts and circumstances for GPFC to conclude that the Franchisee does not intend to operate the Franchisee's Store, unless such failure is due to fire, flood, earthquake or similar events beyond the control of Franchisee; or (iii) the withdrawal of permission or termination of lease by the applicable landlord that results in Franchisee's inability to operate the Franchisee's Store at the Location or any other forced or mandated closure of Franchisee's Store;
- i. If Franchisee receives at least 3 written notices of default from GPFC in any 12 consecutive month period (i.e. a "two strike" grace limit), concerning any breach of this Agreement by Franchisee, whether or not such breaches are curable or have or have not been cured after receipt of notice, such repeated course of conduct itself shall be considered an incurable material breach and grounds for termination of this Agreement at the same time or any time after GPFC notifies Franchisee of the third material default (nothing in this subsection shall be deemed to impose upon GPFC a duty or obligation to provide Franchisee with notice where no such notice is otherwise mandated or required under the provisions of this Agreement, nor does it restrict or prohibit GPFC from terminating this Agreement on the occurrence of a single breach under this Section 12.4);
- j. If Franchisee or any of its Owners, officers, directors, members, managers, partners or key employees is convicted of a felony or pleads guilty or nolo contendere to a felony or any other crime or offense which GPFC considers likely to adversely affect GPFC's reputation, the Method, the Marks, GPFC's Goin'

Postal Franchise Chain, the goodwill associated with any of the foregoing or GPFC's interest therein;

- k. If Franchisee purports to make any Assignment without GPFC's prior written consent or otherwise violates section 11 of this Agreement;
  - l. If Franchisee materially misuses or makes any unauthorized use of the Marks (including, without limitation, establishing a website without entering into the required Domain Name License Agreement as attached as **Exhibit "L"** to GPFC's UFDD, or violating the provisions of any such applicable Domain Name License Agreement) or otherwise materially impairs the goodwill associated therewith or GPFC's rights therein, or takes any action that reflects materially and unfavorably upon the operation or reputation of the Franchisee's Store, GPFC's network of Stores, the Method, the Marks, or GPFC's Goin' Postal Franchise Chain, or initiates, engages or participates in, or otherwise make any unauthorized use, disclosure, dissemination, distribution, or duplication of any of GPFC's Marks or Manuals or other confidential information or trade secrets (as described in this Agreement; and including, without limitation, any materials contained within the password protected Owners' Section of GPFC's website);
  - m. If Franchisee makes any material misrepresentations in connection with the execution of this Agreement or the acquisition of the Franchisee's Store at the Location and/or the franchise granted hereunder in connection therewith;
  - n. If Franchisee's lease is terminated and the Franchisee's Store at the Location is lost, whether for or as a result of default on or expiration of any term of the lease agreement; or
  - o. If Franchisee (or, if applicable any Owner), or any of Franchisee's officers, directors, stockholders, members, managers, partners or employees, shall violate the in in-term non-competition or non-solicitation covenants of that certain Non-Competition and Non-Solicitation Agreement signed by Franchisee in connection herewith, as attached as **Exhibit "B"** to GPFC's UFDD.
- 12.5 Any material default by Franchisee under the terms of this Agreement, or any other agreement between GPFC (or its affiliates) and Franchisee, or under Franchisee's lease, shall be a material default of each and every said agreement. Furthermore, in the event of termination, for any cause, of this Agreement or any other agreement between the parties, GPFC may, at its option, terminate any or all of said agreements.
- 12.6 Notwithstanding anything to the contrary contained in this Section 12, in the event any valid applicable law of a competent governmental authority having jurisdiction over this Agreement and the parties to this Agreement shall limit GPFC's rights of termination hereunder or shall require longer notice or cure periods than those provided above, this Agreement shall be deemed amended to conform to the minimum notice or cure periods or restrictions upon termination required by such laws and regulations. GPFC shall not, however, be precluded from contesting the validity, enforceability or applicability of any such laws or regulations.
- 12.7 GPFC's rights as stated in this Section 12 shall be without prejudice to any other rights or remedies provided by law or under this Agreement, which include, but are not limited to, injunctive relief, damages or specific performance. GPFC's failure to enforce or terminate this Agreement or any other agreement upon the occurrence of one or more of the above events shall not constitute a waiver of or otherwise affect GPFC's rights to terminate or enforce this Agreement or any other agreement because of any other occurrence of one or more of the events described above.

### 13. GPFC'S RIGHTS UPON FRANCHISEE'S TERMINATION

Upon the termination of this Agreement as provided above, in addition to all other rights and remedies of GPFC (including those contained in Section 14), GPFC may, at its option:

- 13.1 Commence proceedings for damages, injunctive relief and/or specific performance.
- 13.2 Purchase from Franchisee, or assign such right to a third party, the tangible assets (equipment, décor, etc.) of Franchisee's Store at a purchase price equal to such assets' appraised fair market value, from which shall be deducted the following, in the following order:
  - a. All outstanding and unpaid obligations of Franchisee to GPFC, including all unpaid fees, late payment fees and interest, and any promissory notes and equipment leases;
  - b. All of GPFC's costs of collection (including attorneys' fees) of unpaid obligations, if any;
  - c. The cost of upgrading Franchisee's Store to GPFC's then current Standards and Specifications for Stores; and
  - d. All outstanding claims of Franchisee's creditors and all accrued but unpaid amounts owed to Franchisee's lessor for the Franchisee's Store as of the date of the termination.

If GPFC exercises its right to receive liquidated damages in accordance with Section 13.5, GPFC shall then be prohibited from exercising its rights under this Section 13.2 to purchase the tangible assets of Franchisee's Store.

- 13.3 Because the termination of Franchisee's Agreement extinguishes all intangible franchise rights which were formally held by Franchisee, Franchisee acknowledges that the purchase described in Section 13.2 would not be in exchange for any such intangible assets or intangible rights which were formerly held by Franchisee.
- 13.4 If this Agreement is terminated due to Franchisee's abandonment of Franchisee's Store as described in Section 12.4(h) above, Franchisee has thereby abandoned any rights to the former business, including but not limited to, any potential proceeds from a potential purchase or sale as described above, or any payment or remuneration of any kind. Franchisee shall not upon any abandonment of Franchisee's Store remove any fixtures, equipment, furnishings, inventory, Point of Sale Systems or any other assets of Franchisee's Store not belonging to or otherwise required under this Agreement to be returned to GPFC unless and until all amounts owed to GPFC under this Agreement (including any "Liquidated Damages" due to GPFC) have been satisfied in full and until Franchisee has complied with all of Franchisee's obligations under Section 14 immediately below.
- 13.5 Payment of Liquidated Damages
  - a. If this Agreement terminates prior to its expiration (i) by GPFC in accordance with the terms of this Agreement, or (ii) by Franchisee not in accordance with Section 12.1 of this Agreement, GPFC has the right, but not the obligation, to require that Franchisee pay GPFC liquidated damages ("Liquidated Damages") as provided in Section 13.5(c) below. Franchisee's payment of Liquidated Damages to GPFC shall not be considered a penalty for Franchisee's breaching this Agreement, but

rather a reasonable estimate of GPFC's damages and lost future fees GPFC would have received from Franchisee under this Agreement had Franchisee not prematurely terminated.

- b. Franchisee acknowledges that its obligation to pay to GPFC Liquidated Damages is in addition to, not in lieu of (i) Franchisee's obligations to pay any amounts then due to GPFC, (ii) Franchisee's obligation to fully comply with all of its post-termination duties provided in this Agreement, including those contained in the Non-Competition and Non-Solicitation Agreement signed by Franchisee in connection herewith, and (iii) any other post-termination remedies that may be available to GPFC under the law. However, if GPFC exercises its right to receive Liquidated Damages in accordance with this provision, GPFC shall then be prohibited from exercising its rights, under Section 13.2 of this Agreement, to purchase the tangible assets of the Franchisee's Store.
- c. "Liquidated Damages" shall mean the amount of Royalty revenue that GPFC would have earned during the period of time from the date of termination until the Agreement's expiration date, but in no event greater than three (3) years ("Liquidated Damages Period"). Liquidated Damages shall be calculated by adding together the total amount of the monthly Royalty payments which would have been required to be paid by Franchisee under the terms of this Agreement (per the table in Section 5.1(e) above) during the Liquidated Damages Period. Any Liquidated Damages Period days in addition to full months shall be pro-rated appropriately. Franchisee acknowledges that the preceding formula for calculating such damage amounts is applicable and reasonable.

13.6 Enforce Franchisee's obligations under the Non-Competition and Non-Solicitation Agreement signed by Franchisee in connection with this Agreement, including any violation by Franchisee of those obligations.

13.7 Enforce the obligations of Franchisee's Owners, as applicable, under the Continuing Personal Guaranty evidenced by **Exhibit "K"** to GPFC's UFDD.

13.8 Enforce the obligations of Franchisee, as applicable, under the Domain Name License Agreement evidenced by **Exhibit "L"** to GPFC's UFDD.

#### **14. FRANCHISEE'S OBLIGATIONS UPON EXPIRATION AND/OR TERMINATION**

14.1 Upon expiration and/or termination (subject to Section 13) of this Agreement, Franchisee shall immediately:

- a. Cease to operate the former Store at Franchisee's Location, cease to use the Method and Marks in any form, cease to hold itself out as a Franchisee of GPFC or of GPFC's Goin' Postal Franchise Chain, and Franchisee shall not use or identify in any business name any of the words "Goin' Postal", "Goin'", "Postal", "Going Postal", "Going", "Go Postal", "Your Friendly Neighborhood Shipping Center", "Neighborhood Shipping Center", "Shipping Center", "Delivering the Best of America", or "Postage for Patriots" in any combination, form or fashion, or any words or letters confusingly similar to any of the words listed above. Franchisee shall take such action(s) as GPFC may require to accomplish the foregoing;
- b. Pay all sums due to GPFC. Franchisee must immediately upon expiration and/or termination provide GPFC with a detailed written itemized list of all fixtures, furnishings (including all those bearing or portraying any of the Marks), equipment, signs, computer systems (including Point of Sale Systems and all hardware and software), inventory and other assets which are a part of Franchisee's Store.

Except for returning to GPFC all items required to be returned per this Agreement, including the attached **Exhibit "C"** Checklist, Franchisee shall be prohibited from removing any of these assets from the Location of Franchisee's Store until all amounts due to GPFC at the time of termination and/or expiration (including any and all Liquidated Damages) have been satisfied in full. GPFC shall hold, possess and retain a security interest in all assets of Franchisee's Store, including the bank account(s) Franchisee has designated for all electronic funds transfer arrangements, effective on and as of the Effective Date of this Agreement and continuing until Franchisee pays in full all sums due to GPFC.

- c. Return to GPFC or its designee the GPFC Store Set-Up Manual, the GPFC Operations Manual, proprietary hardware and software, computer disks, and all other trade secrets and other confidential information delivered to Franchisee, and all copies of each and every one of those designated items and materials, and certify the deletion of all electronic copies of the above;
- d. Surrender to GPFC any stationery, printed matter, signs, promotional items and advertising materials containing the Marks, as may be requested by GPFC.
- e. Take such action as may be required by GPFC, including:
  - i. Transfer and assign the business telephone number, fax number, business Internet e-mail address, and any website or other Internet presence for Franchisee's Store to GPFC or its designee;
  - ii. Cease using, disconnect and transfer all such telephone numbers and Internet services to GPFC or its designee;
  - iii. Transfer to GPFC or its designee "white" and "yellow" page telephone listings, references and advertisements and all trade and similar name registrations and business licenses and cancel any interest which Franchisee may have in the same; and
  - iv. Implement all additional actions listed on GPFC's "Franchisee De-Identification Checklist" attached to this Agreement as **Exhibit "C"** and incorporated in this Agreement by this reference; provided, if GPFC elects its option to purchase the tangible assets of Franchisee's Store, some of these actions may not be necessary;
- f. Provided that GPFC, or its designee, does not take possession of the Franchisee's Store, make such changes to signs, décor, furniture, and equipment at Franchisee's Store at the Location as GPFC may require to distinguish and make readily clear that the premises (and business conducted at the premises) is not only no longer a Store under GPFC's Goin' Postal Franchise Chain, but is also no longer a retail shipping store under any chain or brand or under independent operation; and
- g. Strictly comply with Franchisee's obligations under the Non-Competition and Non-Solicitation Agreement signed by Franchisee in connection herewith, and, if applicable, Franchisee's obligations under this Domain Name License Agreement signed by Franchisee in connection with this Agreement.

14.2 In the event of termination and/or expiration of this Agreement, Franchisee hereby authorizes and appoints GPFC to act as attorney-in-fact for Franchisee to transfer any "white" and "yellow" pages listings, e-mail addresses, and Internet presence relating to Franchisee's Store.

- 14.3 In the event of the termination and/or expiration of this Agreement, Franchisee hereby authorizes GPFC to notify Franchisee's customers, vendors, suppliers, and any other appropriate party or parties that this Agreement and all Franchisee's rights and entitlements as a franchisee in GPFC's Goin' Postal Franchise Chain expired and /or have been terminated.
- 14.4 Termination and/or expiration of this Agreement shall be without prejudice to any other rights or remedies that GPFC or Franchisee, as the case may be, shall have in law or in equity, including, without limitation, the right to recover benefit of the bargain damages. In no event shall a termination and/or expiration of this Agreement affect Franchisee's obligations to take or abstain from taking any actions in accordance with this Agreement, or, if applicable, affect GPFC's rights to enforce the Continuing Personal Guaranty (**Exhibit "K"** to GPFC's UFDD). The provisions of this Agreement which constitute post-term covenants, including those contained in the Non-Competition and Non-Solicitation Agreement and the obligation of GPFC and Franchisee to resolve any and all disputes, shall survive the termination and/or expiration of this Agreement.
- 14.5 Franchisee acknowledges and agrees that the goodwill and other rights, interests and title in and to the Marks, the Method, the Store Set-Up Manual, the Operations Manual, the Owners' Section of GPFC's website, any website established or used by Franchisee for Franchisee's Store and the domain name and address for such website, GPFC's confidential information and trade secrets, and GPFC's Goin' Postal Franchise Chain, and the exclusive ownership and use of each and every one of those designated items and materials, shall be and remain the sole and exclusive property of GPFC.
- 14.6 Upon expiration and/or termination of the Term, if Franchisee does not renew under Sections 2.2 and 2.3, GPFC shall have the right and the option, but not the obligation, to purchase the tangible assets (equipment, furnishings, inventory, décor, etc.) of Franchisee's Store at the Location at a purchase price equal to such assets' appraised fair market value, from which the following shall be deducted:
- a. All outstanding and unpaid obligations of Franchisee to GPFC, including all unpaid fees, late payment fees and interest, promissory notes and equipment leases, if any;
  - b. All of GPFC's costs of collection (including attorneys' fees) of unpaid obligations, if any;
  - c. The cost of upgrading Franchisee's Store to GPFC's then current standards and specifications for Stores; and
  - d. All outstanding claims of Franchisee's creditors and all accrued but unpaid amounts owed to Franchisee's lessor for the Franchisee's Store as of the date of the termination.
- 14.7 Because the expiration and/or termination of Franchisee's Agreement extinguishes all intangible franchise rights that were formerly held by Franchisee, Franchisee acknowledges that the purchase described in Section 14.6 would not be in exchange for any such intangible assets or intangible rights which were formerly held by Franchisee as a result of this Agreement.

## 15. **INSURANCE**

- 15.1 Franchisee shall obtain and maintain throughout the Term of this Agreement, a minimum of one million dollars (\$1,000,000.00) in general liability insurance coverage, including

premises liability and property and casualty, shall expressly name GPFC as an additional insured or loss payee, shall contain a waiver of all subrogation rights against GPFC and its successors and assigns, and shall furnish a copy of such policy or policies initially upon the opening of the Franchisee's Store, and subsequently within 10 days of request in writing by GPFC.

- 15.2 In the event that damage to Franchisee's Store at the Location is covered by insurance, Franchisee shall use the proceeds from said insurance to return Franchisee's Store to operational status unless said repair is prohibited by Franchisee's lease.
- 15.3 If required by specific vendors and agencies, Franchisee shall purchase necessary bonds to offer certain services at the Franchisee's Store.
- 15.4 If Franchisee fails to comply with this Section, GPFC may, but is not obligated to, obtain and maintain insurance for Franchisee, for which Franchisee will be responsible for all costs and fees involved and will pay GPFC these costs and fees upon demand. GPFC is hereby authorized by Franchisee to charge on Franchisee's credit card any such fees and costs paid by GPFC and not reimbursed by Franchisee upon demand.

## **16. COMPLIANCE WITH LAWS AND OBLIGATIONS**

- 16.1 Franchisee shall comply with all applicable laws and timely obtain and maintain any and all permits, certificates and licenses for the full and proper conduct of business at Franchisee's Store at the Location, including all laws which impact the design and interior layout and improvements of Franchisee's Store.
- 16.2 Franchisee shall operate the Franchisee's Store in conformity with all U.S. Postal Service regulations and shall implement any and all changes in U.S. Postal Service regulations as instructed or notified by The United States Postal Service and shall follow all guidelines of the local post office in the general locality of Franchisee's Store at the Location.

## **17. INDEMNIFICATION AND INDEPENDENT CONTRACTOR**

- 17.1 Franchisee shall, at Franchisee's sole cost, defend and indemnify GPFC, its affiliates and their respective owners, directors, officers, agents, representatives, employees, successors and assigns, and hold each of them harmless from and against, and reimburse them for, all losses, claims, liabilities, obligations, damages, attorneys' fees, costs, settlement amounts, judgments, lost profits, charges, expenses, and taxes based upon, arising out of, or in any way related to the operation of the Franchisee's Store at the Location, Franchisee's acts or omissions, or the breach by Franchisee of any provision of this Agreement or any agreement signed by Franchisee in connection herewith. GPFC and its affiliates shall have the right to defend and/or settle any such matter in such a manner as they deem appropriate, in their sole discretion, and without the consent of Franchisee. Franchisee shall also reimburse each of the foregoing indemnified parties for any and all costs reasonably incurred in investigating and defending any such matter, including without limitation, attorneys' fees and court costs. This Section shall continue in full force and effect notwithstanding the termination and/or the expiration of this Agreement.
- 17.2 In all dealings with third parties, including but not limited to, employees, suppliers and customers, Franchisee shall disclose that it is in an independently owned and operated entity licensed by GPFC to operate a Store under a Goin' Postal franchise granted by this Agreement. Nothing in this Agreement is intended by the parties to create a fiduciary relationship between them, nor to constitute Franchisee an agent, legal representative, subsidiary, joint venturer, partner or employee of GPFC for any purpose whatsoever. It is understood and accepted that Franchisee is an independent contractor, and is in no way



authorized to make any contract, warranty, or representation, or to create any obligation on behalf of GPFC. Neither GPFC nor Franchisee shall guarantee the obligations of the other or in any way become obligated for the debts or expenses of the other.

## 18. **WAIVERS, FORMS OF AGREEMENT AND AMENDMENT**

- 18.1 No failure of GPFC to exercise any power reserved to it by this Agreement and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of GPFC's right to demand exact compliance with any of the terms in this Agreement. No waiver or acceptance by GPFC of any particular breach or default by Franchisee, nor any delay, forbearance, or omission by GPFC to act or give notice of default or to exercise any power or right arising by reason of default hereunder, nor acceptance by GPFC of payments due hereunder, shall be considered a waiver or acceptance by GPFC of any preceding or subsequent breach or default by Franchisee of any term, covenant or condition of this Agreement.
- 18.2 No warranty or representation is made by GPFC that all franchise agreements heretofore or hereafter issued by GPFC for Stores do or will contain terms substantially similar to those contained in this Agreement. Further, Franchisee recognizes and agrees that GPFC may, in its reasonable business judgment, due to local business conditions, or otherwise, waive or modify comparable provisions of other franchise agreements heretofore or hereafter granted to other franchisees of GPFC in a non-uniform manner.
- 18.3 No amendment, change or variance from the terms and conditions in this Agreement shall be binding on either GPFC or Franchisee except by mutual written agreement signed by both parties to this Agreement.

## 19. **NOTICES**

All notices and other communications (including notices of default or termination) permitted or required to be given under this Agreement shall be deemed to be delivered: (a) at the time personally delivered to GPFC's Headquarters (if delivered to GPFC) or Franchisee's address for the Franchisee's Store at the Location as described in this Agreement (if to Franchisee); (b) on the next day after placing in the hands of a commercial courier service or the United States Postal Service for Express Next Day Delivery; or (c) five days after placement in the United States Mail by Certified Mail, Return Receipt Requested, postage prepaid and addressed to the GPFC's Headquarters (if to GPFC) or Franchisee's address for the Franchisee's Store at the Location (if to Franchisee), or on the date of actual receipt, whichever is earlier.

## 20. **GOVERNING LAW AND DISPUTE RESOLUTION**

### 20.1 Validity, Choice of Law, Venue and Jurisdiction

- a. This Agreement shall become valid and effective when counter-signed and accepted by GPFC. The Effective Date of this Agreement shall be the date when signed and accepted by GPFC. This Agreement shall be deemed made and entered into in the State of Florida and shall be governed and construed under and in accordance with the laws of the State of Florida without giving effect to any conflict of laws, except: (i) that the Non-Competition and Non-Solicitation Agreement (**Exhibit "B"** to GPFC's UFDD) shall be deemed made and entered into, and governed and construed under and in accordance with, the laws of the State that is determined by the "Choice of Law" provision (Section 10) of such Non-Competition and Non-Solicitation Agreement; and (ii) to the extent governed by such federal laws protective of GPFC's or GPFC's affiliates' intellectual property rights in the Marks,

in the Method, in the Store Set-Up Manual, in the Operations Manual, in the GP Rate Pro Software, and/or in any of GPFC's other intellectual properties, including but not limited to, the Federal Trademark Act, the Federal Copyright Act, the Federal Lanham Act and the Federal Uniform Trade Secrets Act.

- b. Exclusive venue and jurisdiction of any suit arising hereunder shall lie within the courts of the State of Florida, located in Tampa, Florida or within the courts of the United States of America located within the Middle District of Florida.

## 20.2 Mediation

- a. Subject to the limitation provided in the last sentence of this Section 20.2(a), and subject to Section 20.2(b), before either party may initiate suit or action against the other, the parties pledge to first attempt to resolve the controversy or claim arising out of or relating to this Agreement (a "Dispute") through mediation conducted in accordance with the Commercial Mediation Rules of The American Arbitration Association, unless the parties agree on alternative rules and a mediator within 15 days after either party first gives notice of such Dispute (the "Mediation Notice"). Mediation shall be conducted at GPFC's Headquarters or at the office of GPFC's attorney, at the option of GPFC. The fees and expenses charged by the mediator shall be shared equally by the parties. The mediator shall be disqualified as a witness, expert or counsel for any party with respect to the Dispute and any related matter. Mediation is a compromise negotiation and shall constitute privileged communications under Florida and other applicable laws. The entire mediation process shall be confidential and the conduct, statements, promises, offers, views, and opinions of the mediator and the parties shall not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence that is otherwise discoverable or admissible shall not be excluded from discovery as a result of its use in the mediation. Mediation shall be deemed completed 30 days after the date of the Mediation Notice unless extended by mutual consent of the parties.
- b. GPFC shall not be required to attempt to first mediate a controversy or claim against Franchisee through mediation as provided in Section 20.2(a) if such claim or controversy concerns an allegation or allegations by GPFC that Franchisee has violated (or threatens to violate or poses an imminent risk of violating) any of GPFC's federally protected intellectual property rights in the Marks, in the Method, in the Store Set-Up Manual, in the Operations Manual, in the GP Rate Pro Software, or in any of GPFC's other intellectual properties, in which case GPFC shall reserve (and hereby reserves) the right to immediately seek injunctive relief, civil damages, ex parte seizure and other available remedies within the courts of the State of Florida or United States of America located within Tampa, Florida or the Middle District of Florida, as the case may be.

20.3 GPFC may be granted injunctive relief without the necessity of a bond, but upon notice; provided no prior notice shall be required in the event Franchisee counterfeits the Marks or the Method and GPFC pursues available ex-parte remedies.

20.4 IN ALL CASES EXCEPT WHERE EXPRESSLY PROHIBITED BY APPLICABLE STATUTORY LAW, FRANCHISEE AND GPFC EACH WAIVES ANY RIGHT TO A TRIAL BY JURY.

20.5 If GPFC institutes any action at law or in equity against Franchisee to secure or protect GPFC's rights under or to enforce this Agreement, in addition to any judgment entered in

its favor, GPFC shall be entitled to recover such reasonable attorneys' fees and costs as may be allowed by the court, together with court costs and expenses of litigation.

- 20.6 **To the extent the UFDD of GPFC which included this Agreement which has been signed by Franchisee, also included a state-specific Addendum as Exhibit "H" which contained additions, modifications or other changes to this Agreement mandated by the laws of the State of residency of Franchisee (hereinafter any such state-specific Addendum being referred to as the "Applicable State-Specific Addendum"), such Applicable State-Specific Addendum is incorporated in this Agreement and shall, to the extent required by the laws of the State of Franchisee's residency, supersede and take precedence over any contrary, conflicting or inconsistent provisions in this Agreement.**

## **21. SEVERABILITY AND CONSTRUCTION**

21.1 Every part of this Agreement will be considered severable as provided below.

- a. If, after application of any Applicable State-Specific Addendum, a court of competent jurisdiction declares any provision of this Agreement (or any exhibit or other document referred to in this Agreement) pertaining to the subject matters referenced in Section 21.1(b) to be invalid or unenforceable, but such provision could be rendered valid and enforceable if modified, then Franchisee and GPFC hereby agree that such provision shall be deemed modified to the extent required to make it valid and enforceable to the fullest extent under applicable state law and public policy.
- b. The subject matters that are made subject to Section 21.1(a) are any provisions of this Agreement (or any exhibit or other document referred to in this Agreement) pertaining to (i) termination of this Agreement, (ii) non-renewal of this Agreement, (iii) designation of jurisdiction and venue for dispute resolution proceedings, (iv) waivers of right to a jury trial, (v) "choice of law" provisions that specify which state's law would apply in a dispute resolution proceeding, (vi) certain types of mandatory franchisee "releases" or "waivers", and (vii) any other provision that is governed by any Applicable State-Specific Addendum or is otherwise inconsistent with a valid and applicable state law that was specifically intended to protect the rights of franchisees.
- c. If a mediator, arbitrator or court of competent jurisdiction declares any provision of this Agreement (or any exhibit or other document referred to in this Agreement), other than the provisions corresponding to the subject matters referenced in Section 21.1(b), to be invalid or unenforceable, but such provision could be rendered valid if modified, then Franchisee and GPFC hereby agree that GPFC shall have the right, in its sole discretion, to modify such invalid or unenforceable provision(s) to the extent necessary to render such provision(s) valid and enforceable, including, without limitation, the right to delete the provision in its entirety.
- d. Should any provision of this Agreement be found invalid or unenforceable as presented in the above provisions of this Section 21.1, the remainder of this Agreement shall in no way be affected and shall remain valid and enforceable for all purposes, both parties to this Agreement declaring that they would have signed this Agreement without inclusion of such provision. In the event that such total or partial invalidity or unenforceability of any provision of this Agreement exists only with respect to the laws of a particular jurisdiction, this Section 21.1 shall operate only upon such provision to the extent that the laws of such jurisdiction are applicable to such provision. Each party shall sign and deliver to the other any

further documents that may be reasonably required to effectuate fully the provisions hereof.

- 21.2 This Agreement and all other agreements and writings referred to in this Agreement, including but not limited to the Exhibits, the Non-Competition and Non-Solicitation Agreement, the Turn-Key Store Agreement (to the extent applicable), the Continuing Personal Guaranty (to the extent applicable), the Domain Name License Agreement (to the extent applicable), the UFDD, the Store Set-Up Manual, the GPFC Operations Manual, and the Standards and Specifications referred to in this Agreement, contain the entire agreement of the parties pertaining to the subject matter hereof and no prior or contemporaneous representations, inducements, promises, or agreements, oral or otherwise, between the parties not expressly provided in this Agreement shall be of any force and effect. The terms of all Exhibits to this Agreement and, to the extent not inconsistent with or contrary to the provisions hereof, all agreements and writings referred to in this Agreement, including in particular, but not limited to, GPFC's UFDD (and all supplements and amendments thereto made by GPFC throughout the Term), are hereby incorporated into and made a part of this Agreement as if the same had been expressly recited in this Agreement in full.
- 21.3 The table of contents, headings and captions contained in this Agreement are for the purpose of convenience and reference only and are not to be construed as part of this Agreement. All terms used in this Agreement shall be construed to include the number and gender as the context of this Agreement may require. As used in this Agreement the words "include", "includes" or "including" are used in a non-exclusive sense. Unless otherwise expressly provided in this Agreement to the contrary, any consent, acceptance, approval or authorization by GPFC which Franchisee may be required to obtain hereunder may be given or withheld by GPFC in its sole discretion, and on any occasion where GPFC is required or permitted hereunder to make any judgment or determination, including any decision as to whether any condition or circumstance meets GPFC's Standards and Specifications or GPFC's satisfaction, GPFC may do so in its sole subjective judgment. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter hereof, whether under any rule of construction or otherwise. To the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties to this Agreement. GPFC and Franchisee intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provisions unenforceable, then the provision shall be given the meaning that renders it enforceable. The parties agree that each Section of this Agreement shall be construed independently of any other section or provision of this Agreement.

## **22. MISCELLANEOUS**

- 22.1 In addition to all other remedies granted in this Agreement, if Franchisee shall default in the performance of any of its obligations or breach any term or condition of this Agreement or any related agreement, GPFC may at its sole discretion, immediately or at any time thereafter, without waiving any claim for breach hereunder and without notice to Franchisee, cure such default for the account and on behalf of Franchisee, and the cost to GPFC of effecting any such cure shall be due and payable on demand and shall be deemed to be additional compensation due to GPFC hereunder and shall be added to the amount of compensation next accruing hereunder, at the election of GPFC, and may be charged against any credit card Franchisee has allocated toward payment of Royalties or paid out of any bank account Franchisee has designated under any electronic funds transfer arrangement between the parties established hereunder for payment of Royalties.

- 22.2 This Agreement may be signed in any number of counterparts and copies, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.
- 22.3 The submission of this Agreement does not constitute an offer or acceptance by GPFC and this Agreement shall not be deemed valid, effective or binding upon GPFC until such time as GPFC accepts it and it is signed by an authorized officer on behalf of GPFC.
- 22.4 Franchisee and its Owners jointly and severally acknowledge that they have carefully read and understand this Agreement and all other related documents to be signed concurrently or in conjunction herewith (including in particular the UFDD, the Non-Competition and Non-Solicitation Agreement attached as **Exhibit "B"** to the UFDD, and, if applicable, the Continuing Personal Guaranty attached as **Exhibit "K"** to the UFDD and the Domain Name License Agreement attached as **Exhibit "L"** to the UFDD), that they have had the opportunity to consult with legal counsel, accountants and financial advisors in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and to be bound hereby. Franchisee and its Owners and Managers signing below, if any, represent, warrant and covenant that they received a copy of GPFC's current Franchise Disclosure Document at least fourteen (14) calendar days before any of them signed this Agreement or paid any money to GPFC, that they read and reviewed a copy of GPFC's current Franchise Disclosure Document in its entirety, and that this Agreement which has been signed by each of them is in all material respects identical to that Franchise Agreement which was attached as Exhibit "A" to the specific copy of GPFC's current Franchise Disclosure Document which was so received, read and reviewed; and to the extent any material alterations were unilaterally made by GPFC to this Agreement as compared to the Franchise Agreement which was attached as **Exhibit "A"** to the specific GPFC Franchise Disclosure Document each of them received, read and reviewed, they received and reviewed a copy of this Agreement at least seven (7) calendar days before any of them signed this Agreement.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be signed effective as of the date of counter execution by GPFC's authorized signing officer shown as follows:

#### **"FRANCHISEE"**

If the "Franchisee" is a legal entity (corporation, limited liability company, partnership, etc.) then (i) enter the name of the entity Franchisee in the following space: \_\_\_\_\_, (ii) each equity owner of the Franchisee must sign below (attach additional sheet if necessary) and must sign the Continuing Personal Guaranty (attached as **Exhibit "K"** to GPFC's UFDD), and (iii) in the lines appearing below each signature line, print the name(s) of the person(s) that are signing this Agreement, and print their title within such entity (president, partner, manager, member, etc.). If the Franchisee is not a legal entity at the time of signing, but rather one or more individual persons, then do not fill in the title lines below.

1: \_\_\_\_\_, 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above

\_\_\_\_\_  
Title of person that signed above

2: \_\_\_\_\_, 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above

\_\_\_\_\_  
Title of person that signed above

3: \_\_\_\_\_, 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above

\_\_\_\_\_  
Title of person that signed above

**“GPFC”**  
FOR GOIN' POSTAL FRANCHISE CORPORATION

GOIN' POSTAL FRANCHISE CORPORATION  
A Florida Corporation

BY: \_\_\_\_\_, 20\_\_\_\_  
Authorized Signing Officer      \*Date      \*Year  
\*Date of Goin' Postal Franchise Corporation's Counter Signature is "Effective Date" of this Franchise Agreement

Print Name of Officer: \_\_\_\_\_

Title of Officer: \_\_\_\_\_

EXHIBIT "A"

TO

GOIN' POSTAL FRANCHISE CORPORATION

FRANCHISE AGREEMENT



**EXHIBIT "B" TO GOIN' POSTAL FRANCHISE CORPORATION  
FRANCHISE AGREEMENT**

**ADDENDUM TO CONTRACT/AGREEMENT  
FOR SALE AND PURCHASE**

**THIS ADDENDUM** is made and entered into by and between \_\_\_\_\_ *[insert name of individual or entity who is selling the business]* with a principal address of \_\_\_\_\_ (hereinafter for purposes of this Addendum such party being referred to as the "Seller"), and \_\_\_\_\_ *[insert name of individual or entity who is buying the business]* with a principal address of \_\_\_\_\_ (hereinafter for purposes of this Addendum such party being referred to as the "Buyer").

**W I T N E S S E T H:**

**WHEREAS**, Seller is the owner and operator of a packaging and shipping business located at \_\_\_\_\_ *[insert the business address for the location of the business being sold by Seller to Buyer]*;

**WHEREAS**, such business is being operated by Seller as a Goin' Postal franchise (hereinafter for purposes of this Addendum such franchised business being referred to as the "Goin' Postal Store");

**WHEREAS**, this Addendum is being entered into for purposes of both Seller and Buyer recognizing and acknowledging that Seller does not have the rights, without the approval and consent of Goin' Postal Franchise Corporation (hereinafter referred to as the "Franchisor"), and without Buyer satisfactorily completing all conditions precedent imposed by the Franchisor on such transfer, to transfer to Buyer the Goin' Postal franchise or any of the rights or entitlements thereunder.

**NOW, THEREFORE**, for and in consideration of the mutual covenants, representations, warranties and promises contained in this Addendum, the parties to this Addendum agree as follows:

1. Both Seller and Buyer recognize, agree, acknowledge and understand that, without the prior written consent of Franchisor and without Buyer satisfactorily complying with all conditions imposed by the Franchisor to both issue such consent and to accept and approve Buyer as a Goin' Postal franchisee, Seller does not have any rights to transfer, and Buyer does not have any rights or entitlements to receive, use or operate any of the following: (i) to continue operating the Goin' Postal Store; (ii) to any of the rights and benefits under the Goin' Postal Franchise Agreement under which Seller is a party, or to be or become a Goin' Postal franchisee; (iii) to continue using the Goin' Postal name or any of the other trademarks, service marks, logos, slogans, color schemes or other property rights of the Franchisor and/or of Goin' Postal, Inc.; (iv) to any territorial rights Seller possesses under the Goin' Postal Franchise Agreement to which Seller is a party; (v) to continue using the proprietary copyrighted software of the Franchisor or any of the copyrighted manuals of Franchisor; (vi) to use any of the Goin' Postal advertising or promotional materials; and (vii) to implement, use or otherwise benefit from any of the other entitlements of a Goin' Postal franchisee.

2. It is further recognized, agreed, acknowledged and understood by both Seller and Buyer that, in addition to those other requirements imposed upon Seller under the Goin' Postal Franchise Agreement to which Seller is a party, including payment of all transfer fees and other monetary obligations due thereunder, the following requirements and conditions must be met to the full satisfaction of Franchisor as a condition to any transfer of Seller's Goin' Postal franchise and to any acceptance and approval of Buyer as a Goin' Postal franchisee:

(a) The Buyer and its owners and principals shall receive, duly receipt for, and return a fully initialed and signed current Goin' Postal Franchise Disclosure Document, in strict compliance with all requirements of such Disclosure Document;



(b) The Buyer and its owners and principals shall demonstrate to Franchisor's satisfaction that the Buyer and its owners and principals meet Franchisor's educational, managerial, and business standards; possess a good moral character, business reputation, and credit rating; have the aptitude and ability to conduct the Goin' Postal franchise and the business conducted at the Goin' Postal Store (as may evidenced by prior related business experience or otherwise); have adequate financial resources and capital net worth to operate the Goin' Postal franchise and associated Goin' Postal Store business; and otherwise meet the Franchisor's then current criteria for new Goin' Postal franchisees;

(c) The Buyer (and, if the Buyer is other than an individual, such principals and/or owners of a beneficial interest in the Buyer as Franchisor may request) shall sign, for a new fifteen (15) year term, the standard, current form of Franchise Agreement currently being offered to new Goin' Postal franchisees and all such other ancillary and associated documents and agreements as Franchisor may require, including, but not limited to, the current Non-Competition and Non-Solicitation Agreement and the current Continuing Personal Guaranty (as applicable), which agreements shall supersede Seller's Goin' Postal Franchise Agreement in all respects and may differ from the terms of Seller's Goin' Postal Franchise Agreement; nevertheless, Buyer will continue to be bound to the terms, and be bound by the other obligations of Seller, under Seller's Goin' Postal Franchise Agreement;

(d) The Buyer, at Buyer's expense, shall perform any upgrades and renovations of and to the Goin' Postal Store to conform to the current standards and specifications of Franchisor for new Goin' Postal franchisees;

(e) At the Buyer's expense, the Buyer, and, if applicable, the Buyer's principals, owners, managers and designated primary operator(s), must attend and satisfactorily complete all training programs currently in effect for Goin' Postal franchisees and upon such terms and conditions as Franchisor may reasonable require;

(f) The Buyer shall agree to and enter into a sublease or an assignment and assumption of the Lease of Seller's Goin' Postal Store site and shall obtain the landlord's approval, if required, prior to any such transfer or sublease, if applicable; and, unless otherwise agreed to in advance in writing by Franchisor, Buyer shall continue to operate Seller's Goin' Postal Store at the business premises Location under said Lease and as reflected hereinabove. Both Buyer and Seller recognize and acknowledge that the Franchise Agreement to be signed by Buyer, if approved by Franchisor as a Goin' Postal franchisee, provides for the possibility of relocating a franchisee's Goin' Postal Store with the prior written approval of Franchisor. Any approved relocation by Buyer of Seller's Goin' Postal Store, and any approval or assistance by Franchisor in connection with any relocation by Buyer of Seller's Goin' Postal Store, shall not result in any liability or culpability, of any nature whatsoever, on the part of Franchisor (either to Buyer or Seller) in connection with any such relocation (it being acknowledged by both Buyer and Seller that Franchisor's rights under the Franchise Agreement signed by Buyer are superior to and take precedence over any of the rights of Buyer and Seller under the particular contract/agreement between them providing for the sale of the Goin' Postal Store from Seller to Buyer);

(g) Franchisor shall have received timely notice of the intended sale of the Goin' Postal franchise business and Franchisor shall have effectively waived its rights of first refusal to purchase Seller's Goin' Postal business;

(h) The Seller shall have otherwise complied with all conditions precedent provided in Seller's Goin' Postal Franchise Agreement for the consent and approval of Franchisor for the transfer of the Goin' Postal franchise; and

(i) Buyer and Seller shall have each have completed, initialed (where applicable), signed and delivered to Franchisor, together with a signed copy of this Addendum, the Franchise Transfer Acknowledgment attached to this Addendum as **Exhibit "A"** and incorporated in this Addendum by this reference.

3. This Addendum and the Franchise Agreement and other agreements signed by Buyer in order to become a Goin' Postal Franchisee, and all rights and entitlements thereunder, shall control and supersede any contrary or conflicting provisions within the particular contract/agreement between Seller and Buyer pertaining to

Seller’s sale of the Goin’ Postal Store and associated packaging and shipping business to Buyer to which this Addendum is made a part.

“Buyer”

\_\_\_\_\_  
Name:\_\_\_\_\_  
Title:\_\_\_\_\_  
Date:\_\_\_\_\_

“Seller”

\_\_\_\_\_  
Name:\_\_\_\_\_  
Title:\_\_\_\_\_  
Date:\_\_\_\_\_

**EXHIBIT "A" TO ADDENDUM**  
**Franchise Transfer Acknowledgment**

This Acknowledgment is made between \_\_\_\_\_ (hereinafter known as the "Seller") and \_\_\_\_\_ (hereinafter known as the "Buyer").

The Seller has agreed to sell, and the Buyer has agreed to purchase, the Goin' Postal Shipping Store Franchise located at \_\_\_\_\_ (address), \_\_\_\_\_ (city), \_\_\_\_\_ (state), \_\_\_\_\_ (zip) (hereinafter known as the "Goin' Postal Store").

**Buyer** acknowledges that he, she or it must sign the currently effective Franchise Agreement and Non-Competition and Non-Solicitation Agreement applicable to all new Goin' Postal franchisees, but will nevertheless be bound by the terms and conditions provided in the original Franchise Agreement signed by the Seller. The expiration date of the new Franchise Agreement shall be 15 years from the "Effective Date" of the new Franchise Agreement to be signed by the Buyer. \_\_\_\_\_ [Buyer's Initials]

**Buyer** will pay a non-refundable transfer fee of **US\$5,000.00** (five thousand dollars) with the submission of this Acknowledgment and the Addendum to which it is attached to Goin' Postal Franchise Corporation (the "Franchisor"). This payment must be made either by check or credit card. \_\_\_\_\_ [Buyer's Initials]

**Buyer** accepts sole responsibility for the continuing customer service at the Goin' Postal Store. Buyer understands that he, she or it may attend a one (1) week training class at the Franchisor's headquarters in Zephyrhills, Florida. While there is no charge for this training apart from the \$5,000.00 transfer fee, the Buyer is solely responsible for all Buyer's personal travel and related expenses. \_\_\_\_\_ [Buyer's Initials]

**Buyer** agrees to continue to pay on a monthly basis all royalties as specified in the new Franchise Agreement at the established monthly rate under Franchisor's currently effective Franchise Agreement actually signed by Buyer in connection with the transfer (commencing January 1, 2012, \$360.00 per month, with an approximate 5% increase for each calendar year thereafter). Buyer acknowledges and understands that this monthly royalty obligation continues uninterrupted even during any transitional period occurring in connection with any approved relocation of the Goin' Postal Store. \_\_\_\_\_ [Buyer's Initials]

**Buyer** understands the \$5,000.00 transfer fee covers the costs for a Goin' Postal representative to visit the Goin' Postal Store for its initial week of operation to conduct Buyer's on-site training. This fee is all inclusive and includes the salary of the representative who visits the Goin' Postal Store plus such representative's travel and accommodation expenses. This transfer fee is non-refundable and must be paid to Franchisor by check or credit card contemporaneously with delivery of the "Addendum" (as defined below) and this Franchise Transfer Acknowledgment. \_\_\_\_\_ [Buyer's Initials]

**Buyer** understands that he, she or it is not purchasing any rights to any Goin' Postal Marks, copyrights or proprietary materials, and that they are only licensed through and in accordance with the terms and limitations of the Franchise Agreement. \_\_\_\_\_ [Buyer's Initials]

**Buyer** understands that he, she or it is not purchasing any rights to any existing territory which may have been assigned or allocated to the Goin' Postal Store under Seller's original Franchise Agreement, and that Franchisor will provide a newly assigned and allocated territory for the Goin' Postal Store upon Buyer's purchase of it, the size, dimensions and limits of which will be as prescribed in Franchisor's then current UFDD and the Franchise Agreement Buyer will be required to sign in order to become a Goin' Postal franchisee. \_\_\_\_\_ [Buyer's Initials]

**Buyer**, if an entity, shall as a condition to any transfer to Buyer of the Goin' Postal Store, have each of its equity Owners sign the then current Continuing Personal Guaranty applicable to all new entity Goin' Postal franchisees. \_\_\_\_\_ [Buyer's Initials]

**Buyer & Seller** both acknowledge and agree that this Franchise Transfer Acknowledgment, the Addendum to which this Franchise Transfer Acknowledgment was attached as **Exhibit "A"** (the "Addendum"), the Franchise Agreement and other agreements Buyer will sign upon becoming a Goin' Postal franchisee (such Franchise

Agreement and other agreements being referred to as the “Franchise Documents”), and all of the rights, entitlements, benefits and protections of Franchisor under and/or protected by the foregoing, are superior to and take precedence over any rights, benefits, duties and obligations of Buyer and Seller under the particular contract/agreement between them which provided for the sale by Seller to Buyer of the Goin’ Postal Store and the shipping and packaging business conducted at such Store (such contract/agreement being referred to as the “Buyer/Seller Sale Agreements”). In enforcing, exercising or protecting any of its rights, entitlements, benefits, or protections under the Franchise Documents, Franchisor shall have no duty or responsibility to determine, ascertain, comply with or abide by, nor shall Franchisor be liable or accountable to either Buyer or Seller for any resulting interference with or resulting breach of, any of the specific terms, provisions, duties or prohibitions under the Buyer/Seller Sale Agreements. In particular, but without limitation of the foregoing, Franchisor shall have no liability or accountability to Buyer or Seller for any interference with, or resulting breach of, the Buyer/Seller Sale Agreements associated with any communications between Franchisor and Buyer concerning a relocation of the Goin’ Postal Store, as is permitted by the Franchise Documents, or by virtue of any approval of or assistance with such a relocation by Franchisor (it being understood, however, that Buyer shall have no right to change the Location of the Goin’ Postal Store without Franchisor’s prior written approval).

\_\_\_\_\_ [Buyer’s Initials] \_\_\_\_\_ [Seller’s Initials]

**Seller** accepts and continues to be bound by the Non-Competition and Non-Solicitation Agreement signed by Seller in conjunction with the original Franchise Agreement. The time period stated in the Non-Competition and Non-Solicitation Agreement begins upon the date of Closing of the sale of the Goin’ Postal Store to Buyer. \_\_\_\_\_ [Seller’s Initials]

**Seller & Buyer** both release Goin’ Postal Franchise Corporation, its affiliates, and their respective officers, directors, agents, representatives, owners and employees from any and all claims and liabilities that may have arisen during the Term of the Seller’s original Franchise Agreement.

\_\_\_\_\_ [Seller’s Initials] \_\_\_\_\_ [Buyer’s Initials]

### Buyer Personal Information

Name: [if an entity, provide all requested information for the entity and for all owners, officers and directors/ managers]	
Home Address:	
City	
State	
Zip	
Home Phone	
Work Phone	
Cell Phone	
SSN	
Date of Birth	

### Execution

We the undersigned agree to and accept to be bound by this Acknowledgment, the Addendum to which it is attached and the original Franchise Agreement and Non-Competition and Non-Solicitation Agreements. Buyer

agrees in addition to be bound by the newly signed Franchise Agreement and Non-Competition and Non-Solicitation Agreement.

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Date

Please send this Acknowledgment, the Addendum to which it is attached, transfer fee payment of \$5,000.00, fully completed (including all initials and signatures) UFDD/Franchise Agreement/Non-Competition and Non-Solicitation Agreement/Continuing Personal Guaranty (as applicable)/Domain Name License Agreement (as applicable), and a copy of the signed Buyer/Seller Sale Agreements to:

Attn: Transfers  
Goin' Postal Franchise Corporation  
4941 4<sup>th</sup> Street  
Zephyrhills, FL 33542  
(813) 782-1500

Received and accepted Date: \_\_\_\_\_

\_\_\_\_\_  
Officer for Goin' Postal Franchise Corporation

## NON-COMPETITION AND NON-SOLICITATION AGREEMENT

This Non-Competition and Non-Solicitation Agreement ("Agreement") is entered into by and between Goin' Postal Franchise Corporation ("GPFC") and \_\_\_\_\_ ("Covenantor"), and becomes effective on the Effective Date of the Franchise Agreement once counter-signed by GPFC. **THIS AGREEMENT IS MADE SUBJECT TO ANY PROVISIONS OF ANY EXHIBIT "H" ATTACHED TO THE DISCLOSURE DOCUMENT WHICH INCLUDED THIS NON-COMPETITION AND NON-SOLICITATION AGREEMENT PRESENTED TO AND SIGNED BY COVENANTOR AND WHICH SPECIFICALLY AND EXPRESSLY RELATE TO THE STATE OF FRANCHISEE'S RESIDENCY.**

### RECITALS

**WHEREAS**, Covenantor is either (1) the "Franchisee" named in the Franchise Agreement ("Franchise Agreement") that is being signed in conjunction with this Agreement and from and as a result of which this Agreement is being signed, and/or (2) an equity owner of the legal entity that is named as the Franchisee in the Franchise Agreement ("Covenantor" shall for all purposes under this Agreement mean and refer to the entity (if Franchisee is an entity), all equity owners of such entity, and all managers and/or primary operators of Franchisee's "Store");

**WHEREAS**, Covenantor acknowledges that GPFC has a legitimate business interest in protecting its franchise and franchisees from unfair competition by an existing or former franchisee that has had special, intimate knowledge of GPFC's methods and trade secrets and confidential information for the operation of a Goin' Postal shipping store;

**WHEREAS**, Covenantor acknowledges that GPFC has a legitimate business interest in protecting its franchises and franchisees from unfair competition by an existing or former franchisee that transfers (without GPFC's permission) the goodwill associated with GPFC's proprietary and protected marks and business practices to a business that competes with GPFC's franchisees;

**WHEREAS**, Covenantor acknowledges that GPFC has a legitimate business interest in protecting its franchises and franchisees from unfair competition by an existing or former franchisee that is able to take advantage of the knowledge and experience gained in running a Goin' Postal shipping store, and use such knowledge and experience in operating a new competing business without having to continue to pay royalties and other fees for such information, thereby placing other franchisees at a competitive disadvantage;

**WHEREAS**, Covenantor acknowledges that GPFC has a legitimate business interest in re-franchising the formerly protected territory of a former franchisee, and GPFC would suffer irreparable damage absent this Agreement because it would be unable to attract new franchisees to the area served by its former franchisee;

**WHEREAS**, Covenantor acknowledges that GPFC has a legitimate business interest in protecting its franchises and franchisees from unfair competition by an existing or former franchisee who (1) diverts business and customers from a current or former Goin' Postal store to a competitor of GPFC, or (2) induces or attempts to induce an employee of any Goin' Postal store to discontinue their employment with the store;

**WHEREAS**, Covenantor acknowledges that GPFC requires the execution of this Agreement as an ancillary requirement to GPFC's simultaneous grant of a franchise to Covenantor or a legal entity of which Covenantor is an equity owner.

**NOW, THEREFORE**, in express acknowledgement and recognition of the importance of the foregoing recitals, the parties agree as follows:

#### 1. Consideration In Exchange for Covenantor's Covenants in This Agreement

Covenantor hereby expressly acknowledges and confirms that all of the valuable benefits, advantages and opportunities enjoyed by Covenantor immediately upon (and solely as a result of) Covenantor's (or as applicable, Covenantor's legal entity) becoming a franchisee under the Franchise Agreement (which occurs simultaneously and corresponding with, the execution of this ancillary Agreement), and the additional protection provided by this Agreement being signed by all other new franchisees, serve as valuable and adequate consideration received in simultaneous exchange for all of Covenantor's promises and covenants made in this Agreement below.

## **2. Covenantor's In-Term Non-Competition and Non-Solicitation Covenants**

During the term of the Franchise Agreement corresponding to this Agreement, and without geographic limits, Covenantor shall not, directly or indirectly (such as through corporations or other entities controlled by the Covenantor or by or through or in conjunction with any other individual person or persons including, but not limited to, Covenantor's spouse (if any) and employees):

- a. divert or attempt to divert any business or customer of any Store to any competitor or do anything injurious or prejudicial to the goodwill associated with GPFC's Marks, Method, GPFC's Goin' Postal Franchise Chain, or GPFC's business practices; and
- b. persuade, entice, or attempt to persuade or entice, any employee of any Goin' Postal Store to discontinue their employment with such Store; and
- c. own, maintain, engage in, be associated with, be employed by, advise, assist, invest in, be landlord to, franchise, or have any interest in any business which is the same or substantially similar to or competitive with any Goin' Postal shipping Store; and
- d. use, communicate, disseminate, provide access, or divulge to anyone at any time any confidential information or trade secrets of GPFC, or at any time copy, duplicate, record or otherwise reproduce any confidential information or trade secrets of GPFC, including without limitation those materials contained within the secure password protected Owners' Section of GPFC's website, except as expressly permitted in the Franchise Agreement.

## **3. Covenantor's Post-Term Non-Competition and Non-Solicitation Covenants**

- a. For purposes of this Section 3, the word "Conclusion" means the termination/expiration of the Franchise Agreement corresponding to this Agreement, regardless of whether such termination/expiration occurs prior to, or at the end of, such Franchise Agreement's 15 year term.
- b. Upon the Conclusion of the Franchise Agreement corresponding to this Agreement, and for the stated time period thereafter and geographic restriction provided below, Covenantor shall not, directly or indirectly (i.e. see explanation of indirectly in Section 2 above):
  - (i) for a two (2) year period following the Conclusion of the Franchise Agreement corresponding to this Agreement and without geographic limitation, divert or attempt to divert any business or customer of any Store to any competitor, or do anything injurious or prejudicial to the goodwill associated with GPFC's Marks, Method or GPFC's Goin' Postal Franchise Chain; and
  - (ii) for a two (2) year period following the Conclusion of the Franchise Agreement corresponding to this Agreement and without geographic limitation, own, maintain, engage in, be associated with, be employed by , advise, assist, invest in or have any interest in any business which is the same as, or substantially similar to or competitive with any Goin' Postal shipping Store; and

- (iii) for a two (2) year period following the Conclusion of the Franchise Agreement corresponding to this Agreement and without geographic limitation, persuade, entice or attempt to persuade or entice any employee of any Goin' Postal Store to discontinue their employment with such Store.
- c. Upon the Conclusion of the Franchise Agreement corresponding to this Agreement, Covenantor shall not, at any time, directly or indirectly (see Section 2 above for explanation of indirectly):
  - (i) communicate, disseminate, provide access, reveal or divulge to anyone, in whole or in part, any of the confidential information or trade secrets of GPFC; and
  - (ii) use, copy, duplicate, record or otherwise reproduce at any time any of the confidential information or trade secrets of GPFC; and
  - (iii) use in any manner whatsoever any of the Marks, the Method, GPFC's Operations Manuals, GPFC's Store Set-Up Manuals, GPFC's GP Rate Pro Software, any of the materials contained within the secure password protected Owners' Section of GPFC's website, or any other proprietary or intellectual property rights of GPFC and GPFC's Goin' Postal Franchise Chain, including, without limitation, any domain name(s) or website(s) licensed to Covenantor in connection with a Domain Name License Agreement (as evidenced by **Exhibit "L"** attached to GPFC's Franchise Disclosure Document to which this Agreement was attached as **Exhibit "B"**), or any content maintained within such website(s) or at such domain name(s).
  - (iv) Violate any of the obligations imposed upon Covenantor by the Franchise Agreement (including Section 14) from and after the Conclusion of the Franchise Agreement.
- d. Upon the Conclusion of the Franchise Agreement corresponding to this Agreement, Covenantor shall immediately return to GPFC all Operations Manuals, all Store Set-Up Manuals, all training materials, all GPFC proprietary software (including GP Rate Pro software) and printed matters, all website materials, all other confidential information and trade secrets, and all of GPFC's advertising and promotional signs and similar items.

#### **4. Definitions**

The following terms (and any other capitalized terms used in this Agreement which are not defined by this Agreement) shall have the meanings and definitions assigned to them in the Franchise Agreement unless otherwise expressly provided in this Agreement: "Store", "Marks", "Method", "GPFC's Goin' Postal Franchise Chain", "GPFC's Operations Manual", "GPFC's Store Set-Up Manual", "GPFC's GP Rate Pro Software", "Owners' Section of GPFC's website", "confidential information" and "trade secrets".

#### **5. Severability**

It is the parties desire and intention that the covenants contained in this Agreement shall be construed as agreements severable and independent from each other, except that any violation of Section 2 of this Agreement shall constitute a material breach and default of the Franchise Agreement associated with this Agreement and "cause" for immediate termination of the Franchise Agreement without opportunity to cure. It is also the intention of the parties that if any Section of this Agreement is deemed by a court of competent jurisdiction to be invalid or unenforceable, then the maximum legally allowable restriction permitted by applicable law shall control and bind Covenantor.

#### **6. Enforcement Costs**



Covenantor agrees to pay to GPFC all of the costs and expenses (including reasonable attorneys' fees) incurred by GPFC in connection with its enforcement of this Agreement.

## **7. Counter-Parts, Entire Agreement, Amendments**

This Agreement may be signed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall be one and the same instrument. The parties may sign such counterparts via fax. This Agreement, together with the Franchise Agreement associated with this Agreement, contains the entire agreement of the parties pertaining to the subject matter hereof and no prior or contemporaneous representations, inducements, promises, or agreements, oral or otherwise, between the parties not expressly included in this Agreement shall be of any force and effect. Any modifications to this Agreement must be accomplished by a written agreement signed by both parties.

## **8. Suspension of Non-Compete Time Periods During Dispute Resolution Proceedings.**

In the event that this Agreement or this Agreement's corresponding Franchise Agreement become the subject of any mediation, arbitration or litigation, then the applicable post-term time periods referenced above in Section 3 (or as may be determined by any mediator, arbitrator or judge) shall (a) be suspended during the entirety of any such dispute resolution proceedings; and to the maximum extent found enforceable in such proceedings, (b) begin to run from the date following such proceedings upon which Covenantor first complies with this Agreement.

## **9. Injunction.**

Covenantor recognizes and agrees that the injury that GPFC and certain of its franchisees will suffer in the event of Covenantor's breach of any covenant contained in this Agreement cannot be compensated by monetary damages alone, and Covenantor therefore agrees that in the event of a breach or threatened breach by Covenantor of this Agreement, GPFC (and its affiliates, successors and assigns), in addition to and not in limitation of, any other rights, remedies, or damages available to GPFC (and/or its affiliates, successors, and assigns) at law, in equity, under this Agreement or otherwise, shall be entitled to seek an injunction from any court of competent jurisdiction in order to prevent or restrain any such breach by Covenantor or by Covenantor's agents, representatives, employees, partners, co-owners, or any and all other persons directly or indirectly acting for or with him/her/it.

## **10. Choice of Law, Venue and Jurisdiction.**

This Agreement shall be (a) deemed made and entered into, and (b) construed and governed under and in accordance with the laws of the State of Florida, except to the extent that the laws of the State where the Store associated with the Franchise Agreement (that is owned and operated by Covenantor or, as applicable, Covenantor's legal entity) is located requires in order for the Franchise Agreement and this Agreement to be enforceable against the Covenantor or Covenantor's legal entity that such State's laws apply. Exclusive venue and jurisdiction of any suit arising under this Agreement shall lie within the federal or state courts within the State of Florida, except to the extent that the laws of the State where the Store (as previously described) is located requires in order for the Franchise Agreement and this Agreement to be enforceable against the Covenantor or Covenantor's legal entity that venue and jurisdiction lie in such State.

**AGREED TO AND ACCEPTED BY  
COVENANTOR:**

Print your name: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Title (if applicable): \_\_\_\_\_

Date of Signature: \_\_\_\_\_

\*If the "Franchisee" named in the Franchise Agreement is an entity, or if there is more than one equity owner of "Franchisee", or if "Franchisee" consists of more than one person, or if someone other than "Franchisee" or an equity owner of an entity "Franchisee" will serve said "Franchisee" as a manager or primary operator, complete and sign the additional COVENANTOR SIGNATURES below for the entity, for each equity owner of the entity, for each person included as part of "Franchisee", or for each manager or primary operator, or alternatively submit separate signed originals of this Agreement for the entity and for each of said persons.

**ADDITIONAL COVENANTOR SIGNATURES:**

Print Name of Entity of Franchisee (if applicable): \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

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

Date of Signature: \_\_\_\_\_

Print your name: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Title (if applicable): \_\_\_\_\_

Date of Signature: \_\_\_\_\_

Print your name: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Title (if applicable): \_\_\_\_\_

Date of Signature: \_\_\_\_\_

**GOIN' POSTAL FRANCHISE CORPORATION:**

Signature of Signing Officer: \_\_\_\_\_

Printed Name of Signing Officer: \_\_\_\_\_

\*Date of Counter Signature: \_\_\_\_\_

(\*Effective Date of Agreement)

**EXHIBIT “C” TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT**

- I. PERSONAL DATA DISCLOSURE**
- II. FRANCHISE OWNERSHIP INFORMATION FORM**

**EXHIBIT "C" TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT**  
**I. PERSONAL DATA DISCLOSURE**

This information will be kept strictly confidential and will only be used for setting up accounts for your new business, including but not limited to, UPS, FedEx, USPS, DHL and Pitney Bowes. These accounts must be activated prior to the scheduled time of our arrival at your Location due to limited time available to train you and your staff in the use of these services. Certain information may be updated by you once your Store is operational. You will be given all account names and passwords necessary and as part of your training, and you will be shown how to accomplish each task. Please provide all available information. Should certain information not be available at this time such as your new Store telephone number, please provide it immediately upon its availability, but no later than your scheduled Store opening date.

Your Name \_\_\_\_\_  
Home Address \_\_\_\_\_  
  
City/State/Zip Code \_\_\_\_\_  
SSN \_\_\_\_\_  
Phone \_\_\_\_\_  
Home \_\_\_\_\_  
Work \_\_\_\_\_  
Cell \_\_\_\_\_  
E-mail Address \_\_\_\_\_  
Goin' Postal Store Phone \_\_\_\_\_  
Goin' Postal Store Fax \_\_\_\_\_  
  
Tax ID Number \_\_\_\_\_  
Store Address \_\_\_\_\_  
\_\_\_\_\_  
City/State/Zip Code \_\_\_\_\_  
  
Credit Card Info Visa/MC:\_\_\_\_\_ Discover:\_\_\_\_\_ AmEx:\_\_\_\_\_  
Number \_\_\_\_\_  
Ex Date \_\_\_\_\_ / \_\_\_\_\_  
CCV Number \_\_\_\_\_ (This is the number on the back of your card (or front for Amex)  
  
Billing Address \_\_\_\_\_  
City \_\_\_\_\_  
Billing Zip \_\_\_\_\_  
Designated Bank Account \_\_\_\_\_  
for ETF arrangements \_\_\_\_\_  
Bank Name \_\_\_\_\_  
Bank Address \_\_\_\_\_  
Check Routing Number \_\_\_\_\_  
Desired Account Password \_\_\_\_\_ Please make password eight  
characters including at least 1 number.

I authorize my Goin' Postal Franchise Corporation representative to set up necessary accounts for my Goin' Postal Store using the above information, including setting up an electronic funds transfer ("ETF") arrangement through my designated account. I also authorize GPFC to investigate and verify any of the above information and to perform a credit check (you may wish to provide GPFC with a printout of your current credit report [within the last 60 days] from Equifax.com).

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_

## II. FRANCHISEE OWNERSHIP INFORMATION FORM

1. FULL NAME(S) OF FRANCHISEE [If this franchise is owned by a legal entity, only insert the name of the legal entity; if this franchise is owned by one or more individuals, only insert the name(s) of such individual(s):

Entity Name: \_\_\_\_\_

Individual Owner(s): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

2. THE FRANCHISE WILL BE OWNED BY (Check which one applies):

SOLE PROPRIETOR \_\_\_\_\_ Fed. Tax I.D. # \_\_\_\_\_

PARTNERSHIP \_\_\_\_\_ Fed. Tax I.D. # \_\_\_\_\_

CORPORATION \_\_\_\_\_ Fed. Tax I.D. # \_\_\_\_\_

LIMITED LIABILITY COMPANY \_\_\_\_\_ Fed. Tax I.D. # \_\_\_\_\_

OTHER BUSINESS ENTITY \_\_\_\_\_ Fed. Tax I.D. # \_\_\_\_\_

(Please explain on a separate piece of paper)

3. FULL NAMES OF ALL OWNERS, PARTNERS, SHAREHOLDERS OR MEMBERS AND PERCENTAGE OF OWNERSHIP INTEREST: (Please print names, use separate sheet if necessary)

NAME	% OF OWNERSHIP (*)	SOCIAL SECURITY NUMBER
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

\*All Partners, Shareholders, Members or other Equity Owners of an Entity Franchisee must also sign a Continuing Personal Guaranty (see **Exhibit "K"** to the Franchise Disclosure Document to which this particular **Exhibit "C"** is attached).

4. LIST OF DIRECTORS, MANAGERS OR GENERAL PARTNERS

SOCIAL SECURITY  
NUMBER

(Please print names, use separate sheet if necessary)

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

5. LIST OF OFFICERS (Please print names, use separate sheet if necessary)

_____ (Name)	_____ (Title)	_____ (S.S.#)
_____ (Name)	_____ (Title)	_____ (S.S.#)
_____ (Name)	_____ (Title)	_____ (S.S.#)
_____ (Name)	_____ (Title)	_____ (S.S.#)

6. DESIGNATED CONTACT PERSON (Please print name)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Telephone Number)

**EXHIBIT "D" TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT**

**Credit Card and Designated Account Authorization Form**

**Credit Card Information:**

Card Type (check one): Amex:\_\_\_\_ Discover:\_\_\_\_ Visa:\_\_\_\_ MasterCard:\_\_\_\_  
Card Number:\_\_\_\_\_ Exp Date:\_\_\_\_/\_\_\_\_  
CCV Number (on back of card or front if Amex):\_\_\_\_\_

Name on card:\_\_\_\_\_  
(Must be exactly as Name appears on Card)

Billing Address:\_\_\_\_\_  
Billing City and State:\_\_\_\_\_ Billing Zip:\_\_\_\_\_

**ETF Designated Account Information**

Bank Name: \_\_\_\_\_  
Bank Address: \_\_\_\_\_  
Bank Telephone: \_\_\_\_\_  
Bank Account No.: \_\_\_\_\_  
Account/Check Routing No.: \_\_\_\_\_

You are hereby authorized to bill these charges (I understand only those charges applicable to the particular Franchise Package I choose to purchase will in fact be charged or withdrawn) either to my credit card or through an electronic fund transfer arrangement using any designated account, at your discretion with prior notification of which payment method you impose:

1. Initial Franchise Fee \$15,000.00
2. Minimum Required Purchases \$10,115.00  
(together with applicable shipping expenses and any applicable sales taxes)
3. Future Royalties currently in the amount of \$360.00 per month, together with all increases in those monthly Royalties as prescribed by the Franchise Agreement. Your monthly Royalty obligations will be automatically withdrawn from your designated account above, per the Franchise Agreement. You agree that this electronic funds transfer arrangement is the only means by which you are permitted to pay your monthly Royalty obligations. You may only change your designated account by entering replacement bank account information on the Owners' Section of the GPFC website no later than 20 days prior to the next required monthly Royalty payment.

I further authorize Goin' Postal Franchise Corporation to charge my credit card or designated account, at its election, designated above for the above charges and for all additional equipment and services necessary to facilitate my Store set up, including charges due to Goin' Postal Franchise Corporation for training, for all Point of Sale Systems ordered by me, and for all other amounts which become due to Goin' Postal Franchise Corporation under the Franchise Agreement, including any proportionate share of any taxes which I am required to pay or reimburse GPFC under the provisions of the Franchise Agreement. If I purchased a Turn-Key Franchise Package, I also authorize GPFC to charge my credit card or withdraw from my designated account, at its election, the additional costs due for any overages GPFC incurs due to my particular specifications or circumstances per the terms of the Turn-Key Store Agreement.

Signed (Cardholder and Account Owner):\_\_\_\_\_ Date:\_\_\_\_\_

Print Name: \_\_\_\_\_ Print Title (if any): \_\_\_\_\_

## **EXHIBIT “F” TO UNIFORM FRANCHISE OFFERING PRE-APPROVED PRODUCTS AND SERVICES**

This is a list of pre-approved products and services. Other products may be added to your line up with pre-approval by GPFC. Once a new product or service is pre-approved for a Franchisee it will be added to this list of pre-approved products and services. Only those products and services expressly reflected below as being approved for your sale or distribution as part of your Goin' Postal Store business and through use of the Goin' Postal name and Marks may be so sold, offered or distributed under the Goin' Postal name and through use of the Goin' Postal Marks.

### **APPROVED PRODUCTS AND SERVICES FOR SALE UNDER GOIN' POSTAL MARKS:**

#### **Shipping and Mailing Services(\*)**

- UPS (United Parcel Service)
- FedEx (Federal Express)
- DHL International
- USPS (United States Postal Service)
- Freight Shipping
- Stamps (including customized photo stamps)

\*The above services require that you procure accounts from third party shippers. Though GPFC will endeavor to assist you in procuring these accounts, we do not and cannot guaranty that you will be able to qualify for or obtain some or all of them.

#### **Other Products and Services [GPFC does not provide training or support for many of these services]**

- Fax Services

Fax services require you to purchase a fax machine and add an additional phone line, both of which may be available to you at extra charge from various vendors. The cost of a fax machine is included in the cost of a Turn Key Franchise Package.

- Copy Services

Copy services require you to purchase copy machine equipment and supplies which may be available to you at extra charge from various vendors. Your ability to purchase copy machine equipment and make payments over time may be impacted by your credit. The cost of a copy machine is included in the Turn Key Franchise Package.

- Lamination Services

Lamination services require a laminating machine which is available to you at extra charge from various vendors. The cost of a laminating machine is included in the cost of a Turn Key package.

- Full Printing Services

Printing of business cards, flyers, brochures, stationery, photo printing, invitations, and calendars, may be offered as part of your Goin' Postal Store Franchise, and may be done in house with your own equipment (which you may purchase at extra charge from various vendors) or contracted out to various printing vendors.

- EBay / Craig's list
- Package pickups



You may offer a pickup service from your Goin' Postal Store, but you must have appropriate commercial auto insurance, and you may need to purchase or lease a vehicle and extra equipment to perform those pickups (see Territory restrictions in Item 12 of GPFC's Disclosure Document and Section 1.2 of the corresponding Franchise Agreement).

- Mailboxes

To offer mailboxes for rent to handle customers' mail, you will be required to execute various items of required paperwork by the United States Postal Service.

- Binding

Offering this service requires the purchase of additional equipment at additional cost not controlled by Goin' Postal Franchise Corporation.

- Shipping Supplies (boxes, tape, knives, paper, bubble wrap, etc.)

You may offer shipping supplies from various vendors. GPFC reserves the right to assign approved vendors to supply your Store with these supplies.

- Office Supplies (pens, paper, staplers, scissors, etc.)

You may offer office supplies from various vendors. GPFC reserves the right to assign approved vendors to supply your Store with these supplies.

- Ink and Toner

You may offer ink and toner, either new or remanufactured, through various vendors. GPFC reserves the right to assign approved vendors to supply your Store with these supplies.

- Gift wrapping services

- Recycling Packaging material such as bubble wrap, air packs, and packing peanuts

- Greeting Cards

- Limited Gift Items

- Phone Cards

- Key Duplication

Key duplication services require duplication machine equipment which may be available to you at extra charge from various vendors. GPFC does not provide training or support for this service.

- Internet Access

To provide Internet access to your customers via sit down terminals or wirelessly through their own laptops, you will require additional equipment that is available to you through various vendors. You may not under any circumstances give your customers access to the wireless or wired network that your GP Point of Sale Systems are on. GPFC does not provide training or support for this service.

- Turning pictures into C.D's and Scan to e-mail

Creating CD's and emails from your customers' information may require additional equipment which is available from various vendors. GPFC does not provide training or support for these services.

**PRODUCTS AND SERVICES PROHIBITED FROM BEING OFFERED OR SOLD UNDER THE GOIN' POSTAL NAME OR THROUGH USE OF ANY GOIN' POSTAL MARKS [YOU MUST OBTAIN OUR PRIOR WRITTEN CONSENT BEFORE OFFERING FOR SALE ANY OF THE FOLLOWING PRODUCTS OR SERVICES]:**

The following products and services may be offered in your Store upon our prior written approval, but you must conspicuously display the independent logo and marks of the vendor that provides those products or services to inform your customers that those products and services are not offered as part of your Goin' Postal Store franchise. These products and services may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for these services.

- Web Design & Web Hosting

You may offer web design and hosting services from your Store under a separate business name and not from or as part of the business of your Goin' Postal Store. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Ad design

You may offer ad design services from your Store under a separate business name and not from or as part of the business of your Goin' Postal Store. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Shredding Services

You may offer document shredding services from your Goin' Postal Store franchise but they must be part of a separate licensed document shredding service and promoted separate from and independent of your Goin' Postal Store franchise. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Cell Phone and Communications Services

You may offer for sale cell phone equipment and plans under the separate and independent trademark of a licensed provider of such services, such as AT&T or Verizon. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Satellite TV

You may offer satellite TV equipment and plans under the separate and independent trademark of a licensed provider of such services, such as DISH Network or DirecTV. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Notary

Providing notary services involves various state rules and regulations. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- ATM

You are permitted to offer ATM services through your Store under the separate and independent trademark of the vendor supplying the equipment. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Lottery

While you may offer for sale the specific tickets and games of state approved and sanctioned lotteries through your Store, this service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Money Order & Money Transfer

You may offer money order and wire transfer services through your Store which are licensed and backed by a national provider such as Wells Fargo or Moneygram; but you may be subject to various background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service. Offering these services may increase the insurance premiums for required loss and risk coverage beyond those payable on your Goin' Postal Store franchise operated at the same Location.

- Finger printing

You may offer finger printing services through a licensed service under a separate and independent trademark. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Passport services

Various third parties offer expedited passport services which you may offer in your Store under the separate and independent trademarks of those third parties. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Tax preparation

You may section off a small space in your Store to prepare income taxes for your customers; but all tax preparations done at your Store Location must be billed separately from products and services offered and sold to your Goin' Postal customers, and must be performed under a separate and independent license and trademark such as H & R Block or Jackson Hewitt. This service may require background checks, credit checks, and bonding and insurance requirements not controlled or researched by Goin' Postal Franchise Corporation. Goin' Postal Franchise Corporation provides no training or support for this service.

- Customized items such as t-shirts, mugs, mouse pads, and life-sized photographic stand-ups

You may offer customized items from your Store, either as a Life Size Greetings dealer, or from another supplier of your choice. All such items furnished by a supplier other than our LifeSize Greetings division must be offered under a separate trademark and not as part of the products and services available from your Goin' Postal Store franchise. "LifeSize Greetings" products may be offered as part of your general Goin' Postal Store business operations.

**EXHIBIT "H"**  
**TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT**  
**STATE SPECIFIC ADDENDUM**

**ADDITIONAL STATE DISCLOSURES**

If applicable, this Exhibit "H" of this Disclosure Document may contain information regarding your particular State's laws which may limit application of one or more of the provisions listed in Item 17. If the Franchisee is a resident of any of the following States, then the designated provisions in the Disclosure Document and all Exhibits attached thereto, including the Franchise Agreement, will be amended in accordance with the provisions applicable to Franchisee's State of residency as provided below:

**CALIFORNIA**

**ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER  
THE CALIFORNIA FRANCHISE INVESTMENT LAW**

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.

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

The Franchise Agreement provides for termination upon bankruptcy, insolvency or reorganization. This provision may not be enforceable under Federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.), but will be enforced to the extent enforceable.

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

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires mediation. The mediation will occur at Zephyrhills, Florida or Tampa, Florida with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult with private legal counsel to determine the applicability of California and federal laws (such as Business and Professional Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

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

Section 31125 of the California Franchise Investment Law requires us to give you a disclosure document approved by the Commissioner of Corporations before we ask you to consider a material modification of your Franchise Agreement.

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

Neither the Franchisor nor any person listed in Item 2 of this Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling such persons from membership in that association or exchange.

OUR WEBSITE [www.goinpostal.com](http://www.goinpostal.com) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT [www.corp.ca.gov](http://www.corp.ca.gov)

## **ILLINOIS**

### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE ILLINOIS FRANCHISE DISCLOSURE ACT**

Notwithstanding anything to the contrary provided in the Disclosure Document, or in any of the agreements to be signed by you as evidenced by Exhibits "A" and "B" to this Agreement, the following provisions shall supersede and apply to all franchises offered and sold in the State of Illinois:

1. Item 17 of the Disclosure Document is amended by the addition of the following language at the beginning of said Item 17:

#### **"Notice Required by Law**

THE TERMS AND CONDITIONS UNDER WHICH YOUR FRANCHISE CAN BE TERMINATED AND YOUR RIGHTS UPON NON-RENEWAL MAY BE AFFECTED BY ILLINOIS LAW, 815 ILCS 705/19-705/20."

2. The provisions of the Illinois Franchise Disclosure Act of 1987 (the "Act") shall supersede any provisions of the Franchise Agreement or Florida law which are in conflict with the Act.

3. The provisions of Section 20 of the Franchise Agreement which designate jurisdiction or venue in a forum outside of the State of Illinois and which direct that the Franchise Agreement shall be governed by Florida law shall not be effective for Franchise Agreements entered into in Illinois to the extent required by the Act. When and as required by the Act, Illinois law shall govern the Franchise Agreement and jurisdiction and venue shall be in the State of Illinois. Our registered agent authorized to receive service of process in Illinois for actions arising under the Act is: **Illinois Attorney General, 500 South Second Street, Springfield, Illinois 62706.**

4. Any condition, stipulation or provision of the Franchise Agreement or any other agreement entered into by you in connection with your purchase of a Goin' Postal franchise purporting to bind you to waive compliance with any provision of the Act or any other law of the State of Illinois shall not be effective or applicable for Franchise Agreements entered into in Illinois to the extent required by Section 41 of the Act.

5. The provisions of the Act provide that it is unlawful to offer or sell any franchise which is required to be registered under the Act without first providing to you at least 14 calendar days prior to your execution of any binding franchise or other agreement, or at least 14 calendar days prior to our receipt from you of any consideration, whichever occurs first, a copy of a disclosure statement meeting the requirements of this Act and registered by the Illinois Attorney General, together with a copy of all proposed agreements relating to the sale of the franchise. All provisions of this Disclosure Document, including the Item 23 Receipt, and all provisions of the Franchise Agreement (including, without limitation, Section 22.4 of the Franchise Agreement) and other agreements evidenced by Exhibits to this

Disclosure Document, including the Instructions attached to this Disclosure Document as Exhibit "G", are appropriately amended to the extent necessary to comply with the above time requirements and to substitute the phrase "14 calendar days" where and as required by the Act.

**6. THE FACT THAT THIS DISCLOSURE DOCUMENT AND THE GOIN' POSTAL FRANCHISE DISCLOSED IN THIS DISCLOSURE DOCUMENT HAS BEEN REGISTERED BY THE ILLINOIS ATTORNEY GENERAL IS NOT A FINDING BY THE ILLINOIS ATTORNEY GENERAL THAT THIS DISCLOSURE DOCUMENT AND OTHER DISCLOSURES FILED WITH THE ILLINOIS ATTORNEY GENERAL IN CONNECTION WITH SUCH REGISTRATION IS IN ANY WAY TRUE, ACCURATE OR COMPLETE IN SUBSTANCE OR ON ITS FACE, OR TO BE HELD TO MEAN THAT THE ILLINOIS ATTORNEY GENERAL HAS IN ANY WAY PASSED UPON THE MERITS OR GIVEN APPROVAL TO SUCH FRANCHISE. IT IS UNLAWFUL FOR US TO MAKE, OR CAUSE TO BE MADE, TO YOU ANY EXPRESS OR IMPLIED REPRESENTATION CONTRARY TO THE FOREGOING OR TO ADVERTISE OR REPRESENT THAT THE ILLINOIS ATTORNEY GENERAL APPROVES OF OR RECOMMENDS ANY FRANCHISE.**

## **INDIANA**

### **ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT UNDER THE INDIANA FRANCHISE DISCLOSURE LAW AND THE INDIANA DECEPTIVE FRANCHISE PRACTICES ACT**

Notwithstanding anything to the contrary contained in the Disclosure Document, The Franchise Agreement, or any agreement signed by you in connection with your purchase of a franchise from us, the following provisions shall supersede and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the Franchise Agreement, the other agreements you sign, or Florida law, if such provision(s) are in conflict with Indiana law.
2. The prohibition by Indiana Code §23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as material breach of the Franchise Agreement, shall supersede the provisions of Section 12 of the Franchise Agreement in the State of Indiana to the extent they may be inconsistent with such prohibition.
3. No release language contained in the Disclosure Document or Franchise Agreement, including, but not limited to, Item 17 of the Disclosure Document, or Sections 2.3 and 11.3 of the Franchise Agreement, respectively, shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.
4. Section 20 of the Franchise Agreement is amended to provide that such agreement will be construed in accordance with the laws of the State of Indiana when such construction pertains to any action under the laws concerning franchising of the State of Indiana.
5. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the Franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is inapplicable in any Franchise Agreement issued in the State of Indiana when involving any action under the laws concerning franchising of the State of Indiana.
6. The State of Indiana has a statute which may supersede the Franchise Agreement in your relation with us including the areas of termination and renewal of your franchise: [Rev. Stat. Section 23-2-2.7].
7. The State of Indiana has a statute which may limit our ability to restrict your activity after your Franchise Agreement has ended: [Indiana Code Section 23-2-2.7-1(9)].

## **MARYLAND**

### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW**

The general release language contained in the Franchise Agreement shall not relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Maryland. Any general release to which you (as franchisee) are required, by the Franchise Agreement, to sign will not apply to any claims that arise under the Maryland Franchise Registration and Disclosure Law or to the extent otherwise prohibited by the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement provides that it may be terminated immediately upon, among other things, the franchisee commencing any cause, proceeding or other action seeking reorganization, etc. under any law relating to bankruptcy, etc. This provision may not be enforceable under current U.S. Bankruptcy laws or other applicable federal law relating to bankruptcy.

Litigation must be in Florida, except that this does not apply to claims arising under the Maryland Franchise Registration and Disclosure Law. A Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Our registered agent authorized to receive service of process in Maryland for actions arising under the Maryland Franchise Registration and Disclosure Law is: **Maryland Securities Commissioner, 200 St. Paul Place, Baltimore, Maryland 21202-2020.**

Notwithstanding anything to the contrary in Item 17 of the Disclosure Document or in the Franchise Agreement, claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Item 22 of the Disclosure Document is amended to include, as a document you may be required to sign and deliver as part of your purchase of a Goin' Postal franchise, a sample copy of the "General Release Upon Renewal, Transfer or Termination of Franchise." The General Release which appears below and is made a part of the Maryland Section of this Exhibit "H" may be required to be signed by you as one of the conditions to you being able to renew or transfer your Goin' Postal franchise, or as part of the termination of the Franchise Agreement.

**REGISTRATION OF THIS DISCLOSURE DOCUMENT WITH THE MARYLAND DIVISION OF  
SECURITIES DOES NOT CONSTITUTE AND SHOULD NOT BE INTERPRETED AS APPROVAL,  
RECOMMENDATION, OR ENDORSEMENT BY THE MARYLAND SECURITIES COMMISSIONER.**

#### **AUTHORIZATION OF DISCLOSURE OF FINANCIAL RECORDS**

Under Section 14-216(c)(24) of the Maryland Franchise Registration and Disclosure Law (Business Regulation Article, Title 14, Subtitle 2, Annotated Code of Maryland), any financial institution, wherever situated, possessing financial records of the sale of "Goin' Postal" franchises by Goin' Postal Franchise Corporation is hereby authorized to disclose to the Maryland Securities Commissioner financial records of the sale of said franchises, and authorization is hereby given for the Maryland Securities Commissioner to examine Goin' Postal Franchise Corporation's financial records that relate to the sale of franchises.



**General Release Upon Renewal, Transfer or Termination of Franchise**

This General Release (the "General Release") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Execution Date"), by \_\_\_\_\_, with a principal place of business at \_\_\_\_\_ (hereinafter referred to as the "Franchisee"), and is delivered to and in favor of **Goin' Postal Franchise Corporation**, a Florida corporation with its principal place of business at 4941 4<sup>th</sup> Avenue, Zephyrhills, Florida 33542 (hereinafter referred to as the "Franchisor").

**Recitals**

**Whereas**, Franchisor and Franchisee entered into that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_\_\_ (as to Franchisee) and dated \_\_\_\_\_, 20\_\_\_\_ (as to Franchisor) (hereinafter referred to as the "**Goin' Postal Franchise Agreement**," which term shall refer not only to the referenced agreement, but also to any and all other agreements entered into by and between the Franchisor and Franchisee for purposes of enabling Franchisee to open and operate a Goin' Postal franchise);

**Whereas**, under to the Goin' Postal Franchise Agreement, Franchisee opened and operated a Goin' Postal Franchise located at \_\_\_\_\_ (the "Franchisee's Goin' Postal Store");

**Whereas**, as a condition under the Goin' Postal Franchise Agreement to the renewal, transfer and/or termination of the Goin' Postal Franchise Agreement and the Goin' Postal franchise established by the Goin' Postal Franchise Agreement, Franchisee is required to sign and deliver to Franchisor a general release in a form acceptable to Franchisor; and

**Whereas**, this General Release has been approved by Franchisor and is being delivered in connection with either the renewal, transfer or termination of the Goin' Postal Franchise Agreement and the Goin' Postal franchise established by the Goin' Postal Franchise Agreement, as applicable.

**Now, therefore**, in consideration of the premises contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Franchisee hereby agrees as follows:

1. **Acknowledgment of Effect of General Release:** This General Release is signed and delivered by Franchisee in accordance with conditions and requirements established under the Goin' Postal Franchise Agreement, and is a part of either the renewal, transfer or termination of the Goin' Postal Franchise Agreement and the Goin' Postal franchise established by the Goin' Postal Franchise Agreement, as applicable. This General Release neither serves to amend, alter or modify the Goin' Postal Franchise Agreement, and Franchisee shall continue to be subject to all terms, conditions, covenants and obligations in, to and under the Goin' Postal Franchise Agreement, as applicable, including those pertaining to a renewal, transfer and termination of said Franchise Agreement.

2. **Waiver and Release of Claims:**

(a) Franchisee hereby represents, covenants and agrees that as of the Execution Date, Franchisee is unaware of any claims, actions or causes of action which Franchisee has or might have against Franchisor under, as a result of or in connection with the Goin' Postal Franchise Agreement and/or the operation by Franchisee of Franchisee's Goin' Postal Store. Further, Franchisee is not aware, as of the Execution Date, of any violations by Franchisor under the Maryland Franchise Registration and Disclosure Law or any regulations issued under the Maryland Franchise Registration and Disclosure Law

(collectively, the "Maryland Franchise Law"), and Franchisee is unaware, as of the Execution Date, of any claim or any basis for any claim which Franchisee has or might have against Franchisor under the Maryland Franchise Law.

(b) By executing this General Release, Franchisee does hereby forever release, relinquish, discharge, abandon and waive any and all claims, causes of action, demands, liabilities, obligations, complaints, penalties, remedies, damages, costs and any and all other entitlements, rights or benefits, in law or in equity, of any kind whatsoever, whether presently known or unknown, whether now existing or previously existing (collectively referred to as the "Claims") that the Franchisee has or might have as of the Execution Date against Franchisor, its parent companies, subsidiaries and affiliates, and each of its and their respective agents, employees, officers, directors, stockholders, attorneys and other representatives (collectively, the "Franchisor Parties"), relating to, in connection with, arising under or as a result of or with respect to the Goin' Postal Franchise Agreement and Franchisee's operation of the Franchisee's Goin' Postal Store, except that this waiver and release does not apply to any Claims against Franchisor which may arise under the Maryland Franchise Law, and nothing in this General Release serves to waive or release the Franchisor from liability for Claims that may arise under the Maryland Franchise Law.

3. **Binding Effect:** This General Release shall be binding upon the Franchisee and, as applicable to the classification of Franchisee as individual or entity, all of Franchisee's parents, subsidiaries and affiliates, each of its and their respective agents, directors, officers, employees, stockholders, attorneys and other representatives, and Franchisee's heirs, administrators, executors, partners, members, successors and assigns. This General Release shall be for and inure to the benefit of and may be enforced by Franchisor and all of the Franchisor Parties.

**IN WITNESS WHEREOF**, the Franchisee has duly signed this General Release effective on and as of the Execution Date:

**"FRANCHISEE"**

If the "Franchisee" is a legal entity (corporation, limited liability company, partnership, etc.) then (i) enter the name of the entity Franchisee in the following space: \_\_\_\_\_, (ii) each equity owner of the Franchisee must sign below (attach additional sheet if necessary), and (iii) next to the name of the persons that are signing this General Release, insert their title within such entity (president, partner, manager, member, etc.). If the Franchisee is not a legal entity at the time of signing, but rather one or more individual persons, then do not fill in the title lines below.

1: \_\_\_\_\_, 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above      Title of person that signed above

2: \_\_\_\_\_, 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above      Title of person that signed above

3: \_\_\_\_\_, 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above      Title of person that signed above  
Franchisee's Initials \_\_\_\_\_

## **MICHIGAN**

### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE MICHIGAN FRANCHISE INVESTMENT LAW**

The Michigan Franchise Investment Law (the "Act") requires, among other things, that every UFDD contain a notice to each franchisee that certain provisions contained in a UFDD may be void and enforceable. Therefore, every UFDD delivered in the state of Michigan should contain a notice or statement similar in format to that reflected below:

**THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISEDOCUMENTS, 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 PROVISIONS 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 FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: 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 FRANCHISEE 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.**

\* \* \* \*

**IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN \$100,000.00, THE FRANCHISOR SHALL, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE**

FRANCHISEE UNTIL THE FRANCHISOR'S OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING, OR OTHER TERMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED. AT THE OPTION OF THE FRANCHISOR, A SURETY BOND MAY BE PROVIDED IN PLACE OF ESCROW.

\* \* \* \*

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO THE OFFICE OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE SECTION, P.O. BOX 30213, LANSING, MICHIGAN 48909; (517) 373-7117; [www.michigan.gov/ag](http://www.michigan.gov/ag)

## **MINNESOTA**

### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE MINNESOTA FRANCHISE INVESTMENT LAW**

Notwithstanding anything to the contrary provided in the Disclosure Document and/or Franchise Agreement, as applicable, the following provisions shall supersede and apply to all franchises offered and sold in the State of Minnesota:

1. The Cover Page is amended to include the following statement:

**THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED IN THIS DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.**

**THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

2. The following language is added to Item 13 of the Disclosure Document and Section 6 of the Franchise Agreement:

"The Franchisor will protect the Franchisee's right to use the Franchisor's "Marks", including our trademarks, service marks, trade names, logotypes and our other commercial symbols and/or indemnify the Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name "Goin' Postal". Franchisee must provide notice to Franchisor of any such claim within ten (10) days and 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."

3. Item 17 of the Disclosure Document and the corresponding Sections of the Franchise Agreement are amended as follows:

“With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a Franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Franchise Agreement.”

4. In accordance with Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400 D, no waiver or release language included in the Franchise Agreement shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota, including the Minnesota Franchise Investment Law. To the extent that any such provisions exist under the Disclosure Document or Franchise Agreement, they are hereby rendered void with respect to all Franchisees governed under the laws of Minnesota.

5. Item 17 of the Disclosure Document is amended to add the following and the following language will apply in any Franchise Agreement issued in the State of Minnesota:

“Minn. Stat. Section 80C.21 and Minn. Rule 2860.4400J prohibits us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise 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 or the jurisdiction. Nothing contained in the Disclosure Document or Franchise Agreement shall limit Franchisee’s right to submit matters to the jurisdiction of the courts of Minnesota to the full extent required by Min. Rule 2860.4400J.”

6. Minn. Rule Part 2860.4400J prohibits a Franchisee from waiving his rights to a jury trial or consenting to liquidated damages, termination penalties or judgment notes. Further, although we may seek injunctive relief, Minn. Rule Part 2860.4400D and Part 2860.4400J prohibit a Franchisee from consenting to the Franchisor obtaining injunctive relief or from waiving any bond requirement in any injunctive proceedings or waiving any other rights provided to Franchisees under the laws of Minnesota. To the extent that any such provisions as described above exist under the Disclosure Document or Franchise Agreement, they are hereby rendered void with respect to all Franchisees governed under the laws of Minnesota.

7. To the extent that any Limitations of Claims sections exist under our Disclosure Document or Franchise Agreement, such sections are hereby revised to comply with Minn. Stat. Section 80C.17, Subdivision 5.

## **NEW YORK**

### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE NEW YORK FRANCHISE ACT**

The Cover page of the Disclosure Document is amended to add the following statements:

**REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23<sup>RD</sup> FLOOR, NEW YORK, N.Y. 10271.**

**THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE PROVIDED IN THIS PROSPECTUS.**

**THE FRANCHISOR HAS BEEN IN EXISTENCE FOR A SHORT PERIOD OF TIME (SINCE AUGUST 2004). THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER OR NOT TO MAKE THIS INVESTMENT.**

Item 3 of the Disclosure Document is amended by adding the following:

“Neither we, our predecessor, nor a person identified in Item 2, or an affiliate offering franchises under our principal trademark:

A. 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, or fraudulent conversion; misappropriation of property; unfair or deceptive practices; or comparable civil or misdemeanor allegations. Moreover, there are no pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge, or, within the ten year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Is subject to a currently effective injunction 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 injunction 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.”

Item 4 of the Disclosure Document is amended by adding the following:

“Neither we, our affiliate, our predecessor nor our officers during the 10 year period immediately before the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debt under the U.S. Bankruptcy Code during or within one year after the officer or general partner of the franchisor held this position in the company or partnership.”

Item 5 of the Disclosure Document is amended by adding the following to the subsection entitled “Initial Franchise Fee”:

“We will use the Initial Franchise Fee to cover our costs and expenses associated with fulfilling our obligations under the Franchise Agreement to provide training to you at our Zephyrhills, Florida headquarters and to provide you with all written training materials and related items.”

Item 17 of the Disclosure Document is amended by deleting the first sentence and second sentence of the first paragraph and substituting the following:

**“THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AGREEMENT AND RELATED AGREEMENTS PERTAINING TO RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION. YOU SHOULD READ THESE PROVISIONS IN THESE AGREEMENTS ATTACHED TO THIS DISCLOSURE DOCUMENT.”**

Item 17 of the Disclosure Document is further amended by adding the following statements to the summary columns:

(i) The “Summary” section of Item 17(d) of the Disclosure Document is amended by adding the following:

You also may terminate the Agreement on any grounds available by law.

(ii) The “Summary” section of Item 17(j) of the Disclosure Document is amended by adding the following:

However, no assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Agreement.

(iii) The “Summary” section of Item 17(m) of the Disclosure Document is amended by adding the following:

; provided, however, that all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of GBL 687.4 and 687.5 be satisfied.

(iv) The “Summary” section of Item 17(s) of the Disclosure Document is amended by adding the following:

Modifications to the Manual will not unreasonably affect your obligations, including economic requirements, under the Agreement.

(v) The “Summary” sections of Items 17(v) and (w) of the Disclosure Document are amended by adding the following:

This section should not be considered a waiver of any right conferred upon you by the GBL of the State of New York, Article 33.

(vi) The “Summary” section of Item 17(w) of the Disclosure Document is amended by adding the following:

“The foregoing choice of law should not be considered a waiver of any right conferred upon either the Franchisor or upon the Franchisee by the General Business Law of the State of New York.”

#### **MISCELLANEOUS DISCLAIMERS CONCERNING REGISTRATION OF THIS DISCLOSURE DOCUMENT (“PROSPECTUS”):**

1. This registered Disclosure Document does not knowingly omit any material fact or contain any untrue statement of a material fact.

**2. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE NEW YORK STATE DEPARTMENT OF LAW.**

3. Neither the fact that an application for registration of this Disclosure Document has been filed with the New York State Department of Law, nor the fact that such registration has become effective, constitutes a finding by the Department of Law that any document filed with the Department, including the registered Disclosure Document, is true, complete or not misleading. Neither any such fact nor the fact an exemption is available for a transaction means that the Department has passed in any way upon



the merits or qualifications of, or recommended or given approval to, any person, franchise, or transaction.

4. The filing of an application for registration of this Disclosure Document or the acceptance and filing thereof by the Department of Law as required by the New York Franchise Act does not constitute approval of the offering or the sale of such franchise by the Department of Law or the Attorney General of the State of New York.

Item 23, the Receipt, is hereby amended by adding the particular State of New York agency you should contact if you determine a possible violation of State law may have occurred: **The New York State Department of Law, 120 Broadway, 23<sup>rd</sup> Floor, New York, NY 10271.**

#### **AGENT FOR SERVICE OF PROCESS IN NEW YORK:**

Our registered agent authorized to receive service of process in New York for actions arising under the New York Franchise Act is: **New York Secretary of State, 41 State Street, Albany, NY 12231.**

#### **NORTH DAKOTA**

#### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE NORTH DAKOTA FRANCHISE INVESTMENT LAW**

**THE NORTH DAKOTA SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N.D.C.C.):**

- A. **Restrictive Covenants:** Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute. Application of the Non-Competition and Non-Solicitation Agreement and similar covenants contained in the Disclosure Document and Franchise Agreement will be subject to Section 9-08-06, N.D.C.C., to the extent applicable with respect to any North Dakota franchisee.
- B. **Situs of Arbitration Proceedings:** Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business. Application of any arbitration provisions under the Franchise Agreement shall require such arbitration to be conducted at such place within North Dakota or as otherwise mutually agreed by the parties as will not constitute a violation of Section 51-19-09, N.D.C.C.
- C. **Restrictions on Forum:** Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota. To the extent any cause of action under the Franchise Agreement, Disclosure Document, or any exhibits thereto involves application of the laws of North Dakota, such action will be arbitrated, tried, heard and decided within the jurisdiction of courts in the State of North Dakota.
- D. **Liquidated Damages and Termination Penalties:** Requiring North Dakota franchisees to consent to liquidated damages or termination penalties. To the extent any provision of the Franchise Agreement would, under the provisions of the laws of North Dakota, be determined as liquidated damages or a termination penalty, such provision(s) is amended or deleted to the extent necessary to make such provision no longer in violation of the laws of North Dakota.
- E. **Applicable Laws:** Franchise agreements which specify that they are to be governed by the laws of a state other than North Dakota. Laws of North Dakota shall prevail and apply as and with

respect to any cause of action under the Franchise Agreement, the Disclosure Document, or any exhibits thereto, otherwise enforceable under the laws of North Dakota.

- F. **Waiver of Trial by Jury:** Requiring North Dakota Franchisees to consent to the waiver of a trial by jury. Any provision under the Franchise Agreement requiring North Dakota franchisees to waive a trial by jury are inapplicable to causes of action involving application of the laws of North Dakota.
- G. **Waiver of Exemplary & Punitive Damages:** Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damages. Any provision under the Franchise Agreement requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages are inapplicable to causes of action involving application of the laws of North Dakota.
- H. **General Release:** Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement. Any provision under the Franchise Agreement requiring North Dakota franchisees to sign a general release upon renewal of the Franchise Agreement are inapplicable to renewals of franchise agreements entered into by residents of the State of North Dakota to the extent so mandated by the laws of North Dakota.
- I. **Limitation of Claims:** Franchise Agreements that require the franchisee to consent to a limitation of Claims. The statute of limitations under North Dakota law applies to causes of action which arise under and which are to be enforced in accordance with the laws of North Dakota.
- J. **Enforcement of Agreement:** Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

To the extent this North Dakota Addendum is inconsistent with any terms or conditions of the Franchise Agreement or exhibits or attachments thereto, or the Disclosure Document or exhibits or attachments thereto, the terms of this North Dakota Addendum shall govern.

## **RHODE ISLAND**

### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE RHODE ISLAND FRANCHISE INVESTMENT ACT.**

The following provisions apply to any Franchise Agreement issued in the State of Rhode Island:

1. Section 19-28.1-14 of the Rhode Island Franchise Investment Act (the "Act") dictates that "a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this State or requiring the application of the laws of another State is void with respect to a claim otherwise enforceable under this Act".
2. Section 19-28.1-15 of the Act dictates that "a condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty of liability imposed by or a right provided by this Act or a rule or order under this Act is void. An acknowledgment provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentations or action that would violate this Act or a rule or order under this Act. This section shall not affect the settlement of disputes, claims or civil lawsuits arising or brought under this Act".

## **VIRGINIA**

### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE VIRGINIA RETAIL FRANCHISING ACT**

The Commonwealth of Virginia has adopted the Retail Franchising Act and has implemented Retail Franchising Act Rules which may supersede the Franchise Agreement in your franchise relationship with us, including the areas of termination and renewal of your franchise. The Retail Franchising Act is found in Chapter 8 (Sections 13.1-557 et. seq.) of Title 13.1 of the Code of Virginia; the Retail Franchising Act Rules are found in Chapter 110, under Agency 5 of Title 21 of the Virginia Administration Code.

Under 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 grounds 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.

Any condition, stipulation or provision binding you to waive compliance with any of the above laws shall be void; provided, however, nothing contained in those laws shall bar you and us from agreeing to binding arbitration of disputes consistent with the provisions of the above laws.

## **WASHINGTON**

### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT**

Notwithstanding anything to the contrary contained in the Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Washington:

The State of Washington has a statute, RCW 19.100.180 which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

A release or waiver of rights signed by you as franchisee shall not include rights under the Washington Franchise Investment Protection Act except when signed as part of a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial may not be unreasonable.

Transfer fees are collectable to the extent that they reflect the Franchisor's reasonable estimated or actual costs in effecting a transfer.

If any of the provisions in this Disclosure Document or in the Franchise Agreement you will sign in connection herewith are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of this Disclosure Document and the Franchise Agreement with respect to any franchise sold in Washington.

## **WISCONSIN**

### **ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE WISCONSIN FRANCHISE INVESTMENT LAW**

Notwithstanding anything to the contrary contained in the Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Wisconsin:

1. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIVISION OF SECURITIES OF THE STATE OF WISCONSIN.
2. The Registered Agent for the Franchisor authorized to receive service of any lawful process in the State of Wisconsin in any civil action against the Franchisor that arises under the Wisconsin Franchise Investment Law or any rule or order therein is the Administrator, Wisconsin Division of Securities, P.O. Box 1768, Madison, WI 53701-1768 (Telephone: (608) 266-8557).
3. The following shall apply to Franchise Agreements in the State of Wisconsin:
  - (a) The Wisconsin Fair Dealership Law, Wisconsin Statutes, Chapter 135 (the "Law"), shall apply to and govern the provisions of Franchise Agreements issued in the State of Wisconsin.
  - (b) The Law's requirements, including that in certain circumstances a Franchisee receive ninety (90) days notice of termination, cancellation, non-renewal or substantial change in competitive circumstances, and sixty (60) days to remedy claimed deficiencies, shall supersede the provisions of the Franchise Agreement to the extent they may be inconsistent with the Law's requirements.
  - (c) Item 17 of the Disclosure Document and the corresponding Sections of the Franchise Agreement are superseded by the Law to the extent any provisions in the Franchise Agreement are inconsistent with the Law.

### **MISCELLANEOUS STATE LAW DISCLOSURES**

These states have statutes which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code, tit. 6, Section 2552], HAWAII [Rev. Stat. Chapter 482E], ILLINOIS [Rev. Stat. Chapter 815 para. 705/1-705/44], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1-523H.17 ], MARYLAND [Code Ann, Bus Reg Sections 14-201-14-233], MICHIGAN [Stat. Section 19.854(27); Comp. Laws Sections 445.771 et seq.], MINNESOTA [Stat. Sections 80C.01-80C.22], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], NEW YORK [Gen. Bus. Law Sections 680-695], NORTH DAKOTA [Cent. Code Section 51-19-01], OREGON [Rev. Stat. Sections 650.005-650.085], RHODE ISLAND [Gen. Laws Sections 19-28.1-1-19-28.1-34], SOUTH DAKOTA [Codified Laws Sections 37-5A-1-37-5A-87], TEXAS [Rev. Civ. Stat. Ann. Art. 16.01], VIRGINIA [Code 13.1-557-13.1-574], WASHINGTON [Code Sections 19.100.010-19.100.940], WISCONSIN [Stat. Sections 553.01-553.78; Wis. Stat. Sections 135.01-135.07]. These and other states may also have court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

We reserve the right to challenge the enforceability of any State law listed above that declares void or unenforceable any provision in the Franchise Agreement by bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you initiate.

A provision in the Franchise Agreement that terminates such agreement on your bankruptcy may not be enforceable under Title 11, United States Code Section 101.

### **“FRANCHISEE”**

If the “Franchisee” is a legal entity (corporation, limited liability company, partnership, etc.) then (i) enter the name of the entity Franchisee in the following space: \_\_\_\_\_, (ii) each equity owner of the Franchisee must sign below (attach additional sheet if necessary), and (iii) next to the name of the persons that are signing this **Exhibit “H” Addendum**, insert their title within such entity (president, partner, manager, member, etc.). If the Franchisee is not a legal entity at the time of signing, but rather one or more individual persons, then do not fill in the title lines below. **By signing below, the undersigned hereby acknowledge receipt of this Exhibit “H” Addendum.**

**ENTER APPLICABLE STATE OF RESIDENCY FROM ABOVE LIST: \_\_\_\_\_**

1: \_\_\_\_\_, 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above

\_\_\_\_\_  
Title of person that signed above

2: \_\_\_\_\_, 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above

\_\_\_\_\_  
Title of person that signed above

3: \_\_\_\_\_, 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above

\_\_\_\_\_  
Title of person that signed above

**“GPFC”**  
FOR GOIN’ POSTAL FRANCHISE CORPORATION

GOIN’ POSTAL FRANCHISE CORPORATION  
A Florida Corporation

BY: \_\_\_\_\_, 20\_\_\_\_  
Authorized Signing Officer                      \*Date                      \*Year  
\*Date of Goin’ Postal Franchise Corporation’s Counter Signature on Franchise Agreement is  
“Effective Date” of this Exhibit “H” Addendum.

Print Name of Officer: \_\_\_\_\_

Title of Officer: \_\_\_\_\_

## GOIN' POSTAL TURN-KEY STORE AGREEMENT

THIS AGREEMENT IS ENTERED INTO EFFECTIVE ON THE DATE OF FRANCHISOR'S SIGNATURE APPEARING AT THE END OF THIS AGREEMENT (THE "**EFFECTIVE DATE**"), BY AND BETWEEN GOIN' POSTAL FRANCHISE CORPORATION, A FLORIDA CORPORATION, WHOSE PRINCIPAL ADDRESS IS 4941 4<sup>TH</sup> STREET, ZEPHYRHILLS, FLORIDA 33542 (HEREINAFTER REFERRED TO AS "GPFC" OR SOMETIMES REFERRED TO AS "FRANCHISOR") AND THE PERSON OR PERSONS OR LEGAL ENTITY LISTED BELOW DESCRIBED AS "FRANCHISEE" (HEREINAFTER REFERRED TO AS "FRANCHISEE", WHICH, FOR PURPOSES OF THE OBLIGATIONS OF FRANCHISEE PROVIDED IN THIS AGREEMENT, SHALL INCLUDE EACH AND EVERY INDIVIDUAL SIGNING ON BEHALF OF FRANCHISEE HEREINBELOW).

FRANCHISOR ("**GPFC**"): GOIN' POSTAL FRANCHISE CORPORATION,  
A FLORIDA CORPORATION

FRANCHISEE: FULL LEGAL NAME [\*should be the same entity/individuals listed in **Exhibit "C"** to the Disclosure Document, Part II, Franchise Ownership Information Form]

---

---

APPROXIMATE DESIRED LOCATION OF FRANCHISEE'S GOIN' POSTAL STORE (THE "**LOCATION**"):

Please provide as much detail; as possible, especially if you already have a location picked out.

---

(street address)

---

(city)

(state)

(zip code)

**THIS TURN-KEY STORE AGREEMENT IS ENTIRELY OPTIONAL. BY EXECUTING THIS AGREEMENT AND PAYING THE ADDITIONAL "TURN-KEY FEE", GPFC WILL SET-UP AND ESTABLISH YOUR STORE, READY FOR YOU TO OPEN AFTER YOU COMPLETE BOTH YOUR CLASSROOM TRAINING AT GPFC'S HEADQUARTERS IN ZEPHYRHILLS, FLORIDA AND YOUR ON-SITE TRAINING AT YOUR STORE.**

## **RECITALS**

**WHEREAS**, Franchisee has signed a Franchise Agreement and has paid the initial franchise fee and costs for two Point of Sale Systems required for the purchase of a Goin' Postal franchise; and

**WHEREAS**, GPFC has the rights to determine the approved location of the Franchisee's Goin' Postal Store; and

**WHEREAS**, GPFC has the right to define the design, layout, color schemes and other appearance factors of the Franchisee's Goin' Postal Store; and

**WHEREAS**, Franchisee desires GPFC to assist in finding and securing a location for Franchisee's Store within the area of the Location and to also assist with the build-out, set up and establishment of Franchisee's Store to get it ready to open for business.

NOW THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE FEES AND OTHER SUMS PAYABLE BY FRANCHISEE AND THE MUTUAL COVENANTS CONTAINED IN THIS AGREEMENT, THE PARTIES AGREE AS FOLLOWS:

### **1. SECURING LOCATION FOR FRANCHISEE'S STORE**

#### **1.1 Location Development**

GPFC will perform the following steps to establish and secure a location for the Franchisee's Store within the designated Location chosen by Franchisee:

- a. Once Franchisee has submitted to GPFC in writing a specific area for the store Location as reflected on the first page (the document title page) of this Agreement, GPFC will begin the process of finding and securing a specific location for Franchisee's Store within that area.
- b. Using Franchisee's desired Location as a starting point, GPFC will attempt to locate an available retail space suitable for use as a Goin' Postal Shipping Store. GPFC will make use of brokers in the general vicinity of the Location to locate the required space. Franchisee may also visit the local area and help locate a site where Franchisee desires to locate the Store, and Franchisee may provide GPFC with any leads or possibilities they discover. If Franchisee wishes to have their Store in a specific location, GPFC will use this location as the basis from which to proceed.
- c. A GPFC representative will visit the selected location to evaluate its suitability. GPFC recommends that the Franchisee is present for this site inspection. GPFC does not warrant or guarantee that any selected location will result in the success of Franchisee's Store. Franchisee will be required to sign an acceptance acknowledgment once a site has been chosen.
- d. Once the location is approved as the site for Franchisee's Store, GPFC will proceed with lease negotiations through use of the services of an independent real estate professional. GPFC will make its best efforts to negotiate a lease favorable to the Franchisee, but GPFC is not liable for any lease deficiencies or unfavorable lease terms. GPFC does not act as an attorney or other professional advisor, and Franchisee is solely responsible for procuring the services of an attorney or other professional to advise and counsel Franchisee on the merits (or lack of merits) of the lease. Franchisee will be presented for execution for the premises selected for Franchisee's Store location. All lease negotiations will be made using Franchisee as the signer and Franchisee's credit as the basis for negotiations. The Franchisee is



also permitted to negotiate their own lease with the landlord for the location, but GPFC will not be involved in Franchisee/Landlord negotiations.

- e. Once an acceptable lease has been negotiated, it will be presented to Franchisee for signing and Franchisee will sign the lease. GPFC will conclude once Franchisee signs such lease that Franchisee's attorney or other professional advisor advised Franchisee that the lease was acceptable, or that Franchisee elected not to utilize the services of a professional advisor.
- f. If Franchisee fails to sign the lease for the selected premises, Franchisee will be solely responsible for finding an alternate location, and negotiating and signing the lease on a location of their choice.
- g. Franchisee will pay directly to the landlord of Franchisee's selected premises the initial upfront advance rents (i.e., first and last month) and lease security deposits required under the lease to secure the selected premises for Franchisee's Store location. Real estate costs vary widely from area to area, and GPFC will inform Franchisee of the anticipated expenses as soon as information on prevailing lease costs is known. Franchisee will be solely responsible for all further and ongoing rent and other monetary obligations under the applicable lease.
- h. Unless and until Franchisee has a signed lease for the specific location chosen by Franchisee for Franchisee's Store, neither a Territory for Franchisee's Store nor any rights of Franchisee to claim or possess any Territory (protected or otherwise) shall exist.

## **2. BUSINESS SET-UP SERVICES**

The following services will be performed on Franchisee's behalf using Franchisee's credit and personal information for the establishment of accounts:

- 2.1 If Franchisee desires to own and operate its Store as a corporation, GPFC will provide basic incorporation services for Franchisee through the use of a recognized entity formation service. This service will include forming a corporation for the Franchisee in the state of Franchisee's residency, obtaining a Federal Employer Identification Number (FEIN) and a Sales Tax number, if applicable. Franchisee must supply all required information and sign all documents required for obtaining these items, and Franchisee will be solely responsible for ordering a corporate book, preparing bylaws and minutes, issuing stock, and performing other organizational formalities.
- 2.2 GPFC will initiate the necessary contacts to establish required utility accounts on Franchisee's behalf and in Franchisee's name including electricity, telephone, gas, garbage, water and sewer. GPFC will pay the initial upfront deposits to establish these accounts. Franchisee must sign all necessary documents to set up those accounts.
- 2.3 GPFC will initiate the necessary contacts to procure in Franchisee's name basic liability and hazard insurance from a local insurance carrier for Franchisee's Store, and GPFC will pay the first month's premium payment. Franchisee will be required to sign all applications and provide all required information.
- 2.4 GPFC will initiate the necessary contacts to procure in Franchisee's name any city or county business/occupational licenses for Franchisee's Store, and will pay the required license fees. Franchisee will be required to sign all applications and provide all required information.

### 3. CONSTRUCTION OF STORE

3.1 **Store Design.** GPFC will design Franchisee's Store using GPFC's standard layout, adjusted as necessary for the actual dimensions of the space.

3.2 **Store Build-Out.** GPFC will pay the costs of materials and furnishings, the costs to obtain local permits (as necessary) and the costs to procure a licensed contractor to build-out Franchisee's Store interior to GPFC's Standards and Specifications. The materials and furnishings budget and contractor budget GPFC has factored into its costs for a Turn-Key Franchise Package are based upon the leased premises being already supplied as a 1,200 square foot "vanilla box". A vanilla box includes finished drywall, concrete floor, drop ceiling, lighting, HVAC (with associated delivery systems), electrical switches and outlets and handicap accessible restroom. If a location is chosen that does not meet the vanilla box requirement, Franchisee will be solely responsible for all costs incurred to bring the location up to vanilla box condition. The Store furniture, flooring and decorating package is also based on a Store size of 1200 square feet. If the location is larger and requires more furniture and flooring, Franchisee will be responsible for these extra costs. Franchisee will be informed by GPFC of an estimate of any additional costs which GPFC determines to be necessary under this Section 3.2 prior to the time Franchisee will sign any lease for the Location of Franchisee's Store.

3.3 **Included Services.** GPFC will provide all materials, labor, and permits (within the limits of its agreed responsibility reflected in the attached **Exhibit "A"**) necessary to ready the Franchisee's Store to open for business. These services will include the following:

- Carpet and tile
- Painting and decorating
- Wall units with lighting
- Three place Counter and cash wrap
- Slat-wall
- Rear Wall
- Box shelves and storage
- 2 units of mailboxes
- Packaging table and area
- Peanut hopper
- Shelves
- Interior signage

Should Franchisee wish to install more than two sections of mailboxes, Franchisee will be responsible for additional expenses incurred. The total build-out budget allocation is based on a Store of approximately 1200 square feet. Stores of much larger sizes may incur additional expenses payable solely by Franchisee.

3.4 **Store Appearance.** Franchisee's Store will be delivered to Franchisee with the interior renovations in an "as new" condition, ready for business, clean and fully stocked with the items of supplies, furniture, equipment and inventory reflected in the table of included items and responsibility limits attached to this Agreement as **Exhibit "A"** and included in this Agreement by this reference.

3.5 **Exterior Signage.** GPFC will pay for furnishing one exterior sign for Franchisee's Store. Signage will be designed based on lease requirements, local ordinances, the existing appearance of the Store location, and GPFC's Standards and Specifications for sign appearance. GPFC will pay up to \$500 for panels for any existing pylon or monument roadside sign for the plaza or strip center where Franchisee's Store is located.

#### 4. OTHER SERVICES AND PRODUCTS

- 4.1 **Copier.** GPFC will not purchase or otherwise provide Franchisee with a copier as part of a turn-key package. Franchisee will be solely responsible for determining and then fulfilling its own copier needs at the Franchisee's Store. It is suggested thought for maximum benefit Franchisee obtain a network ready color copier capable of producing 25 pages per minute, with an automatic duplexing document feeder, hole punch unit and booklet finisher. Franchisee will also be responsible at its sole cost to sign up for any maintenance agreement for the specific copy machine(s) Franchisee determines to purchase for Franchisee's Store.
- 4.2 **Other.** Within the specified limits reflected in the attached **Exhibit "A"**, GPFC will furnish or provide the other items included in said **Exhibit "A"**.

#### 5. FEES AND OTHER PAYMENTS

- 5.1 Franchisee shall, in accordance with the following, pay to GPFC the following fees:
- a. A turn-key store fee of \$84,000.00 shall be due and payable by Franchisee to GPFC on the date of the execution of this Agreement. This fee is separate from and in addition to the Initial Franchise Fee and is solely for the development of the Franchisee's Store by GPFC as an extra service. This fee, together with the \$15,000.00 for the Initial Franchise Fee, shall cover those costs involved with the development of the Franchisee's Store in accordance with the various included items as delineated on **Exhibit "A"** attached to this Agreement, except to the extent Franchisee's personal desires or Store size or condition factors cause additional expenses and costs to be incurred.
  - b. In the event of overages or excess expenses incurred for the above items and services, GPFC will make payments on behalf of Franchisee and invoice Franchisee immediately via email. Payment of any overages or excess costs will be due immediately, and GPFC will not make any more expenditures until all such overages and/or excess costs are fully satisfied. Franchisee may, or GPFC may require Franchisee to, place a credit card on file with GPFC for immediate payment of these outstanding amounts, or establish an electronic funds transfer payment arrangement with GPFC for these overages or excess costs.
  - c. This Agreement will only be accepted when submitted with full payment of the required turn-key store fee, a fully signed Goin' Postal Franchise Agreement and full payment of the additional \$15,000.00 for the Initial Franchise Fee. The Franchise Agreement and Turn-Key Store Agreement are separate agreements, and the payments under each agreement must be made separately, one payment of \$15,000.00, and another separate payment of \$84,000.00.
- 5.2 **Method of Payment**
- a. Franchisee shall pay the initial turn-key store fee of \$84,000.00 due with this Agreement by check. Additional fees for overages may be paid via credit card or electronic funds transfer arrangements.

#### 5.3 Travel Expenses

GPFC will pay the travel expenses for its representative(s) incurred in performing the various services in establishing Franchisee's Store, including the costs for GPFC's representative(s) training visit to Franchisee's Store for the Franchisee's Store opening

week. Franchisee is responsible for Franchisee's own travel expenses to visit Zephyrhills, Florida for training as provided in the UFDD and Franchise Agreement.

- 5.4 **Delinquencies Owed to GPFC.** If Franchisee fails to pay to GPFC the entire amount of any payment due to GPFC hereunder promptly when due, Franchisee shall be deemed to be in default of Franchisee's Franchise Agreement and all progress on the establishment of Franchisee's Store shall cease until such time as full payment is made.

## 6. LIMITATIONS

- 6.1 The table included on the attached **Exhibit "A"** provides a detailed listing of GPFC's responsibilities with respect to a Turn-Key Franchise Package toward its establishment of a Franchisee's Store under this Turn-Key Store Agreement (several of the entries, such as "Paper Clips", reference the number of start up packages you will receive which include a various number of such items, as opposed to the actual number of the listed items themselves). Any deviations which the Franchisee wishes to make to their Store from those reflected in the **Exhibit "A"** table are the Franchisee's sole responsibility and will be at the Franchisee's sole cost and expense. The Franchisee must provide GPFC with either a credit card account authorization or with an electronic funds transfer arrangement, as GPFC chooses, so that any overages incurred above and beyond those to which GPFC has agreed to be responsible as reflected on the attached **Exhibit "A"** may be appropriately paid as they are incurred. The Franchisee must be available to sign any and all documents required as part of this Turn-Key Store Agreement, and GPFC does not act as an agent, partner, power of attorney or other representative for or on behalf of any Franchisee. Many of the cost allocations for the items reflected in the **Exhibit "A"** table may be higher than those budgeted by GPFC in arriving at the \$84,000.00 turn-key store fee as a result of the particular credit standing of Franchisee or as a result of other conditions or circumstances beyond the control of GPFC. Franchisee will be responsible and will be charged for overages resulting from conditions of Franchisee's Store different from those upon which the **Exhibit "A"** budget was established, such as the total costs to build out an oversized Store larger than the anticipated 1,200 square foot size Store or one which was not delivered by the landlord or owner as a "vanilla box", and for any additional equipment, furniture or furnishings which Franchisee orders beyond those to which GPFC has agreed to provide under this Agreement.

## 7. GOVERNING LAW AND DISPUTE RESOLUTION

### 7.1 Validity, Choice of Law, Venue and Jurisdiction

- a. This Agreement shall become valid and effective when counter-signed and accepted by GPFC. The Effective Date of this Agreement shall be the date when signed and accepted by GPFC. This Agreement shall be deemed made and entered into in the State of Florida and shall be governed and construed under and in accordance with the laws of the State of Florida without giving effect to any conflict of laws.
- b. Exclusive venue and jurisdiction of any suit arising hereunder shall lie within the courts of the State of Florida, located in Tampa, Florida or within the courts of the United States of America located within the Middle District of Florida.

### 7.2 Mediation

- a. Subject to the limitation provided in the last sentence of this Section 7.2(a), and subject to Section 7.2(b), before either party may initiate suit or action against the other, the parties pledge to first attempt to resolve the controversy or claim arising out of or relating to this Agreement (a "Dispute") through mediation conducted in

accordance with the Commercial Mediation Rules of The American Arbitration Association, unless the parties agree on alternative rules and a mediator within 15 days after either party first gives notice of such Dispute (the "Mediation Notice"). Mediation shall be conducted at GPFC's Headquarters or at the office of GPFC's attorney, at the option of GPFC. The fees and expenses charged by the mediator shall be shared equally by the parties. The mediator shall be disqualified as a witness, expert or counsel for any party with respect to the Dispute and any related matter. Mediation is a compromise negotiation and shall constitute privileged communications under Florida and other applicable laws. The entire mediation process shall be confidential and the conduct, statements, promises, offers, views, and opinions of the mediator and the parties shall not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence that is otherwise discoverable or admissible shall not be excluded from discovery as a result of its use in the mediation. Mediation shall be deemed completed 30 days after the date of the Mediation Notice unless extended by mutual consent of the parties.

- b. GPFC shall not be required to attempt to first mediate a controversy or claim against Franchisee through mediation as provided in Section 7.2(a) if such claim or controversy concerns an allegation or allegations by GPFC that Franchisee has violated (or threatens to violate or poses an imminent risk of violating) any of GPFC's federally protected intellectual property rights in the Marks, in the Method, in the Store Set-Up Manual, in the Operations Manual, in the GP Rate Pro Software, or in any of GPFC's other intellectual properties, in which case GPFC shall reserve (and hereby reserves) the right to immediately seek injunctive relief, civil damages, ex parte seizure and other available remedies within the courts of the State of Florida or United States of America located within Tampa, Florida or the Middle District of Florida, as the case may be.
- 7.3 GPFC may be granted injunctive relief without the necessity of a bond, but upon notice; provided no prior notice shall be required in the event Franchisee counterfeits the Marks or the Method and GPFC pursues available ex-parte remedies.
- 7.4 IN ALL CASES EXCEPT WHERE EXPRESSLY PROHIBITED BY APPLICABLE STATUTORY LAW, FRANCHISEE AND GPFC EACH WAIVES ANY RIGHT TO A TRIAL BY JURY.
- 7.5 If GPFC institutes any action at law or in equity against Franchisee to secure or protect GPFC's rights under or to enforce this Agreement, in addition to any judgment entered in its favor, GPFC shall be entitled to recover such reasonable attorneys' fees and costs as may be allowed by the court, together with court costs and expenses of litigation.
- 7.6 **To the extent the UFDD of GPFC which included this Agreement which has been signed by Franchisee, also included a state-specific Addendum as Exhibit "H" which contained additions, modifications or other changes to this Agreement mandated by the laws of the State of residency of Franchisee (hereinafter any such state-specific Addendum being referred to as the "Applicable State-Specific Addendum"), such Applicable State-Specific Addendum is incorporated in this Agreement and shall, to the extent required by the laws of the State of Franchisee's residency, supersede and take precedence over any contrary, conflicting or inconsistent provisions in this Agreement.**

## 8. SEVERABILITY AND CONSTRUCTION

- 8.1 Every part of this Agreement will be considered severable as described below.

- a. If, after application of any Applicable State-Specific Addendum, a court of competent jurisdiction declares any provision of this Agreement (or any exhibit or other document referred to in this Agreement) pertaining to the subject matters referenced in Section 8.1(b) to be invalid or unenforceable, but such provision could be rendered valid and enforceable if modified, then Franchisee and GPFC hereby agree that such provision shall be deemed modified to the extent required to make it valid and enforceable to the fullest extent under applicable state law and public policy.
- b. The subject matters that are made subject to Section 8.1(a) are any provisions of this Agreement (or any exhibit or other document referred to in this Agreement) pertaining to (i) termination of this Agreement, (ii) non-renewal of this Agreement, (iii) designation of jurisdiction and venue for dispute resolution proceedings, (iv) waivers of right to a jury trial, (v) "choice of law" provisions that specify which state's law would apply in a dispute resolution proceeding, (vi) certain types of mandatory franchisee "releases" or "waivers", and (vii) any other provision that is governed by any Applicable State-Specific Addendum or is otherwise inconsistent with a valid and applicable state law that was specifically intended to protect the rights of franchisees.
- c. If a mediator, arbitrator or court of competent jurisdiction declares any provision of this Agreement (or any exhibit or other document referred to in this Agreement), other than the provisions corresponding to the subject matters referenced in Section 8.1(b), to be invalid or unenforceable, but such provision could be rendered valid if modified, then Franchisee and GPFC hereby agree that GPFC shall have the right, in its sole discretion, to modify such invalid or unenforceable provision(s) to the extent necessary to render such provision(s) valid and enforceable, including, without limitation, the right to delete the provision in its entirety.
- d. Should any provision of this Agreement be found invalid or unenforceable as presented in the above provisions of this Section 8.1, the remainder of this Agreement shall in no way be affected and shall remain valid and enforceable for all purposes, both parties to this Agreement declaring that they would have signed this Agreement without inclusion of such provision. In the event that such total or partial invalidity or unenforceability of any provision of this Agreement exists only with respect to the laws of a particular jurisdiction, this Section 8.1 shall operate only upon such provision to the extent that the laws of such jurisdiction are applicable to such provision. Each party shall sign and deliver to the other any further documents that may be reasonably required to effectuate fully the provisions hereof.

8.2 This Agreement and all other agreements and writings referred to in this Agreement or signed in connection herewith, including but not limited to the exhibits, the Franchise Agreement, the Non-Competition and Non-Solicitation Agreement, the UFDD, the Continuing Personal Guaranty (if applicable), the Domain Name License Agreement (if applicable), the Store Set-Up Manual, the GPFC Operations Manual, and the Standards and Specifications referred to in this Agreement, contain the entire agreement of the parties pertaining to the subject matter hereof and no prior or contemporaneous representations, inducements, promises, or agreements, oral or otherwise, between the parties not expressly included in this Agreement shall be of any force and effect. The terms of all Exhibits to this Agreement and, to the extent not inconsistent with or contrary to the provisions of this Agreement, all agreements and writings referred to in this Agreement, including in particular, but not limited to, GPFC's UFDD (and all supplements and amendments thereto made by GPFC throughout the Term), are hereby incorporated

into and made a part of this Agreement as if the same had been recited in full in this Agreement.

## 9. MISCELLANEOUS

- 9.1 This Agreement may be signed in any number of counterparts and copies, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.
- 9.2 The submission of this Agreement does not constitute an offer or acceptance by GPFC and this Agreement shall not be deemed valid, effective or binding upon GPFC until such time as GPFC accepts it and it is signed by an authorized officer on behalf of GPFC.
- 9.3 Franchisee and its Owners jointly and severally acknowledge that they have carefully read and understand this Agreement and all other related documents to be signed concurrently or in conjunction herewith, that they have had the opportunity to consult with legal counsel, accountants and financial advisors in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and to be bound hereby. Franchisee and its Owners and Managers signing below, if any, represent, warrant and covenant that they received a copy of GPFC's current Franchise Disclosure Document at least fourteen (14) calendar days before any of them signed this Agreement or paid any money to GPFC, that they read and reviewed a copy of GPFC's current Franchise Disclosure Document in its entirety, and that this Agreement which has been signed by each of them is in all material respects identical to that Turn-Key Store Agreement which was attached as Exhibit "J" to the specific copy of GPFC's current Franchise Disclosure Document which was so received, read and reviewed; and to the extent any material alterations were unilaterally made by GPFC to this Agreement as compared to the Turn-Key Store Agreement which was attached as **Exhibit "J"** to the specific GPFC Franchise Disclosure Document each of them received, read and reviewed, they received and reviewed a copy of this Agreement at least seven (7) calendar days before any of them signed this Agreement.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be signed effective as of the date of counter execution by GPFC's authorized signing officer shown as follows:

### "FRANCHISEE"

If the "Franchisee" is a legal entity (corporation, limited liability company, partnership, etc.) then (i) enter the name of the entity Franchisee in the following space: \_\_\_\_\_, (ii) each equity owner of the Franchisee must sign below (attach additional sheet if necessary), and (iii) next to the name of the persons that are signing this Agreement, insert their title within such entity (president, partner, manager, member, etc.). If the Franchisee is not a legal entity at the time of signing, but rather one or more individual persons, then do not fill in the title lines below.

1: \_\_\_\_\_, \_\_\_\_\_ 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity Date Year

\_\_\_\_\_  
Printed name of person that signed above

\_\_\_\_\_  
Title of person that signed above

2: \_\_\_\_\_, \_\_\_\_\_ 20\_\_\_\_  
Signature of Franchisee or equity owner if Franchisee is a legal entity      Date      Year

\_\_\_\_\_  
Printed name of person that signed above

\_\_\_\_\_  
Title of person that signed above

**“GPFC”**  
FOR GOIN’ POSTAL FRANCHISE CORPORATION

GOIN’ POSTAL FRANCHISE CORPORATION  
A Florida Corporation

BY: \_\_\_\_\_, \_\_\_\_\_ 20\_\_\_\_  
Authorized Signing Officer      \*Date      \*Year

\*Date of Goin’ Postal Franchise Corporation’s Counter Signature is “Effective Date” of this Turn-Key Store Agreement

Print Name of Officer: \_\_\_\_\_



**EXHIBIT "A" TO TURN-KEY STORE AGREEMENT  
LIST OF INCLUDED ITEMS RESPONSIBILITY**

Franchise Fee	Standard Franchise Fee	1
Point of Sale systems	Two complete Point of sale systems	2
Utility deposits	We will pay upfront utility deposits for telephone, electricity, gas, water, sewer and garbage	1
Insurance	Liability insurance first monthly premium payment or deposit. Turn-Key Franchisee responsible for all additional premiums and other payments	1
Incorporation	Basic Incorporation and EIN number	1
Licenses*	City Business Licenses etc.	1
Build out	Carpet, tile, pre-fabricated fixture walls, counters, shelves, islands, mailboxes, display lighting. This is based on a vanilla box. If your location needs structural walls, HVAC, bathrooms, ceilings etc you will be responsible for these costs.	1
Contractor		1
Sign		1
Permits		1
Fax		1
Phone System		1
Printers	All necessary printers	1
Furniture (desks, filing)	Desk, Filing cabinets etc.	1
Pitney Bowes Machine	1 months lease payment and 1 postage refill	1
Various Salaries	All GPFC salaries to establish location	1
Packaging Office Supplies Stock	Panes, paper, tape, knives, CDs etc.	1
Greeting Cards/Gifts	Cards, racks and various gift wrap items.	1
Boxes	Startup package	1
Stamps	Startup package	1
Retail Office Supplies	Start-up package of ink, toner and other office supplies inventory	1
GPFC Travel expenses	Location selection, buildout, reps visit. Turn-Key Franchisee responsible for travel expenses to Zephyrhills and all related accommodations.	1
48" Steel Rule		1
3 Tier Plastic Display		1
Utility Knives		4
Tape Measurers		2
Business Cards		1
Card Holders		3
Stapler		1
Receipt Spikes		2
Pouches starter kit		1
Scotch Tape		2

Paper	1
Scissors	2
Markers	1
Tape Guns	2
Bubble Mailers	1
Power Strips	3
Pens	1
Paper Clips	1
Set Up Box	100
Slatwall Hooks 6"	50
Slatwall Brackets	24
Counter Wall Sign	1
Window Sign	1
15' Banner	1
Stamp Set	1
1000 Shipping Forms	1
Lifesize Running Guy	1
Thermal Label Printer	1
150lb Scale	2

## CONTINUING PERSONAL GUARANTY

Each of the undersigned (the "Guarantor(s)"), in order to induce Goin' Postal Franchise Corporation, a Florida corporation ("GPFC") to enter into that certain Goin' Postal Franchise Agreement dated \_\_\_\_\_, 20\_\_\_\_ ("Franchise Agreement") by and between GPFC and \_\_\_\_\_ ("Franchisee"), hereby jointly and severally, unconditionally, absolutely and unequivocally personally guaranty to GPFC, its successors, or its assigns, prompt full payment and performance of all obligations of Franchisee to GPFC which are or may become due and owing to GPFC, including, but not limited to, all obligations arising out of the Franchise Agreement or any other agreement between GPFC and Franchisee, including any and all extensions or renewals of such Franchise Agreement and other agreements, in the same manner as if those agreements were signed between GPFC and the undersigned Guarantors directly. Such obligations include, but are not limited to, Royalty Fees, Marketing Fees, software update fees, taxes imposed or charge upon the Franchisee, and any and all other obligations now or hereafter due to GPFC or hereafter incurred by Franchisee in favor of GPFC.

The undersigned Guarantor(s) expressly waive: (a) notice of the acceptance by GPFC for the benefit of Franchisee; (b) all presentments, demands for performance, notices of non-performance, protests, and all other notices, including but not limited to, notices of protest, dishonor, any default, partial payment or non-payment of all or any part of the obligations guaranteed hereunder, and the existence, creation, or incurring of new or additional obligations guaranteed hereunder; (c) any right to require GPFC to proceed against Franchisee or any other persons, to proceed against or exhaust any security held by GPFC or any other person for the obligations guaranteed hereunder or to pursue any other remedy in GPFC's power whatsoever; (d) any defense arising by reason of the invalidity, illegality or lack of enforceability of the obligations guaranteed hereunder or any part of those obligations, or by reason of any incapacity, lack of authority, death, disability, or other defense of Franchisee or any other person, or by reason of the failure of GPFC to file or enforce a claim against the estate (in administration, bankruptcy or any other proceeding) of Franchisee or any other person, or by reason of the cessation from any cause whatsoever of the liability of Franchisee or any other person with respect to all or any part of the obligations guaranteed hereunder, or by reason of any act or omission of GPFC or others which directly or indirectly results in a discharge or release of Franchisee or any other person or any obligations guaranteed hereunder or any security therefore, whether by operation of law or otherwise; (e) any defense arising by reason of GPFC's failure to obtain, perfect, or maintain a perfected or prior security interest in, lien or encumbrance upon, any property of Franchisee or any other person, or by reason of any interest of GPFC in any property, whether as owner of such property or the holder of a security interest therein or lien or encumbrance thereon, being invalidated, avoided, declared void, fraudulent or preferential or otherwise set aside, or by reason of any impairment of GPFC of any right, recourse or collateral; (f) any right to require GPFC to marshal any assets in favor of the undersigned Guarantors; (g) any defense based upon any failure of GPFC to give Franchisee or the undersigned Guarantors notice of any sale or other disposition of any property securing any or all of the obligations guaranteed hereunder or any guaranty of said obligations, or any defect in any notice that may be given in connection with any sale or other disposition of any such property, or any failure of GPFC to comply with any provision of applicable law in enforcing any security interest in or lien upon any such property, including any failure by GPFC to dispose of any such property in a commercially reasonable manner; and (h) any defense based upon or arising out of any bankruptcy, insolvency, reorganization, arrangement, re-adjustment of debt, liquidation or dissolution proceeding commenced by or against Franchisee or any other person, including any discharge of, or bar against collecting, any of the obligations guaranteed hereunder (including any interest thereon), in or as a result of any such proceeding.

This Continuing Personal Guaranty will not be affected by the modification, extension, or renewal of the Franchise Agreement or any other agreement between GPFC and Franchisee, the granting of an extension of time for payment by GPFC to Franchisee of any obligation guaranteed hereunder, or any termination of the Franchise Agreement or any other agreement between GPFC and Franchisee or any release of Franchisee of any of its obligations thereunder.

This is an irrevocable, unconditional and absolute guaranty of payment and performance, not of collection, and the undersigned Guarantors agree that his, her, or their liability under this Continuing

Personal Guaranty will be immediate and will not be contingent upon the exercise or enforceability by GPFC of whatever remedies it may have against the Franchisee or others.

The undersigned agree that any current or future indebtedness by Franchisee to any of the undersigned Guarantors will always be subordinate to any indebtedness or obligations owed by Franchisee to GPFC.

The undersigned Guarantors further agree that as long as the Franchisee owes any money to GPFC, the Franchisee will not pay and the undersigned will not accept payment of any part of any indebtedness owed by Franchisee to any of the undersigned Guarantors, either directly or indirectly, without the consent of GPFC.

Each of the undersigned Guarantors further agree to be personally bound by and to perform the obligations, and to refrain from performing all acts prohibited by, all of the provisions of the Franchise Agreement, including, in particular, but without limitation to, the provisions of Section 14 (Franchisee's Obligations Upon Expiration and/or Termination), that certain Domain Name License Agreement between GPFC and Franchisee (if applicable), and that certain Non-Competition and Non-Solicitation Agreement between GPFC and Franchisee. The undersigned Guarantors consent to be bound by the provisions of Article 20 of the Franchise Agreement for purposes of resolving any dispute or controversy arising out of or in connection with the undersigned's alleged performance of or failure to perform the obligations of Franchisee under the Franchise Agreement, Domain Name License Agreement and/or Non-Competition and Non-Solicitation Agreement.

In connection with any litigation to determine or enforce the undersigned Guarantors' liability under this Continuing Personal Guaranty, each of the undersigned Guarantors expressly waive his or her right to trial by jury and agree to pay all costs and expenses incurred by GPFC in such proceedings, including reasonable attorneys' fees.

If this Continuing Personal Guaranty is signed by more than one individual, each person signing this Continuing Personal Guaranty below will be jointly and severally liable for all obligations created in this Continuing Personal Guaranty. This Continuing Personal Guaranty is a continuing personal guaranty and it shall remain in full force and effect during and after the term of the Franchise Agreement, including any renewals or extensions of the Franchise Agreement, until all obligations arising out of and under the Franchise Agreement, including all renewals and extensions, owed by Franchisee to GPFC are fully paid and satisfied.

Should any one or more provisions of this Continuing Personal Guaranty be determined to be illegal, invalid, or unenforceable, all other provisions shall nevertheless remain effective. This Continuing Personal Guaranty shall inure to the benefit of and bind, as the case may require, GPFC, its successors and assigns, and all heirs, legal representatives, successors and assigns of each of the undersigned Guarantors. Each of the undersigned Guarantors specifically acknowledge that he or she has read all the terms of this Continuing Personal Guaranty, have received a true copy of it, and agree to be fully bound by its terms.

"Guarantor"

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Soc. Sec. #: \_\_\_\_\_

Home Address: \_\_\_\_\_

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

"Guarantor"

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Soc. Sec. #: \_\_\_\_\_

Home Address: \_\_\_\_\_

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

“Guarantor”

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Soc. Sec. #: \_\_\_\_\_

Home Address: \_\_\_\_\_

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

## **DOMAIN NAME LICENSE AGREEMENT**

Domain Name: \_\_\_\_\_

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

Franchisee Name and Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

### **Background:**

By reason of a request to establish a website submitted to Goin' Postal Franchise Corporation ("GPFC"), GPFC has approved the right for the above-designated Goin' Postal Franchisee ("Franchisee") to use the domain name above ("Domain Name") in connection with the establishment of a website (the "Website") promoting Franchisee's franchised Goin' Postal Store (the "Franchisee's Goin' Postal Store") and Franchisee's operation of a Goin' Postal franchise by virtue of the certain franchise agreement between Franchisee and GPFC (the "Franchise Agreement").

As a condition to its use of the Domain Name in connection with the Website, Franchisee is required to sign this Domain Name License Agreement (the "License Agreement") and to, at all times relevant to its operation of the Website, fully and completely comply with the terms and conditions hereof.

**NOW, THEREFORE**, for and in consideration of the promises, covenants, representations and warranties in this License Agreement, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, GPFC and Franchisee agree as follows:

1. GPFC hereby grants to Franchisee a non-exclusive and limited license to use the Domain Name in accordance with the terms and conditions in this License Agreement. The effective date of this license will be the Effective Date reflected above.
2. Franchisee must use the Domain Name solely in connection with the Website and in accordance with any guidelines, directives or specifications (collectively, the "Standards") issued by GPFC from time to time during the term of this License Agreement. In issuing any such Standards, GPFC will reference this License Agreement and, upon such issuance, the Standards will be deemed incorporated into this License Agreement. Any rights with respect to the Domain Name not expressly granted in this License Agreement shall be deemed reserved to GPFC. Franchisee shall have no right to create or use any formation or derivative of the Domain Name or establish, use, operate or maintain any other Internet presence other than the Website having the Domain Name as its "URL" under and in accordance with the provisions of this License Agreement.
3. Franchisee understands and agrees that the Website may not contain "Website Content" (as defined in Paragraph 5 of this License Agreement below) which references any other Goin' Postal Store or other shipping or postal establishment other than the Franchisee's Goin' Postal Store.
4. Franchisee will not upload, publish, display, or otherwise include or use any Website Content on the Website without receiving the prior written approval of GPFC. Accordingly, once the initial Website Content of the Website is approved by GPFC, Franchisee must submit any desired changes to such Website Content to GPFC for its prior written approval. GPFC's review and approval of the Website Content shall not be construed as GPFC's approval, recommendation or

endorsement of Franchisee or GPFC's representation or warranty that such Website Content is accurate, complete, truthful or correct.

5. Franchisee acknowledges and understands that GPFC, and not Franchisee, will register the Domain Name in the name of GPFC or its designee and that GPFC, not Franchisee, will be the sole and exclusive owner of the Domain Name, the Website, and all text, graphics, photographs, video, audio, data, information and other content (the "Website Content") displayed, exhibited, broadcast, depicted, shown, made available, accessible, or otherwise used on or in connection with the Website, and Franchisee shall have no title, right (including intellectual property rights), claim or interest in or to the Domain Name, Website or the Website Content except for and to the extent of the limited license rights granted to Franchisee in association with the terms of this License Agreement.
6. Franchisee acknowledges and understands that its license of the Domain Name and its use, operation and maintenance of the Website shall at all times be bound and subject to, and conditioned upon, Franchisee's strict compliance with, each of the following **"Internet and Franchisee Website Restrictions"**:
  - (a) Franchisee is restricted from independently establishing a presence on, or independently marketing Franchisee's Goin' Postal Store using, the Internet without GPFC's prior written consent and then by only maintaining a Website in strict accordance with this License Agreement; and
  - (b) The Website Content of Franchisee's Website shall be limited to information pertaining to Franchisee's Goin' Postal Store and the specific aspects of the products and services available at Franchisee's Goin' Postal Store, shall be contained within the templates GPFC develops and approves, and must reside and be hosted on one of the GPFC's web servers; and
  - (c) The Domain Name will serve as the "URL" for the Website which GPFC will develop for Franchisee (with Franchisee's input as requested), and the Website will be hosted on one of GPFC's servers. The URL for the Website will be accessed through a link from and within GPFC's website. Franchisee will pay to GPFC each month during the initial mandatory twelve (12) month term of this License Agreement a web hosting fee in the amount of \$5.00 per month, which web hosting fee may be increased by GPFC at any time and from time-to-time after said initial mandatory twelve (12) month term; and
  - (d) Franchisee may submit desired designs, format and layout of the Website for GPFC's review and approval. However, Franchisee must obtain GPFC's prior written approval for the form, structure and Website Content of the Website before it is used on the Internet so that GPFC can maintain the common identity of the Goin' Postal Franchise Network; and
  - (e) Franchisee may not use the Goin' Postal name or any of the Goin' Postal trademarks or service marks (the "Goin' Postal Marks") or similar words as part of an Internet domain name except to the extent of the Domain Name registered in the name of GPFC and then licensed to Franchisee in accordance with this License Agreement; and
  - (f) Franchisee shall provide on the Website a hyperlink to GPFC's website ([www.goinpostal.com](http://www.goinpostal.com)) (the "Goin' Postal Website"). Prior to placing any hyperlinks

to third party websites, Franchisee must obtain GPFC's prior written approval of such hyperlinks. Franchisee will not indulge in deblinking, framing, word stuffing, or other unlawful or unethical activities, including any activities which may be detailed in the Operations Manuals; and

- (g) Franchisee must include within the Website a clear and conspicuous disclaimer of any direct affiliation with GPFC other than that of a franchisee. Such disclaimer should read in similar fashion as **"Goin' Postal of \_\_\_\_\_ [insert city of Franchisee's Goin' Postal Store location] is an independently owned and operated Goin' Postal franchise"; or similar to "Goin' Postal \_\_\_\_\_ [city of Franchisee's Goin' Postal Store location] is an independently owned and operated franchisee of Goin' Postal Franchise Corporation";** and
- (h) Franchisee should never refer to itself within the Website solely as "Goin' Postal". Rather, as an independent owner and operator of a Goin' Postal franchised business, Franchisee should refer to itself by its registered fictitious name, such as **"Goin' Postal [city of Franchisee's Goin' Postal Store location]"** or **"Goin' Postal of [city of Franchisee's Goin' Postal Store location]"**; and
- (i) Under no circumstances should Franchisee, within the Website Content of the Website, make any modifications, alterations or additions to any of the Goin' Postal Marks, including any of GPFC's slogans or tag lines; and
- (j) Franchisee may not use within the Website Content of the Website any or all, or any part of, the Goin' Postal Marks, or any other mark GPFC owns or will own, without GPFC's prior written consent or direction, and even then only in strict accordance with the provisions of this License Agreement. With GPFC's approval, Franchisee shall use and display the Goin' Postal Marks, and/or any other trademark, service mark, or trade name adopted by GPFC, only in the form, manner, design, verbiage, and appearance as exactly adopted by GPFC (see Composite Goin' Postal Mark depicted as **Exhibit "A"** to the Franchise Agreement) or as otherwise instructed by GPFC in writing, including in form and manner and appropriate legends as may be prescribed by GPFC from time-to-time. Franchisee may not use or display on any approved Website for Franchisee's Goin' Postal Store any other trademark, service mark or trade name in combination with any of the Goin' Postal Marks without GPFC's prior written consent. Franchisee may not use or display the Goin' Postal Marks, or any other mark GPFC owns or will own, in any advertising which has not been provided to Franchisee by GPFC or previously approved in writing by GPFC. Franchisee shall not use or associate in any way the Goin' Postal Marks with any products or services not approved by GPFC in writing. All uses and depictions of the Goin' Postal Marks on or within Franchisee's Website must properly depict and portray the appropriate trademark symbol (TM or SM for unregistered trademarks or service marks, as the case may be, owned by GPFC; and the symbol ® for all of GPFC's registered trademarks and service marks). All uses and depictions of the Goin' Postal Marks on or within the Website for Franchisee's Goin' Postal Store must give proper attribution of GPFC's ownership of each of the Goin' Postal Marks using a format such as the following: **"Goin' Postal" and all associated, related and connected drawings, designs, slogans, tag-lines, deliveryman characters and characterizations, and other depictions used with or as part**



of “Goin’ Postal” are registered trademarks of Goin’ Postal Franchise Corporation; and

- (k) Franchisee should never refer to GPFC within the Website Content of the Website as “parent”, “corporate”, “company” or any other designation giving a connotation of ownership affiliation or parent/subsidiary relationship between Franchisee and GPFC. Any and all references in Franchisee’s approved Website to GPFC should use GPFC’s corporate name, Goin’ Postal Franchise Corporation, or should refer to GPFC as Franchisee’s “Franchisor”; and
- (l) Franchisee may not offer or solicit the sale or purchase of Goin’ Postal franchises, or any of GPFC’s other franchise brands, on Franchisee’s Website. The only reference Franchisee is permitted to make on Franchisee’s Website concerning franchise opportunities is as follows: **“All franchise inquiries should be directed to the Franchisor at [www.goingpostal.com](http://www.goingpostal.com), [www.goinpostalfranchisecorporation.com](http://www.goinpostalfranchisecorporation.com) or 1-800-504-6040”**; and
- (m) Franchisee may not, on any approved Website for Franchisee’s Goin’ Postal Store, speak for, or make any representations on behalf of, GPFC or the Goin’ Postal franchise network. Franchisee may not include on any approved Website any information on costs to acquire or operate a Goin’ Postal franchise, or make any comparisons between Goin’ Postal franchises and any competitive businesses; and
- (n) Any approved Website for Franchisee’s Goin’ Postal Store should be limited to furnishing information specific to Franchisee’s Goin’ Postal Store such as (i) location and contact information; (ii) hours of operation; (iii) specific services and products available at Franchisee’s Goin’ Postal Store; (iv) Franchisee’s specific ownership information; (v) community events which Franchisee is sponsoring or in which Franchisee is participating; and (vi) any approved specials or promotions being offered by Franchisee’s Goin’ Postal Store; and
- (o) Franchisee may not advertise or promote on any approved Website for Franchisee’s Goin’ Postal Store any independent business which is not an approved component of Franchisee’s Goin’ Postal Store without GPFC’s prior written approval and, even with such approval, without having a conspicuous disclaimer of affiliation with GPFC, with the Goin’ Postal Franchise Network and with Franchisee’s Goin’ Postal Store such as the following: “\_\_\_\_\_ **[name or title of such independent business] is not sponsored or endorsed by, or affiliated with, Goin’ Postal Franchise Corporation, the Goin’ Postal Franchise Network, or this independently owned and operated Goin’ Postal Store franchise**”; and
- (p) Franchisee understands and agrees that GPFC owns all Domain Names, Internet addresses, Internet sites (including the Website) and all Website Content of all Internet sites used by Franchisee in connection with the operation of Franchisee’s Goin’ Postal Store. Nevertheless, on termination of the Franchise Agreement Franchisee will enter into with GPFC (“see **Exhibit “A”** to the Disclosure Document to which this License Agreement was attached as **Exhibit “L”**), or, if sooner, on termination of this License Agreement, Franchisee will immediately assign to GPFC ownership of all Domain Names and Websites, including all

Website Content thereof, operated or maintained by Franchisee by virtue of this License Agreement or to another person or entity as directed by GPFC, and Franchisee will undertake all such actions as GPFC requires of Franchisee to dissociate itself from and with the Website, the Domain Name and the Website Content; and.

- (q) Franchisee will indemnify GPFC against any and all claims made against Franchisee relating to Franchisee's use and maintenance of an approved Website for Franchisee's Goin' Postal Store; and
  - (r) Franchisee acknowledges that GPFC has the right to maintain the Goin' Postal Website, to establish and maintain other websites, including websites promoting, advertising or furnishing information regarding GPFC's other franchise brands, and to conduct advertising, marketing and e-commerce via the Internet without any territorial restrictions.
- 7. The term of this License Agreement shall commence on the Effective Date and shall continue in existence for a minimum period of twelve (12) consecutive months; and thereafter, this License Agreement will continue until terminated as provided herein. GPFC may terminate this License Agreement for any reason (and regardless of whether Franchisee is in breach hereof) and at any time by providing written notice to Franchisee. This License Agreement will terminate automatically upon termination of the Franchise Agreement.
  - 8. Franchisee agrees that its actions under this License Agreement, including, without limitation, use of the Domain Name and operation of the Website, shall be considered conduct relating to Franchisee's operation of Franchisee's Goin' Postal Store such that Franchisee's indemnification under the Franchise Agreement shall apply to any claims or actions against GPFC, its affiliates and its and their respective officers, directors, employees, agents, representatives, successors and assigns, arising out of, or relating to, this License Agreement.
  - 9. Upon termination of this License Agreement, Franchisee will immediately cease all use of the Domain Name, the Website, and the Website Content, and all other materials containing the Domain Name. Franchisee will also take all steps necessary to assist GPFC in disabling the Website.
  - 10. Franchisee acknowledges GPFC's or its designee's exclusive right, title and interest in and to the Domain Name, the Website, and the Website Content, and further acknowledges that nothing in this License Agreement shall give Franchisee any right, title or interest in the Domain Name, the Website, or the Website Content. Franchisee will not, at any time, challenge GPFC's or its designee's ownership of the Domain Name, the Website and the Website Content, challenge the validity of the Domain Name, or impair any right, title or interest of GPFC or its designee in the Domain Name, the Website, and the Website Content. Franchisee will assist GPFC in securing, preserving and protecting GPFC's or its designee's rights in and to the Domain Name, the Website, and the Website Content. Franchisee agrees to execute all documents requested by GPFC or its designee or by the Registrar through which the Domain Name is registered, that are necessary to obtain protection of the Domain Name or to maintain its continued validity or enforceability.
  - 11. If a third party violates GPFC's right, title and interest in and to the Domain Name, Franchisee will cooperate with GPFC, at the Franchisee's expense, to terminate such violations. Franchisee will notify GPFC of any violations of GPFC's or its designee's right, title or interest in and to the Domain Name of which Franchisee has notice. Franchisee acknowledges that GPFC has the exclusive right to prosecute and defend at its own expense all suits or proceedings which involve

in any way the validity of, title to, or infringement of the Domain Name and that all damages recovered in any such suits or proceedings are the sole property of GPFC.

12. In the event of any litigation relating to the Domain Name, Franchisee will execute any and all documents and do such acts as may, in the opinion of GPFC or its designee, be necessary to carry out such litigation.
13. Franchisee's rights and duties hereunder may not be transferred or assigned by Franchisee without the prior written consent of GPFC, which consent may be withheld for any reason or no reason.
14. Any and all notices required or permitted hereunder will be in writing and will be personally delivered, sent by registered mail, or sent by other means which affords the sender evidence of delivery or attempted delivery, by one party to the other at its address reflected above (as to Franchisee) or as reflected below (as to GPFC). Any notice by a means which affords the sender evidence of delivery or attempted delivery shall be deemed to have been given and received at the date and time of receipt or attempted delivery.
15. This License Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Florida.
16. Nothing in this License Agreement shall be deemed or construed to constitute or create between the parties to this License Agreement a partnership, joint venture, agency, or employment arrangement. The failure of GPFC at any time to require performance by Franchisee of any provision of this License Agreement shall not affect in any way the full right to require such performance at anytime thereafter; nor shall the waiver by GPFC of a breach of any provision hereof be held to be a waiver of the provision itself. The covenants contained in this License Agreement are severable and should be so interpreted and construed. If any court or other tribunal of competent jurisdiction determines that any covenant, taken in its entirety as a whole, is invalid or unenforceable under applicable law because it is deemed unreasonable or against public policy, it is the intention of the parties to abide by those provisions or portions of the covenants as such competent authority deems would have imposed a reasonable restriction or restriction compatible with public policy. Moreover, if any clause or provision contained in this License Agreement is invalid or unenforceable under applicable law, then the remainder of this License Agreement is to remain operative and in full force and effect. The parties may execute this License Agreement in any number of multiple counterparts, each of which is to be deemed an original, and all such counterparts taken together constitute one and the same instrument.
17. The terms and conditions in this License Agreement comprise the entire agreement between the parties with respect to all matters contained in this License Agreement and supersede any prior understanding or agreement between them respecting the establishment and use of the Domain Name, the Website and the Website Content. This License Agreement is intended to supplement the rights granted to, and the restrictions imposed upon, Franchisee under the Franchise Agreement, including, without limitation, those with respect to the Goin' Postal Marks, as defined in the Franchise Agreement, and the provisions of this License Agreement do not in any respect serve to replace or supersede such rights or restrictions. These terms and conditions may not be modified, altered or amended, except by an express written declaration which is signed by a duly authorized corporate officer or representative of each party.

REVIEWED, ACCEPTED AND AGREED TO:

FRANCHISEE

\_\_\_\_\_

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

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

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

As Guarantors of the Franchise Agreement and in consideration of the license granted to Franchisee to use the Domain Name, we, the undersigned jointly and severally, hereby absolutely and unconditionally agree to be personally bound by each and every covenant, term, condition, agreement and understanding contained in this License Agreement. We, the undersigned, further agree that the Guaranty we signed in connection with the Franchise Agreement shall apply with equal force and effect to this License Agreement.

\_\_\_\_\_  
Guarantor

\_\_\_\_\_  
Guarantor

ACCEPTED BY:

**Goin' Postal Franchise Corporation ("GPFC")**

4941 4<sup>th</sup> Street, Zephyrhills, Florida 33542

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

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

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

## RECEIPT

This Disclosure Document summarizes certain provisions of The Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Goin' Postal Franchise Corporation offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. See the bracketed provisions in bold print which follow immediately after this paragraph to determine whether your State requires delivery of these materials sooner than the referenced 14 calendar-day period.

**New York and Rhode Island require Goin' Postal Franchise Corporation to provide this Disclosure Document to you at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]**

**[Michigan, Oregon and Washington require Goin' Postal Franchise Corporation to provide this Disclosure Document to you at least 10 business days before the execution of any binding franchise or other agreement of the payment of any consideration, whichever occurs first.]**

If Goin' Postal Franchise Corporation does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and, if applicable, to your State agency on **Exhibit "E"** to this Disclosure Document.

The name, principal business address, and telephone number of each "franchise seller" offering the franchise are as follows: Marcus Price, CEO and M.J. Price, President; 4941 4<sup>th</sup> Street, Zephyrhills, Florida 33542, (813) 782-1500.

**Issuance Date: March 22, 2012\*\***

\*\*The Effective Date of this Disclosure Document in your particular State may be reflected in the **State Effective Date Exhibit** which follows immediately after the State Cover Page. The Effective Date of this Disclosure Document in your State may be different than the March 22, 2012 Issuance Date applicable in States which do not require registration.

Goin' Postal Franchise Corporation, authorizes Robert W. Bible, Jr., Esq., Lopez, Kelly & Bible, P.A., 4100 W. Kennedy Blvd., Suite 114, Tampa, Florida 33609 to receive service of process (i.e. service of summons or litigation pleadings) for Goin' Postal Franchise Corporation in the State of Florida. **Your State may require that we designate an agent in your State who is authorized to receive service of process in connection with actions arising under your State's laws. See Exhibit "E" attached to this Disclosure Document (if applicable) to determine if we have appointed an agent authorized to receive process in your State. Goin' Postal Franchise Corporation authorizes the respective designated agents identified on Exhibit "E" to receive service of process for it in the particular identified State.**

I received on the date appearing adjacent to my signature below a Franchise Disclosure Document of Goin' Postal Franchise Corporation dated March 22, 2012 which included the Exhibits (Exhibits "A" through "L") listed below:

A.	Franchise Agreement	Exhibit "A"
B.	Non-Competition and Non-Solicitation Agreement	Exhibit "B"
C.	Personal Data Disclosure/Franchisee Ownership Information Form	Exhibit "C"
D.	Credit Card and Designated Account Authorization Form	Exhibit "D"
E.	Listing of State Administrators, and Agents for Service of Process	Exhibit "E"
F.	Pre-Approved Products and Services	Exhibit "F"
G.	<b>Instructions: Steps to Becoming a Goin' Postal Franchisee</b>	Exhibit "G"
H.	State Specific Addendum (as applicable)	Exhibit "H"
I.	Financial Statements	Exhibit "I"
J.	Turn-Key Store Agreement (as applicable)	Exhibit "J"
K.	Continuing Personal Guaranty (as applicable)	Exhibit "K"
L.	Domain Name License Agreement (as applicable)	Exhibit "L"

\_\_\_\_\_  
Franchisee Signature

\_\_\_\_\_  
Date You Received UFDD  
[Do Not Leave Blank]

Print Name of Franchisee: \_\_\_\_\_  
[if a corporation, etc., print name of entity]

Print Name of Person signing as or for Franchisee: \_\_\_\_\_  
Print Title, if any: \_\_\_\_\_

**NOTE: See Exhibit "G" Instructions for Returning the Receipt and Sign Two Receipts Appearing At Back of this Disclosure Document.**

Franchisee's Initials \_\_\_\_\_