

Celebration Title SM

FRANCHISE DISCLOSURE DOCUMENT

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CELEBRATION TITLE FRANCHISING, LLC

A Florida Limited Liability Company

6052 Turkey Lake Road, Suite 205

Orlando, Florida 32819

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info@celebrationtitlefranchises.com

A *Celebration Title* franchisee will operate a *Celebration Title* office that will provide clients with real estate title insurance as well as escrow, closing and settlement services.

The estimated total investment necessary to begin operation of a *Celebration Title* office is between \$60,500 and \$144,500. This includes a \$35,000.00 initial franchise fee that must be paid to the franchisor. If the franchisee is purchasing more than one *Celebration Title* office as part of the same transaction, the franchise fee for the first office is \$35,000.00 and the franchise fee for each subsequent office is \$26,250.00. If the franchisee is already a *Celebration Title* franchisee, the franchise fee for each office, other than the first, is 75% of the then-current franchise fee.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Amanda Douglas at the above address and telephone number.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise", which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There also may be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: January 3, 2022

How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

Out-of-State Dispute Resolution. The Franchise Agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only where the franchisor's principal office is located. Out of state mediation, arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate or litigate with the franchisor other than in your own state.

Certain states may require other risks to be highlighted. Check for a "State Specific Addenda" to see whether your state requires other risks to be highlighted.

Celebration Title Franchising, LLC

Franchise Disclosure Document

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EXHIBITS

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| A. Financial Statements | E. Franchise Agreement including |
| B. State Franchise Law Administrators and | Continuing Guaranty and General Release |
| Agents for Service of Process | F. Acknowledgment at Closing |
| C. List of Offices | |
| D. Nondisclosure and Confidentiality | |
| Agreement | |

ITEM 1: THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

CELEBRATION TITLE FRANCHISING, LLC is the franchisor of *Celebration Title* offices. Celebration Title Franchising, LLC is referred to in this Franchise Disclosure Document by words such as "we", "us" and "our".

In this disclosure document the words "you" and "your" refer to the person, people and business entity or entities that purchase one of the franchises we offer. Except in the case of a sole proprietorship, general partnership or the general partner of a limited partnership, the words "you" and "your" do not refer to the shareholders, limited partners, members or other owners of a business entity. However, the shareholders, limited partners, members or other owners of a business entity that is awarded one of our franchises are required to sign personal guaranties of the entity's obligations under the Franchise Agreement and any other agreements between us. The Continuing Guaranty we use for this purpose is attached as Exhibit F to the Franchise Agreement that appears as Exhibit E to this disclosure document.

We are a limited liability company that was formed in Florida on August 9, 2021. We do not do business under any other names. Our principal business address is 6052 Turkey Lake Road, Suite 205, Orlando, Florida 32819. Our agent for service of process in Florida is Amanda C. Douglas, 6052 Turkey Lake Road, Suite 205, Orlando, Florida 32819. Our registered agents for service of process in other states, if applicable, are listed in Exhibit B to this disclosure document.

Our affiliate, Celebration Title Group, LLC, currently owns and operates 15 Celebration Title offices in Florida. Their addresses are listed on Exhibit C to this disclosure document. Other than for Celebration Title Group, LLC, we have no parents, predecessors or affiliates.

Celebration Title offices provide services to real estate agents and sellers and buyers of real estate. These services include closing services, escrow services, title insurance, document preparation and recording services and other property-transaction-related services. *Celebration Title* offices have a unique sale closing celebration designed to make the closing of a real estate sales transaction memorable for the participants.

Prospective franchisees should have prior experience with services such as those our offices provide.

We do not currently operate any *Celebration Title* offices. Our affiliate, Celebration Title Group, LLC, a Florida limited liability company, operates 15 such offices in Florida. Franchising *Celebration Title* offices is currently our only business activity.

Real estate agents and the general real estate buying and selling public is the market for the services provided by our offices. Real estate agents usually arrange for their clients' use of services such as those we provide.

The residential real estate market experiences some seasonality which affects our activities although the reduction in activity normally does not persist for extended periods.

The market for the services provided by our offices is highly developed and competitive. Our offices compete with independent as well as large corporate-owned entities, such as title insurance companies, which provide services similar to those provided by our offices. Usually our offices compete with other businesses providing real estate closing services in the same areas in which our offices are located.

Our offices are subject to the laws and regulations affecting real estate closing offices, as well as those pertaining to businesses in general. Most states have licensing laws and regulations applicable to real estate closing companies, their key employees and various services they provide, such as notary services. It is your responsibility to learn about and comply with those laws in your state.

ITEM 2: BUSINESS EXPERIENCE

Amanda C. Douglas – Managing Member and Chief Executive Officer

Ms. Douglas assumed her position upon our formation. At this point she performs all sales and operational services in connection with *Celebration Title* franchised offices. In February 2016 Ms. Douglas founded our affiliate Celebration Title Group, LLC and has been its Chief Executive Officer since its formation. Since 2004 she has been involved in real estate-related enterprises including those engaged in sales, management, lending, title and closing activities. She is a licensed real estate agent.

ITEM 3: LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4: BANKRUPTCY

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

ITEM 5: INITIAL FEES

The initial franchise fee for a single *Celebration Title* offices is \$35,000. If the Franchise Agreement grants you the right to open more than one office, the “Multiunit Fee” is \$35,000.00 for your first office and \$26,250.00 for each additional office covered by that Agreement. If you should pass away or be declared to be legally incompetent before you have begun our training course, we can terminate this Agreement and refund 75% of your franchise fee unless your heirs or the conservator of your estate indicate within 30 days of either of those events that they would like to assume your rights in this Agreement, or the entity that owns this Agreement, as allowed in the Franchise Agreement. Otherwise, the amounts paid to us for the initial franchise fees are not refundable.

ITEM 6: OTHER FEES**OTHER FEES**

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Royalty	7% of your gross receipts	Monthly by the 10 th day of each month. Payable by ACH transfer.	Royalties are not refundable and are uniform to all franchised offices. "Gross receipts" is defined in Section 3.04(a) of the Franchise Agreement.
Charge Back Fee	\$50.00 (See Note 2)	As billed	This fee is payable if any properly initiated debit is denied or charged back by your bank. Any additional charges to us are also payable because of the refusal or charge-back.
New Franchise Agreement fee	The greater of 25% of the then-current franchise fee or our actual costs and time expended in connection with granting you a new franchise upon the expiration of the Franchise Agreement accompanying this disclosure document.	When the new Franchise Agreement is signed.	This fee is in place of the franchise fee in the new Franchise Agreement.
Relocation Fee	40% of the then-current franchise fee or reimbursement for our actual costs, whichever is greater.	When the relocation of your office is approved	Only payable if you want to relocate your office during the term of your Franchise Agreement.

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Additional Training Fee	Up to \$1,000.00 ² per trainee	As billed	If you request us to train any additional people. The fee will depend on the additional time our personnel must spend in personally training the trainee.
Meeting Fee	As billed	As billed	To offset our reasonable expenses in presenting regional or national meetings.
Marketing Fund Fee	3% of your gross receipts	10 th day of month	This is your monthly payment to our cooperative marketing fund and is payable in the same manner as your royalty payment.
Transfer Application Fee	\$5,000.00 (See Note 2)	When application for transfer is submitted	Payable when you apply for us to approve a transfer of your franchise.
Transfer Fee	25% of the then-current franchise fee less any Transfer Application Fee you have paid.	When we approve the transfer	Payable only if we approve the transfer of your franchise.
Liquidated Damages	An amount equal to 6 months of Royalty and Marketing Fund Fees	Upon the termination of your Franchise Agreement	Only payable if you default and your Franchise Agreement is terminated.
Late Charge	1½% of amount of overdue payment	Monthly on any past due payments.	If applicable law limits the amount of the late charge, the late charge will equal the maximum interest rate allowed on loans between businesses.
Litigation Costs	Reimbursement for costs and fees resulting from a dispute between us	As billed	Only payable if we are the prevailing party in a lawsuit or arbitration between us.

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Audit Costs	Cost of audit plus late charge on past due balances	As billed	Due only if an audit of your books shows an understatement of gross receipts of 5% or more for any reporting period or if the audit is needed because you have failed to follow our reporting requirements.
Special Visit Costs	Reimbursement of our costs	In advance of the service or as we otherwise agree.	This fee is for special visits to your office over and above those we provide to you at no extra charge.

NOTES:

1. All fees are payable to us, are not refundable and are uniformly applicable to all franchisees.
2. This amount is subject to adjustment by any increase in the Consumer Price Index between the date of the Franchise Agreement and the date the fee is imposed.

ITEM 7: ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee	\$35,000 for your first office and 75% of our then-current franchise fee for each subsequent office	Installments	For a single office: 50% when Franchise Agreement is signed and the balance the earlier of when your office location is approved or you begin training. For multiple offices: \$35,000 plus 50% the of balance when the Franchise Agreement is signed and the balance for each office when its location is approved.	Us

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Office Lease	Usually between \$1.50 and \$2.50 per square foot per month (See Note 1)	Lump sum	Monthly	Landlord or sublessor
Construction, remodeling and leasehold improvements (See Note 2)	\$2,500 to \$25,000	Normally in progress payments	As arranged with contractor	General contractor
Equipment, computers, decor, furniture, fixtures, decorations, etc.	\$2,500 to \$20,000	As arranged with supplier	As arranged with supplier	Suppliers of furniture, fixtures, computers, equipment, etc.
Office supplies, brochures, stationery, marketing materials, etc.	\$500.00 to \$5,000	As arranged with supplier	As arranged with supplier	Vendors
Signs	\$1,000 to \$4,000	As arranged with supplier	As arranged with supplier	Sign company
Security deposits, utility deposits, business licenses and other prepaid expenses (See Note 3)	\$5,000 to \$10,500	As arranged with supplier	As needed	Landlord, utility companies, government agencies, etc.
Insurance	\$3,000 to \$5,000	As required by insurance carrier	As required by insurance carrier	Property, liability, casualty, errors & omissions and any other insurance coverage you select.

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Grand Opening marketing	\$2,500 to \$5,000	As arranged with suppliers	As needed	Newspapers, radio, mailers giveaways, etc.
Other pre-opening expenditures	\$2,500 to \$5,000	As arranged with suppliers	As needed	Attorney, accountant and other providers.
Additional funds required before opening and during the initial 3 to 6 months of your business operation (See Note 4)	\$6,000 to \$30,000	As needed	As needed	Working capital, employee salaries, ongoing expenses, etc.
Total Investment: (See Note 5)	\$60,500 to \$144,500			

NOTES:

1. Most offices are in urban areas and can be located in office buildings, free standing buildings, shopping malls or street locations but not in a home. Offices range in size from approximately 800 to 2,000 square feet. Your office's proximity to real estate offices is a plus. Rents will vary depending on what additional charges are payable to the landlord and what services are provided as part of the rent. Lease-related charges can include such things as insurance, taxes, assessments, common area maintenance, heating, ventilating and air conditioning, garbage, janitorial services and similar charges. We have made no allowance on this chart for any rent that you may have to pay before your office is open for business. The need for rent payments before opening will depend on the terms of your lease.

2. The cost of leasehold improvements can vary depending on the previous use of the space being improved, costs of labor and materials in the area, local building and other code requirements, landlord construction criteria, the amount of the landlord's contribution to leasehold improvement expenses, if any and other factors.

3. Lease security deposits normally equal 1 or 2 months' rent.

4. This estimate is based on the experience of our principal executive officer in establishing our affiliate's *Celebration Title* offices. While these figures are based on our best estimate, we cannot guarantee that you will not have additional cash needs during this period and beyond. Your need for additional funds will depend on factors such as whether this franchise is for a new office or is in connection with the conversion of an existing office, your management skill, experience and

business ability, local economic conditions, the local market for our services, competition, the sales level you reach during the initial period of your operation and so forth.

5. The refundability of payments is up to the individual vendors with whom you contract. No allowance has been made in this chart for any principal or interest expenses required before the opening of your office. The need for this type of expense will vary with the terms of any financing you get in connection with your office.

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We must approve your location before you can acquire its use. We must approve all of the services and goods provided under the *Celebration Title* name. We require you to purchase and use all of the equipment, décor, furniture and fixtures we specify. We provide you with the criteria you are to follow in connection with your use of our trademarks and service marks.

You must obtain your title insurance policies only from nationally recognized carriers. We recommend that you use First American Title since they are our affiliate's principal provider of title insurance and, as such, are familiar with our forms and way of doing business.

We or our affiliate, Celebration Title Group, LLC, lease certain items to you that you need to operate your *Celebration Title* office. These items are principally proprietary software programs such as *SalesForce CRM*, *Gatherup Review Platform*, *CTG Remote Online Notarization Platform*, *Team CTG*, *TeamUp Calendar App* and *CloseSimple*. The cost of leasing these items is currently between \$1,000 and \$3,500 per month depending on the number of employees using these programs and the number of closings you conclude during the month. We or our affiliate also sell various items to you that you will use to celebrate property closings with your clients, such as our confetti cannons, swag and similar items. At this time only we and our affiliate are approved suppliers for some of these items. We provide sources for some similar and other items on our extranet.

Our Chief Executive Officer is the sole owner of Celebration Title Franchising, LLC and Celebration Title Group, LLC and, as such, is the owner of the entities that will lease and sell the above items to you.

You are required to use the software or system we specify. You agree to maintain an account with an Internet Service Provider so that we can communicate with you via e-mail. See Item 11 below for a further discussion of the software and system we currently require.

For items that may be purchased from outside suppliers, we will make our specifications available to such suppliers upon request. We will review and decide whether to approve any items submitted to us within a reasonable time after the items, and all appropriate data on the items, are given to us, normally within 30 days. We can charge suppliers a reasonable fee for the time and effort we take in reviewing items submitted to us for approval and for investigating and deciding whether to approve a proposed supplier or item. We do not charge suppliers for doing business with our offices.

We do not have a purchasing cooperative. We attempt to negotiate purchase arrangements with suppliers for the benefit of our franchisees.

No special benefits are given to franchisees that purchase merchandise or services from any special source.

You must maintain the insurance coverage specified in the Franchise Agreement.

It is estimated that the items for which we provide specifications or require prior approval at this time, should amount to approximately 50% to 80% of your initial purchases in establishing your franchised office and should constitute a similar amount of your ongoing purchases and leases in operating the business.

We develop our standards and specifications in a variety of ways. We consider new equipment and supplies based on their ability to perform needed functions, the availability of the items, the warranties provided, the serviceability of the items and the quality of manufacture. We consider authorizing *Celebration Title* offices to provide new services based on the ability of *Celebration Title* offices to provide those services, their profitability and their anticipated effect on their compatibility with our image and mission.

We can change the specifications of the items we approve for use in or by *Celebration Title* offices when we think that is in the best interest of the *Celebration Title* system. If we change the specifications of the items you are using or providing, we will tell you when you have to stop using the items you are currently using and when to discontinue the concerned items or start using the new items. If we want you to discontinue providing any goods and start using new items, we will give you enough time to use up your supply of the old items before you have to start using the new ones unless we determine that continued use of an item would hurt the reputation of *Celebration Title* offices.

We can limit the number of suppliers to whom we reveal any information or product specifications we consider to be our trade secrets. We also can decide that we or an affiliate will be the only supplier of any trade secret items.

You may be required to purchase various marketing and training materials from us. We can charge a reasonable amount for these items plus shipping, handling and administrative costs.

ITEM 9: FRANCHISEE'S OBLIGATIONS

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	Sections 5	Items 8 & 11
b. Pre-Opening purchases/leases	Sections 6 & 7	Item 8

Obligation	Section in agreement	Disclosure document item
c. Site development and other pre-opening requirements	Section 6	Items 7 & 11
d. Initial and ongoing training	Section 7	Item 11
e. Opening	Section 5	Item 11
f. Fees	Sections 3, 4, 5, 7, 9, 10, 12, 13 & 16	Items 5 & 6
g. Compliance with standards and policies/operating manual	Sections 5, 8, 9 & 10	Items 8 & 11
h. Trademarks and proprietary information	Sections 8, 11 & 15	Items 13 & 14
i. Restrictions on products/services offered	Section 8	Items 8 & 16
j. Warranty and customer service requirements	Section 8	None
k. Territorial development and sales quotas	Section 5	Item 12
l. Ongoing product/service purchases	Sections 7 & 8	Item 8
m. Maintenance, appearance and remodeling requirements	Sections 6 & 11	Item 8
n. Insurance	Sections 8 & 11	None
o. Advertising	Section 10	Items 6 & 11
p. Indemnification	Sections 8, 13 & 15	None
q. Owner's participation/management/staffing	Sections 7 & 8	Items 11 & 15
r. Records/reports	Sections 3, 8, 9 & 14	Item 17
s. Inspections/audits	Sections 8 & 14	Items 6 & 11
t. Transfers	Section 13	Item 17
u. Renewal	Section 4	Item 17
v. Post-termination obligations	Sections 14,15 & 16	Item 17
w. Non-competition covenants	Section 16	Item 17
x. Dispute resolution	Section 17	Item 17
y. Relocation	Section 5	Item 17
z. Owner's/shareholders' guarantee	Sections 1 & 30 and Exhibit E to this disclosure document	Item 15

ITEM 10: FINANCING

We do not offer you direct or indirect financing. We do not guarantee your note, lease or other obligations. As discussed in Item 8 above, we or our affiliate lease you certain software to use in the operation of your office.

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

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

Pre-Opening Assistance

Before you open your office, we will:

1. Consult with you on the telephone regarding the design and construction of your office. (Franchise Agreement Section 6.3)

2. We do not find you an office location or locations or negotiate the terms of your lease. We provide you with the general criteria we use in deciding whether to approve your office. These criteria include having your office be in a high traffic area near real estate offices as well as your office having good parking and access. Before you take your office site we must review and approve your office location. (Franchise Agreement Section 5.02) We have no set time within which we must review and approve your site. However, we will not unreasonably withhold or delay our approval. You must obtain the right to occupy the premises within 30 days after we approve the location and must be open for business within 4 months from when you obtain a signed lease or other occupancy document, subject to extensions under the conditions set forth in the Franchise Agreement. (Franchise Agreement Sections 5.03 & 5.10) If you do obtain a lease or other occupancy document or do not open when required, we can terminate your Franchise Agreement and retain your initial franchise fee (Franchise Agreement Section 5.10)

3. We provide you with our design and construction standards, information on the equipment you will require and will be available to consult with you during the preparation of your space for your *Celebration Title* office. We will advise you where you can obtain the items that are required other than those readily available from local sources. (Franchise Agreement Section 6.2)

4. We provide you with our training course. (Franchise Agreement Section 7.01)

The typical length of time between the signing of the Franchise Agreement and the opening of your office is 1 to 6 months. Factors that can affect the time in which a new office can be opened include the time needed to secure a location and lease, the time needed to obtain building permits, requirements of local zoning laws and other ordinances, the availability of labor and materials, delays in installing equipment, fixtures, decor and so forth.

Continuing Assistance

During the operation of your office we provide the following services:

1. You are allowed the continuing use of the service marks, trademarks, commercial symbols and the other proprietary property we specify. (Franchise Agreement Section 2.1)
2. During our normal weekday business hours, we will have a representative available to consult with you by telephone or electronically regarding the operation of your office. (Franchise Agreement Section 8.01)
3. You will have the use of the materials we make available to you in connection with the operation of your office. (Franchise Agreement Section 8.02)
4. We have the right to modify all aspects of the *Celebration Title* system from time to time and you must comply with these changes. (Franchise Agreement Section 8.03)
5. We administer the Marketing Fund, our cooperative marketing program, to promote our offices and services. (Franchise Agreement Section 9.03)

Advertising

You are required by the Franchise Agreement to conduct a reasonable amount of advertising and promotion for your office. (Franchise Agreement Section 9.02) Since your marketing and other activities will have an effect on the goodwill of the *Celebration Title* Network, you must obtain our prior approval of any advertising, promotion, marketing, participation in charitable events and donations you propose to do, use or make. (Franchise Agreement Section 9.01)

We do not have an obligation to conduct advertising for the *Celebration Title* Network other than through the Marketing Fund, our cooperative advertising and promotion program. You are obligated to contribute an amount equal to 3% of your gross receipts, as defined in Section 3.04 of the Franchise Agreement, to the Marketing Fund. That amount can be increased but not to over 5% of your gross receipts. We administer the Marketing Fund. We can use the Marketing Fund for advertising and promotional activities on a local, regional or national basis. We are not obligated to spend the receipts of the Marketing Fund in the area where the funds were collected or within any specific time period. (Franchise Agreement Section 9.03) We can produce the advertising and marketing material ourselves or can hire agencies and outside individuals and entities to produce them for us. We have discretion as to what media we will use to disseminate our material. (Franchise Agreement Section 9.03) We have the right to turn the Marketing Fund and its functions over to an outside entity. (Franchise Agreement Section 9.03) You would still have to contribute to advertising and marketing on the same basis. If we terminate the Marketing Fund, you would have to spend equivalent amounts for your own local or regional marketing. (Franchise Agreement Section 9.03)

If we have company-owned *Celebration Title* offices, they will contribute to the Marketing Fund on the same basis as our franchisees. Our affiliate Celebration Title Group,

LLC has agreed to contribute to the Marketing Fund on an equal basis but has the right to change or eliminate its contribution in its discretion. We will not use the Marketing Fund to solicit new *Celebration Title* franchisees.

We will maintain the books and records of the Marketing Fund separate from our other accounts. The books and records of the Marketing Fund do not have to be audited by an independent accountant. However, we will provide you with an annual statement of the receipts and expenses of the Marketing Fund. (Franchise Agreement Section 9.03)

We do not currently have an advertising council composed of franchisees to advise us on advertising policies but we have the right to form one or more and determine their mission and rules. (Franchise Agreement Section 9.04)

We do not have local or regional advertising cooperatives. We do not have the power to form such cooperatives but we will consider doing so if is desired by a sufficient number of *Celebration Title* franchisees in the concerned area. If so formed, we will have the right to dissolve or merge them and otherwise determine their rules

We have the exclusive right to use our brand names, any similar names, our logotypes and any similar logotypes on the internet or in other electronic media, including as a part of an internet domain name. If we license you to employ any of those names or marks for internet or for a similar use, we must approve how you use those names and marks and any additional content related to that use. You agree not to use any of our names or marks on the internet or in any other electronic medium without our prior written consent and then only in the manner we approve. We can alter or withdraw any of the approvals given at any time and for any reason. (Franchise Agreement Section 9.05)

Computer Systems and Software

We do not require you to use any particular computer system as long as your system is capable of maintaining accurate records of your office's operation and operating the software we provide or otherwise require. (Franchise Agreement Sections 6.04 & 6.05) The computer systems used in modern offices should have no trouble keeping the required records and running the required software. If you are converting an existing real estate or title office to become a *Celebration Title* office, you may already have all of the computer equipment you need. We estimate that if you need to purchase new computers and software your costs for these items will run between \$1,500.00 and \$10,000.00. You must obtain at your expense a maintenance contract on your hardware and software. We estimate the costs of such contracts should run between \$150.00 and \$1,000.00 per month.

If after the date of your Franchise Agreement we require that you use any particular type of computer or other electronic equipment or any different or additional software programs, you are required to comply with our requirements and specifications. The cost of the items we require will be comparable to other items of similar quality that are available on the open market. We may be the sole supplier of proprietary software for use in our offices. There are no contractual limitations on the cost or frequency of these requirements.

We will have independent access to your information in *Softpro*, the title management software we require, as well as any software with which we require it to be replaced. In addition, our representatives have the right under the Franchise Agreement to inspect your records, including the information and reports produced by your computer system. (Franchise Agreement Section 8.07)

Operations Manuals

You will be allowed to examine our manuals at our office before you purchase a franchise. You must sign our Confidentiality and Nondisclosure Agreement before you are allowed to review our manuals and any other confidential material.

Training Program

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Onboarding—Welcome to <i>Celebration Title</i>	1	0	Your office
The <i>Celebration Title</i> Experience—Customer Service	3	0	Online and at your office
Bank Management and Reconciliations	8	24	Online and at your office
Policy Training	8	16	Online and at your office
Totals:	20	40	

Since you will be expected to have experience in some or all of the foregoing, the time and manner of training will vary with the nature of your existing knowledge. We will provide training for your initial key employees--your processor, closer and administrative assistant. We will have online training modules for these and your additional employees to complete following their hiring. Employees who we train must satisfactorily complete this training to our reasonable satisfaction.

Our online training modules are available at any time. Our on-site training is conducted as needed, subject to the availability of our trainer. Our on-site training is normally conducted approximately 30 days prior to the opening of your office. Those trained must have completed the appropriate online training modules prior to the arrival of our on-site trainer unless we agree otherwise.

Our manuals and online training modules are the primary materials used in our training program.

Our on-site training is conducted by Jillian Howard who has been the corporate trainer of our licensor, Celebration Title Group, LLC, for over 4 years. Our training program is under the overall supervision of our Chief Executive Officer, Amanda Douglas, whose background and experience is described in Item 2 above.

We may offer additional courses, seminars, conventions, meetings and similar programs for our franchisees or for their employees. We have the right to charge reasonable fees for these meetings. If you or our employees attend, you and they will have to pay for the related travel, lodging and similar expenses. (Franchise Agreement Section 7.06)

You are responsible for the salaries, benefits, travel and other business-related expenses of yourself and your employees in connection with your and their training.

ITEM 12: TERRITORY

The franchise is granted only for the specific location or locations that are specified in the Franchise Agreement. You are granted a territory in which to find your office location but that office does not receive an exclusive or protected territory in which you have the exclusive right to do business. However, no other *Celebration Title* office will be opened by us or by one of our franchisees in that territory. Just as we and our other *Celebration Title* franchisees may do business in your territory, you are not restricted from performing services for clients in our territories or those of another *Celebration Title* franchisee.

Since you will not receive an exclusive territory, you may face competition from other franchisees, from outlets that we own, from offices owned by our affiliates or competitive brands that we control.

The marketing that we, our affiliates, or other *Celebration Title* franchisees do may reach into the area in which you do business. You may do marketing that reaches into areas in which we, our affiliates and other *Celebration Title* franchisees do business. However, you are not allowed to market your office or services by means of any targeted media or activity directed specifically to a limited market of prospective customers outside of your territory, such as by direct mail or limited circulation publications.

Unless the Franchise Agreement grants you the right to open additional *Celebration Title* offices, you have no right to additional offices by virtue of being a *Celebration Title* franchisee. If you later want to open one or more additional *Celebration Title* offices, you must apply for that right and, if approved, sign the Franchise Agreement and pay the fees applicable at that time. It is within our sole discretion whether to grant you additional franchises.

Neither we nor our affiliates reserve the right to use any specific channels of distribution that you are not allowed to use.

You can relocate your office or offices only with our prior written consent. See Item 6 regarding our relocation fee.

Neither we nor our affiliate has or has plans to operate or franchise a business using different trademarks but that provides the services that *Celebration Title* offices provide although we and our affiliates are not precluded from doing so.

ITEM 13: TRADEMARKS

As part of the franchise, we grant you a nonexclusive license to use the *Celebration Title* name and mark subject to the below. “Nonexclusive” means we can license others to use the name and mark. This mark is licensed to us by our affiliate Celebration Title Group, LLC which has been using this mark since 2016 and, as a result, claims common law rights in the name.

On December 1, 2021, our licensor applied for registration of the name “Celebration Title Group” on the Principal Register of the United States Patent and Trademark Office. The application bears Serial Number 97151300. Since there are quite a few federal trademark registrations of the word “Celebration”, including some in the real estate field, that may pose a problem for our licensor’s receiving a federal registration for the mark. In 2004 the United States Patent and Trademark Office denied registration of the name *Celebration Title* when applications for registration were made by an unrelated entity that has since gone out of business. There are no other presently-effective determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court relevant to your use of the licensed name in any state. There are no pending interference, opposition or cancellation proceedings, nor any litigation, involving the licensed name.

On December 3, 2021, an unrelated applicant filed for registration of the name “Celebration Title”. The business format of the applicant also mimics that of our licensor. Our licensor’s attorneys are going to send the applicant a letter ordering it to cease and desist from using the name and business format claiming that they infringe on the rights of our licensor.

Since the name *Celebration Title* is not registered in the United States Patent and Trademark Office, and our licensor currently does not have a federal registration for the principal trademark we intent to use, the trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark which may increase your expenses.

By a License Agreement dated December 20, 2021, our licensor granted us the right to use the mark and to franchise its use to third party franchisees. The License Agreement has a term of 5 years with the term automatically renewing for additional period of 5 years each as long as there are at least a specified number of franchises in operation at the end of each 5-year term and neither party has opted to end the agreement. If the License Agreement expires or is terminated, our rights under the existing Franchise Agreements are assigned to our licensor. If that occurs, franchisees will be allowed to continue to operate under their Franchise Agreements as long as they are not in default. In the event of such an assignment, our licensor is not obligated to perform any services for existing franchisees under their Franchise Agreements unless so obligated by any direct agreements between our licensor and those franchisees.

If it becomes advisable at any time in our sole discretion to change, modify or discontinue the use of any of the names, marks or symbols licensed to you and/or other of our

intellectual property, you agree to comply with our directives in that regard at the time and in the manner we indicate. In the event we require you to change, modify or discontinue the use of any of the names, marks or symbols, our sole obligation will be to reimburse you for your reasonable out of pocket costs in connection with that compliance, but only to the extent that such costs are for the replacement of tangible items bearing the concerned names, marks and/or symbols and provided that your compliance is in accordance with our directives, such as in the liquidation of existing supplies of distinctively marked materials, the disposition of signs, the replacement of advertising and promotion material and so forth. We will not be obligated to reimburse you for the replacement of any items bearing our names, marks or symbols if you have been given a reasonable time to use up items that are consumed in the normal operation of your business or to amortize the cost of such items that are not capable of such use.

We agree in the Franchise Agreement to pay all damages for which you are held liable in any proceeding involving your right to use the intellectual property we license to you but only on the condition that you have used the property in strict accordance with the Franchise Agreement, our manuals and our other directives, have promptly notified us of any challenge to your use of the property and fully cooperate with us in the handling of any proceeding concerning the property.

From time to time we may license you to use trademarks, trade names, service marks, logotypes, symbols, designs, patents, copyrights, and/or the like in addition to our principal mark. You agree in the Franchise Agreement to bear the cost of using such additional items in accordance with our directives.

In the event you become aware of any claim of infringement resulting from, or other challenge to, your use of any of the names, marks or symbols we license to you or any of our other intellectual property, you agree to notify us immediately of the facts concerning the claim or challenge. We have sole discretion as to what action to take, if any, regarding any such claim or challenge. You agree to join as a party to any action concerning our names, marks or symbols or other proprietary property or to allow the action to be brought solely in your name, but only when, as and if we require. If we require you to participate in any such action, we will bear all costs in connection with the matter unless the claim is based on your actions or inactions which we did not direct or authorize in writing. We will have sole control over each and every legal, administrative and other action of any type concerning the names, marks, symbols and our other intellectual property. In the event of any legal, administrative or other action concerning the enforcement or defense of our rights, we agree to bear the legal fees and court costs incurred in the handling of the matter except as described above.

We have sole discretion as to what legal, administrative or other action to take, if any, against any third person or entity who may be making unauthorized use of the names, marks, symbols or other intellectual property that has been licensed to you. You agree to cooperate fully with us in our handling of any such legal, administrative or other proceeding.

To attempt to clarify that your use of the licensed marks does not make us or our licensor liable for your actions or inactions, you are not allowed to use the words "Celebration Title" or any similar name, in the name of the corporation, limited liability company or other business entity in which you have an interest including that which if the franchisee under the Franchise Agreement.

You agree in the Franchise Agreement not to do anything that may interfere with our or our licensor's rights to the names, marks or symbols that are licensed to you. You acquire no rights in any licensed names, marks or symbols because you use them. All of the rights and goodwill associated with the licensed names, marks or symbols belong to us and our licensor.

ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We have no patents related to this franchise. Our manuals, software and any other proprietary material that we may develop are our trade secrets and should only be disclosed as we authorize. We also claim copyright protection for these manuals and materials although we have not filed any copyright applications concerning them. You must protect our manuals and other trade secret material from unauthorized disclosure. You must use our proprietary material only as we direct.

ITEM 15: OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Franchise Agreement does not require the owner of the franchise to supervise the operation of your office or offices although we recommend that an owner do so. Whether you are the on-site supervisor of your office or offices, you are ultimately responsible for the operation of your office and compliance with the Franchise Agreement.

If required by law, your office must be under the supervision of a person appropriately licensed to conduct the activities of the office. Your office supervisor must comply with our initial and ongoing training requirements. Unless required by law, the supervisor of your office need not have an equity interest in any business entity that owns your office. Your office supervisor must sign our nondisclosure agreement in which he or she promises to maintain the confidentiality of our proprietary material and information. The confidentiality agreement that we currently use is our Nondisclosure and Confidentiality Agreement appearing at Exhibit D to this disclosure document.

As mentioned above, if the franchise is owned by an entity, the owners of that entity must sign our Continuing Guaranty, guaranteeing the franchisee's compliance with the Franchise Agreement. Our Continuing Guaranty is attached as Exhibit E to this disclosure document.

If the franchise is owned by a business entity, a senior executive must be appointed as the principal representative of the entity in dealing with us. This person must have the authority to supervise the operation of your office or offices and oversee your compliance with this Agreement.

ITEM 16: RESTRICTION ON WHAT THE FRANCHISEE MAY SELL

As discussed in Item 8 above, your office can only provide the goods and services we specify or approve. Unless we agree otherwise at the time, your office must provide all of the goods and services we require. We can periodically specify other goods and services your office must provide.

There are no restrictions on the customers to whom you can provide authorized services.

ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 4.01	The initial term of the franchise is 5 years beginning on the date your office lease begins.
b. Renewal or extension of the term	Section 4.02	Except as may be provided by law, there are no renewal rights. You may apply for a new Franchise Agreement 6 to 12 months before the initial term ends.
c. Requirements for franchisee to renew or extend	Sections 4.02 and 4.03	If you wish to enter into a new Franchise Agreement when your current term ends, we will give you a copy of our latest Franchise Disclosure Document and the new agreements you will be required to sign. We will give you the new documents at least 60 days before the end of your current term. You must sign the new Franchise Agreement within 30 days of when you receive it. You can elect to terminate the Franchise Agreement at the end of the term then in effect if you do not want to sign the new agreements by giving us notice within the 30-day period. The terms and conditions of the new agreements may be materially different from those in your original contracts.
d. Termination by franchisee	Section 15.05	If we commit a violation under the Franchise Agreement and fail to cure it within 20 days after notice from you, plus such reasonable additional time as may be needed, you can seek all rights allowed by the law governing the Franchise Agreement.
e. Termination by franchisor without cause	None	Not Applicable
f. Termination by us with cause	Sections 15.01-15.04	We can terminate your Franchise Agreement if you violate any of its terms. Some violations result in the immediate termination of the Agreement and others will result in termination only if you do not

Provision	Section in Franchise Agreement	Summary
		correct the violation after notice and an opportunity to cure as discussed below.
g. "Cause" defined - curable defaults	Section 15.01 & 15.03	Any violation of the Franchise Agreement that does not result in immediate termination after we give you at least 20 days prior notice of the default and the corrective action needed to cure the violation. Some defaults require a cure within less than 20 days and for some more than 20 days is allowed.
h. "Cause" defined - non-curable defaults	Sections 15.01	If you are declared bankrupt or insolvent; if you have made any material misrepresentation in acquiring the franchise; if you fail to comply with any applicable law or regulation and do not cure it within the time allowed; if during any 12-month period we give you 2 or more notices of material violations; if your business or the franchise is seized by a government official or creditor; if you are convicted of a felony or other applicable criminal misconduct; if you underreport your revenue intentionally or by more than 10% for any period; if you try to sell or transfer the franchise or allow another to use the assets licensed to you other than as allowed by the Franchise Agreement; if you improperly disclose any of our trade secrets; if a transfer upon death or legal incompetence is not accomplished within the required time period; if you do not satisfy or discharge any judgment against you within the time allowed; if any mandatory training is not completed; if you fail to pay any fees or charges within the time allowed; if you abandon the business; if any other agreement between us or between you and any of our affiliates is terminated because of your default; if your office does not pass an underwriter's audit; if there are 3 or more title claims originating from your office; if you improperly disclose our proprietary information; or if you lose your lease because of your default.

Provision	Section in Franchise Agreement	Summary
i. Franchisee's obligations on termination/ nonrenewal	Sections 15.06 – 15.12	You must pay all of your accounts with us; you must stop using our name and other proprietary material; you must change the look of your office to make it different from <i>Celebration Title</i> offices; you must return all manuals and other material we have provided to you; you must cancel any fictitious business name registrations in which you use our name; you must transfer your telephone numbers and internet address to us if we ask; you must notify all concerned individuals, entities and agencies that you are no longer affiliated with us; you must not identify yourself or your office as having been affiliated with us; if the Franchise Agreement was terminated because of your default and you must pay us liquidated damages; if we require you must assign your office lease and sell your office assets to us.
j. Assignment of contract by franchisor	Section 14.09	We can transfer our interest in the Franchise Agreement without your prior approval. We agree that any transfer we make will not materially interfere with your rights under the Franchise Agreement.
k. "Transfer" by franchisee - defined	Sections 14.01	Any voluntary or involuntary full or partial transfer of the franchise or any ownership interest in any entity owning the franchise or the persons owning such interest.
l. Franchisor approval of transfer by franchisee	Section 14.03	We must approve any transfer.
m. Conditions for franchisor approval of transfer	Sections 14.02 -	All information on the transferee and the terms of the transfer must be provided to us; you and your transferee must comply with all procedures and sign all documents we require; upon the transfer of 50% or more of the ownership of the franchise your transferee must sign our then-current Franchise Agreement; you pay our application and transfer fee; you must sign a general release of all claims against us; if an entity owns this franchise, a new principal may have to be appointed.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 14.10	We have the right to purchase the interest proposed to be transferred on the same terms on which you have agreed to sell that interest.

Provision	Section in Franchise Agreement	Summary
o. Franchisor's option to purchase franchisee's business	Section 15.11	When the Franchise Agreement ends and you do not sign a new Franchise Agreement to continue as a <i>Celebration Title</i> franchisee, we have the right to purchase some or all of your business assets at their fair market value.
p. Death or disability of franchisee	Sections 14.11	Your interest in the franchise is transferable by will or intestate succession upon your death or by your court-appointed guardian if you are declared to be legally incompetent. Your estate can sell your interest in the franchise to an approved transferee within 6 months after your executor, administrator or guardian is appointed. All of our transfer conditions apply to these transfers.
q. Non-competition covenants during the term of the franchise	Section 16.02	While you are a franchisee, you are not allowed to own, consult with or work for a business providing the services we provide.
r. Non-competition covenants after the franchise is terminated or expires	Section 16.03	After the Franchise Agreement ends, you are not allowed to own, consult with or work for a business providing the services we provide within the territory where your office is located or within 25 miles of any other <i>Celebrity Title</i> office for a period of 2 years.
s. Modification of the agreement	Sections 18.01 & 18.02	The Franchise Agreement can be modified only by a written agreement signed by all parties. We can modify our manuals and direct changes in the operation of your office at any time and you must comply at your expense with these changes.
t. Integration/ merger clause	Sections 32.01 – 32.06	Subject to state law, only the terms of the Franchise Agreement are binding. Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Sections 17.01 – 17.07	Except for certain claims, all disputes between us must be submitted to mediation. If the matter is not resolved by mediation, the dispute is to be settled by arbitration before a single arbitrator.
v. Choice of forum	Sections 17.01	Except where a different location is required by applicable law, all mediation and arbitration, and any related proceedings, must take place where our principal business office is located.

Provision	Section in Franchise Agreement	Summary
w. Choice of law	Sections 25.1 & 25.2	Except where prohibited by applicable law, Florida law applies.

ITEM 18: PUBLIC FIGURES

We do not use any public figure to promote our franchise.

ITEM 19: FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets if there is a reasonable basis for the information and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

At the end of our last fiscal year there were 15 *Celebration Title* offices, all owned and operated by our affiliate Celebration Title Group, LLC. Twelve of those offices have been open for at least one full year. We have based the below pro forma operating statements on the performance of those 12 offices. Those offices are substantially similar to those offered by this disclosure document. We have assumed that the theoretical offices represented by the pro forma operating statements will have the same characteristics, such as size, payroll, overhead, etc. as the 12 offices on which we based these numbers. The current *Celebration Title* offices are located in urban and suburban areas.

These statements are forecasts of what your potential performance may be based on various levels of sales. Written substantiation of the basis we used to determine the below numbers is available to you upon reasonable request.

The below figures are only estimates of what we think you may earn. There is no assurance that you'll do as well. If you rely upon our figures, you must accept the risk of not doing as well.

We do not authorize our employees or representatives to make any representations either orally or in writing that are contrary to the information in this Item 19. If you are purchasing an existing office, we may provide you with the actual records of that office. If you receive any other financial performance information or projections of your future income, you should report it to our Chief Executive Officer, Amanda Douglas, 6052 Turkey Lake Road, Suite 205, Orlando, Florida 32819, (888)234-4262, the Federal Trade Commission and the appropriate state regulatory agencies.

Pro Forma Monthly Average Estimated Profit and Loss at 3 Sales Levels

	High (See Note 1)	Medium	Low
Revenue (See Note 2)	\$125,000	\$85,000	\$60,000
Expenses:			
Salaries, bonuses and benefits (See Note 3)	\$60,000	\$42,000	\$30,000
Office expense (See Note 4)	\$6500	\$6500	\$6500
Legal and accounting (See Note 5)	\$7500	\$5200	\$3500
Franchise royalties and marketing fund (See Note 6)	\$12,500	\$8500	\$6000
Local marketing, promotion, business meals and similar expenses (See Note 7)	\$7500	\$5000	\$3500
Occupancy costs	\$6000	\$4000	\$3500
TOTAL EXPENSES	\$100,000	\$71,200	\$53,000
NET PROFIT	\$25,000	\$13,800	\$7,000

Notes:

1. High assumes 50 closings per month, Medium assumes 35 closings per month and Low assumes 25 closings per month, all at an average sales price of \$300,000 per transaction.
2. Revenue assumes half of the closings will be all cash sales and half will be sales involving a loan transaction.
3. High assumes 6 employees, Medium assumes 4 employees and Low assumes 3 employees. It is assumed that the franchisee also works in the office without salary, bonus or benefits. Franchisee's compensation is provided by profits.
4. Office expense includes such things as office supplies, office equipment rental, postage and delivery costs, bank charges, telephone, software subscriptions, etc.
5. Includes tax preparation and routine legal advice
6. Franchise royalty is 7% of gross revenues and marketing fund contribution is 3% of gross revenue as defined in the Franchise Agreement.
7. Includes closing gifts and souvenirs, event sponsorships, lunch/dinner entertainment, swag items for offices and events.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years 2019 2020 and 2021

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2019	0	0	0
	2020	0	0	0
	2021	0	0	0
Company-Owned	2019	6	8	+2
	2020	8	12	+4
	2021	12	15	+3
Total Outlets	2019	6	8	+2
	2020	8	12	+4
	2021	12	15	+3

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2019, 2020 and 2021

Column 1 State	Column 2 Year	Column 3 Number of Transactions
	2019	0
	2020	0
	2021	0
Totals	2019	0
	2020	0
	2021	0

Table No. 3
Status of Franchised Outlets
For years 2019, 2020 and 2021

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations/ Other Reasons	Column 9 Outlets at End of Year
CA	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Totals	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0

Table 4
Status of Company-Owned Outlets
For years 2019, 2020 and 2021

Column 1 State	Column 2 Year	Column 3 Outlets at Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired From Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of the Year
Florida	2019	6	2	0	0	0	8
	2020	8	4	0	0	0	12
	2021	12	3	0	0	0	15
Totals	2019	6	2	0	0	0	8
	2020	8	4	0	0	0	12
	2021	12	3	0	0	0	15

These outlets are owned and operated by our licensor Celebration Title Group, LLC

Table No. 5
Projected Openings As Of December 31, 2021

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlet in the Next Fiscal Year	Column 4 Projected New Company- Owned Outlet in the Next Fiscal Year
Florida	0	2	0
Georgia	0	1	0
TOTALS	0	3	0

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

There are no franchisees who have not communicated with us in the last 10 weeks

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

There are no trademark-specific franchisee organizations associated with the franchise systems being offered.

ITEM 21: FINANCIAL STATEMENTS

Attached as Exhibit A to this disclosure document is a copy of our unaudited balance sheet as of December 31, 2021.

ITEM 22: CONTRACTS

Exhibit D to this disclosure document is a copy of the Nondisclosure and Confidentiality Agreement that you must sign before we show you our manual and other confidential information. Exhibit E contains our Franchise Agreement. Exhibit F is an Acknowledgement at Closing that contains various representations that you make to us upon your purchase of the franchise. The Franchise Agreement has the following as agreements as exhibits: Addendum to Lease Agreement; General Release and Continuing Guaranty.

ITEM 23: RECEIPTS

The last page of this disclosure document contains a detachable Receipt form that you must date, sign and return to us immediately upon your receipt of this disclosure document.

STATE EFFECTIVE DATES
(Only applicable in the indicated states)

The following states require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
	/ /

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

CELEBRATION TITLE FRANCHISING, LLC

FINANCIAL STATEMENTS

The financial statement included in this Exhibit have been prepared without audit. Prospective franchisees are advised that no independent Certified Public Accountant has audited these figures or expressed an opinion with regard to their content or form.

EXHIBIT A To Celebration Title Franchising, LLC Franchise Disclosure Document

STATE FRANCHISE LAW ADMINISTRATORS

And

AGENTS FOR SERVICE OF PROCESS

EXHIBIT B

**To Celebration Title Franchising, LLC
Franchise Disclosure Document**

State Franchise Law Administrators

California:

Commissioner of Investor Protection and
Innovation
2101 Arena Blvd.
Sacramento, California 95834

Hawaii:

Commissioner of Securities
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

Illinois:

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Indiana:

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

Maryland:

Maryland Securities Commissioner
200 Saint Paul Place
Baltimore, Maryland 21202-2020

Michigan:

Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
670 Law Building
Lansing, MI 48913

Minnesota:

Commissioner of Commerce
Department of Commerce Registration Division
85 Seventh Place East
St. Paul, Minnesota 55101

New York:

New York State Department of Law
Division of Economic Justice
Investor Protection Bureau
28 Liberty Street
New York, NY 10005

North Dakota:

Securities Commissioner
600 East Boulevard Avenue
State Capitol, Fifth Floor, Dept. 414
Bismarck, North Dakota 58505-0510

Rhode Island:

Director of Business Regulation
Securities Division
John O. Pastore Complex
1511 Pontiac Avenue, Building 69-1
Cranston, RI 02910

South Dakota:

Director of the Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501

Virginia:

Clerk, State Corporation Commission
1300 East Main Street, First Floor
Richmond, Virginia 23219

Washington:

Administrator of Securities Department of
Financial Institutions Securities Division
150 Israel Rd, SW
Tumwater, Washington 98501

Wisconsin:

Commissioner of Securities
345 W. Washington Ave., 4th Floor
Madison, Wisconsin 53703

State Agents for Service of Process

California:

Department of Investor Protection and
Innovation
One Sansome Street, Suite 600
San Francisco, CA 94104

320 West 4th Street, Suite 750
Los Angeles, CA 90013

2101 Arena Blvd.
Sacramento, CA 95834

1455 Frazee Road, Suite 315
San Diego, CA 92108

Telephone: 1-866-ASK-CORP

Hawaii:

Department of Commerce and
Consumer Affairs
Business Registration Division
335 Merchant Street
Honolulu, HI 96813

Illinois:

Office of the Attorney General
500 South Second Street
Springfield, IL 62706

Indiana:

Indiana Securities Division
Secretary of State
302 West Washington Street, Room E-111
Indianapolis, IN 46204

Maryland:

Office of the Attorney General
Division of Securities
200 Saint Paul Place, 20th Floor
Baltimore, MD 21202-2020

Michigan:

Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
670 Law Building
Lansing, MI 48913

Minnesota:

Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101

New York:

New York Secretary of State
99 Washington Avenue
Albany, New York 11231

North Dakota:

Office of Securities Commissioner
600 East Boulevard, 5th Floor
Bismarck, ND 58505

Rhode Island:

Division of Securities
1511 Pontiac Avenue, Bldg. 69-1
Cranston, RI 02920

South Dakota:

Director of the Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501

Virginia:

State Corporation Commission
Division of Securities and
Retail Franchising
1300 East Main Street, 9th Floor
Richmond, VA 23219

Washington:

Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501

Wisconsin:

State of Wisconsin
Office of the Commissioner of Securities
345 West Washington Avenue, 4th Floor
Madison, WI 53703

LIST OF *CELEBRATION TITLE* OFFICES

EXHIBIT C
to Celebration Title Franchising, LLC
Franchise Disclosure Document

FLORIDA

(All owned and operated by Celebration Title Group, LLC)

Altamonte Springs

999 S Douglas Avenue, Suite 3311
Altamonte Springs, FL 32714

Clermont

836 W Montrose St
Clermont, FL 34711

Daytona Beach

140 S Beach Street, Suite 110
Daytona Beach, FL 32114

Dr. Phillips

6052 Turkey Lake Road, Suite 204
Orlando, FL 32819

Ft. Lauderdale

2700 W Cypress Creek Rd, Suite D 101
Ft. Lauderdale, FL 33309

Ocala

603 E Fort King St
Ocala, FL 34471

St. Petersburg

260 1st Ave S
St Petersburg, FL 33701

Winter Haven

6330 Cypress Gardens Blvd
Winter Haven, FL 33884

Brevard County

6550 N. Wickham Rd., Suite 8
Melbourne, FL 32940

Celebration

950 Celebration Blvd, Suite D
Celebration, FL 34747

Downtown Orlando

1331 N. Mills Avenue
Orlando, FL 32803

East Orlando

13000 Avalon Lake Drive #207
Orlando, FL 32828

New Smyrna Beach

500 Canal St
New Smyrna Beach, FL 32168

Ormond Beach

400 S. Atlantic Ave. Suite 104
Ormond Beach, FL 32176

Tampa

3825 Henderson Blvd, Suite 504
Tampa, FL 33629

Celebration Title

NONDISCLOSURE AND CONFIDENTIALITY AGREEMENT

EXHIBIT D to Celebration Title Franchising, LLC Franchise Disclosure Document

NONDISCLOSURE AND CONFIDENTIALITY AGREEMENT

Celebration Title Franchising, LLC, a Florida limited liability company, is willing to disclose to you certain data, including trade secret material and proprietary information, relating to the site selection, leasing, design, construction, operations, and similar information, including allowing you to examine our manuals and other materials, concerning *Celebration Title* offices for your use in evaluating the purchase of a *Celebration Title* franchise, for the operation of a *Celebration Title* office or for other reasons.

Your signature below is your agreement on behalf of yourself and any organization or entity with which you are or may become associated to hold all such information in confidence, not to disclose the information to others and not to use the information for any purpose, whether commercial or noncommercial, or for the developing or improving of any business or any other enterprise, without the prior written consent of Celebration Title Franchising, LLC. You agree that all of the information disclosed to you is the property of Celebration Title Franchising, LLC and that its unauthorized disclosure will cause Celebration Title Franchising, LLC irreparable injury.

If any legal action or arbitration is brought to enforce the terms of this agreement or because of its breach, the prevailing party in that action shall be entitled to recover from the other party or parties his, her or its legal costs and expenses including their filing fees, reasonable attorney's fees, arbitration-related costs and expenses, costs on appeal, if any, and enforcement expenses.

This Agreement is effective from the date written below and is effective as long as there are any *Celebration Title* offices in operation unless Celebration Title Franchising, LLC agrees in writing that your obligations under this Agreement can be terminated sooner. If you become a *Celebration Title* franchisee, your obligations concerning the trade secret and proprietary information of Celebration Title Franchising, LLC will be contained in your Franchise Agreement.

EXECUTED at _____, _____, on _____

Signature

Signature

Signature

Signature

ACKNOWLEDGMENT OF REVIEW

I/We hereby acknowledge that I/we reviewed the above-described manuals to my/our satisfaction on _____, 20____.

Celebration Title

FRANCHISE AGREEMENT

EXHIBIT E

**To Celebration Title Franchising, LLC
Franchise Disclosure Document**

Celebration Title SM

FRANCHISE AGREEMENT

**CELEBRATION TITLE FRANCHISING, LLC
6052 TURKEY LAKE ROAD, SUITE 205
ORLANDO, FLORIDA 32819,
888-234-4262
INFO@CELEBRATIONTITLEFRANCHISES.COM**

Celebration Title SM

FRANCHISE AGREEMENT

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B Office Opening Schedule	E General Release
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Celebration Title SM

FRANCHISE AGREEMENT

This Franchise Agreement is effective on _____ and is entered into by Celebration Title Franchising, LLC, a Florida limited liability company, whose address is 6052 Turkey Lake Road, Suite 205, Orlando, Florida 32819, referred to in this Agreement by words such as “we”, “us” and “our” and _____, a(n) _____, whose address is _____, referred to in this Agreement by words such as “you” and “your” and who together are jointly referred to as “the parties”.

Basis of Relationship:

Celebration Title offices provide services in connection with the closing of real estate transactions including document preparation, escrow services, title insurance policies, document recording, notary services and other real property-related tasks.

By entering into this Agreement you recognize the benefits derived from being licensed to use the *Celebration Title* name, the *Celebration Title* System and other *Celebration Title* proprietary information. You desire to become associated with us and other *Celebration Title* franchisees, collectively referred to in this Agreement as the “*Celebration Title* Network”.

Some Definitions:

A. If more than one person signs this Agreement the words “you”, “your” and similar words refer to all of those people as well as to all of the owners of any entity that is a party to this Agreement.

B. In this Agreement when we refer to “Proprietary Assets” we mean to all of the trademarks, trade names, service marks, logotypes, other commercial symbols, processes, procedures, formats, software, equipment specifications, trade secrets, trade practices, copyrights, patents, supplier lists, client lists, manuals, online portal, forms, advertising and promotion material and practices, merchandising techniques, communications, training material, goodwill and all other tangible and intangible property that we license you to use now and in the future in connection with your *Celebration Title* office.

C. In this Agreement the “*Celebration Title* System” means the standards, procedures and requirements we specify for the operation your *Celebration Title* office.

D. In this Agreement when we refer to “our manuals” that reference includes all materials that contain proprietary information that we provide to you as part of the *Celebration Title* System in one or more formats, including electronically.

E. As used in this Agreement “days” means calendar days unless the term “business days” is specified. The term “business days” means all days except Saturday, Sunday and legal holidays in the political subdivision where your *Celebration Title* office is located.

F. “Territory” means the area in which you are authorized to establish your *Celebration Title* office, as further discussed in Section 5 below.

G. “Lease” and “occupancy document” mean any document that gives you the right to occupy your office space and can include a rental agreement, lease, lease assignment, sublease, deed or any other such document.

H. “Marketing Fund” refers to our cooperative advertising, marketing and public relations promotional fund as further described in Section 9 below.

I. “Our licensor” refers to Celebration Title Group LLC, a Florida limited liability company, from which we obtained our right to use the *Celebration Title* names, marks and the *Celebration Title* System.

J. “Affiliate” means any entity owning, owned by or under common ownership with a party to this Agreement.

In consideration for the mutual promises in this Agreement, as well as for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Incorporation of Recitals and Your Warranties

This section incorporates the statements set forth above so that they are part of the Agreement and your promise that your application for this franchise was complete and truthful.

1.01 The statements above are true and are incorporated into this Agreement by reference.

1.02 (a) You warrant to us that you have fully and truthfully set forth all information in your application, financial disclosure forms and all other communications between us. You also warrant that everyone who will have an ownership interest in your business and/or in the entity that will own this franchise have been disclosed to us in writing, have provided all information we have requested and, if we require, have signed or guaranteed this Agreement.

(b) If you do not want to make these assurances we cannot award you this franchise.

1.03 You agree to submit all required information to the title insurance underwriter or underwriters we specify and to obtain their approval of you as a client at the times and in the manner we and they specify, including prior to your signing this Franchise Agreement.

2. Your Representations and Grant of Franchise

This section contains the basic grant of your franchise rights and some related terms.

2.01 (a) Based on the above representations and warranties, we hereby award you a nonexclusive license to use the Proprietary Assets and the *Celebration Title* System for the term set forth in this Agreement, but only as long as you comply with all the terms and conditions of this Agreement. “Nonexclusive” means we retain all rights that are not specifically granted to you in this Agreement.

(b) The franchise we award you is only for the operation of a *Celebration Title* office that will be located at the address appearing on Exhibit A to this Agreement. The award of this franchise does not give you the right to use the Proprietary Assets, or any of them, at any location, for any purpose or in any manner except as specifically allowed by this Agreement.

(c) You agree to use the Proprietary Assets only as specified in this Agreement, our manuals and our other directives.

2.02 The award of this franchise does not carry with it any right to additional *Celebration Title* offices, locations or activities nor any rights of first refusal or similar preferential rights to additional *Celebration Title* offices, locations or activities no matter where located except as otherwise specifically provided in this Agreement.

2.03 In order to distinguish us and our licensor from any entity that you own, you agree not to use the name “*Celebration Title*” or any name like it in the legal name of any corporation, limited liability company or other entity in which you own an interest whether it currently exists, is formed to own and operate your *Celebration Title* office or otherwise. You also agree not to use the name “*Celebration Title*” or any similar name in connection with any activity in which you engage except to identify your *Celebration Title* business. Nothing in this provision will prevent you from using “*Celebration Title*” as part of a doing business as (“dba”) filing as required or allowed by law.

2.04 (a) No goodwill associated with *Celebration Title* offices, the *Celebration Title* System, the *Celebration Title* Network or with any of the licensed assets will belong to you or to any person who, or entity which, owns or is otherwise involved with this franchise. You agree that all goodwill connected in any way with the licensed assets, our names and marks, *Celebration Title* offices and the *Celebration Title* System, belongs exclusively to us and to our licensor and will so in the future.

(b) Nothing in subsection (a) above is intended to reduce any payment for “goodwill” you may obtain should you sell your *Celebration Title* office as allowed by this Agreement other than a sale to us.

2.05 While you can use the physical assets of your office as security for a loan, you can not to use this Agreement as security for a loan or otherwise encumber any of your rights under this Agreement.

2.06 You acknowledge that we have advised you to obtain the advice of competent legal counsel when reviewing this Agreement and any other contracts you propose to enter so that you will fully understand your rights and obligations under this Agreement and those other contracts.

3. Initial Franchise Fee and Continuing Royalty

This section describes the Initial Franchise Fee and Royalty Fee you pay in connection with the grant of this franchise.

3.01 Initial Fees:

(a) Single Office Fee. If this Agreement covers a single *Celebration Title* office, you agree to pay us the sum of \$35,000.00 in consideration for the rights granted to you under this Agreement.

(b) Multiunit Fee. If this Agreement grants you the right to open more than one *Celebration Title* office, the “Multiunit Fee” is \$35,000.00 for your first office and \$26,250.00 for each additional office covered by this Agreement. By paying that fee you lock-in the terms of this Agreement so that they will cover all *Celebration Title* offices specified in Exhibit B.

(c) How Fees Are Payable.

(i) If you are purchasing a franchise for a single *Celebration Title* office, \$17,500.00 of the franchise fee is payable upon the signing of this Agreement. The balance of the franchise fee is due upon our approval of your office location or your beginning our training course, whichever happens first.

(ii) If you are purchasing a franchise to open more than one *Celebration Title* office, you pay the \$35,000.00 franchise fee for your first office and 75% of the franchise fee for all additional offices when this Agreement is signed. The balance due for each office is payable when we approve the location for each such office.

(iii) If you should pass away or be declared to be legally incompetent before you have begun our training course, we will terminate this Agreement and refund 75% of your franchise fee unless your heirs or the conservator of your estate indicate within 30 days of either of those events that they would like to assume your rights in this Agreement, or the entity that owns this Agreement, as allowed in Section 13 below in which case the provisions of Section 13 will apply. Otherwise, the amounts paid to us for the initial franchise fees are not refundable except as otherwise provided below.

(d) Once you are an existing *Celebration Title* franchisee, if you desire to purchase a franchise for an additional *Celebration Title* office, the initial franchise fee for each additional office will be equal to 75% of the single-office franchise fee being charged at the time you sign the Franchise Agreement covering the additional office. That fee will be payable when we sign the Franchise Agreement covering the additional office. See Section 20 below for how the fee is determined if we are not selling new *Celebration Title* franchises at that time.

(e) Since we charge a reduced franchise fee for your second and subsequent offices, including those you have the right to open pursuant to any grant in this Agreement of the right to open more than one office, we can reduce or eliminate the initial services we provide in connection with the opening of those offices.

3.02 *Finding a Location for a Single-Office Franchise*

Each proposed *Celebration Title* office location must be approved by us before you can acquire the right to occupy it. If you do not have an approved location when this Agreement is signed, the following provisions apply:

(a) If this Agreement covers a single *Celebration Title* office, upon signing this Agreement and paying the appropriate franchise fee, you will have the right to locate a *Celebration Title* office in the area, called “your Territory” indicated on Exhibit A to this Agreement. When your office location is approved, it will also be entered on Exhibit A.

(b) You will have the exclusive right for 120 days from the date of this Agreement within which to find an approved location in your Territory. Once we have approved your prospective site, you must obtain a lease or other occupancy document that meets our approval within 30 days of our approval of that location. If you meet these deadlines, we will not ourselves nor will we grant another the right open a *Celebration Title* office in your Territory. See Section 5 below for how to apply for our approval of a proposed location.

(c) If you do not find a location acceptable to us and obtain a lease or other occupancy document within your Territory as required, we can terminate this Agreement and retain your initial payment in consideration for our granting you this franchise and holding your Territory for you as described above.

3.03 *Development of Multiple Offices*

(a) If this Agreement grants you the right to open more than one *Celebration Title* office, your office opening schedule and the “designated area” pertaining to that schedule are set forth on Exhibit B. You must open each office in the designated area by the date specified in Exhibit B or you will lose your right to open any offices not then open or under construction. The site selection and leasing requirements for each office are as set forth in Section 5 of this Agreement.

(b) If you do not meet your office opening schedule, we can retain all fees you have paid to us as consideration for holding your designated area from the market and granting you the development rights described above.

(c) The terms of this Agreement will govern all offices you open in accordance with your Exhibit B office opening schedule.

(d) As long as you are in compliance with the requirements of your office opening schedule, we will not authorize other *Celebration Title* franchisees to seek or take locations in your designated area and we will not do so ourselves until all offices you are required to open have been opened and are operating in accordance with this Agreement. When we approve each office

location, we will assign a Territory to that location within which we agree not to open another *Celebration Title* office as in the case of a single-office *Celebration Title* franchise.

3.04 Continuing Royalty

(a) As used in this Agreement “gross receipts” means all proceeds and equivalent benefits you receive as payment for any services and goods you provide and any other revenue derived from the operation of your *Celebration Title* office whether in cash, credit or other consideration, without offset. Noncash revenue shall be determined by their cash equivalent. Credit transactions are considered made when the transaction giving rise to the extension of credit occurs and not when or if you receive payment or when title to goods passes. Credit card and other credit transactions result in “gross receipts” in the full amount of customers’ purchases without any allowance for bad debts, uncollectible accounts or credit card fees and charges. Amounts you receive in connection with your escrow services that are paid over to third parties as part of the escrow transaction are not part of your gross receipts for purposes of this Agreement.

(b) In exchange for awarding you a *Celebration Title* franchise, for the assistance we give you in connection with the opening of your *Celebration Title* office and for the continuing right to use the *Celebration Title* System and belong to the *Celebration Title* Network, you agree to pay us a royalty payment equal to 7% of your gross receipts. You agree to pay us this amount, any amounts payable to the Marketing Fund described below and any other amounts due to us by Automated Clearing House (“ACH”) transfer or as we otherwise specify. Your royalty, and any payments due to the Marketing Fund, are due by the 10th day of the month based on your gross receipts for the prior month. We will determine the amounts due from the information obtained from your title software unless we specify another, or additional, type of reporting.

(c) At the time you are to pay your royalty, you agree to submit such reports on your activities and gross receipts as we may periodically specify. In connection with any reports submitted to us, including the data provided by your title software, you certify that these reports are complete, true and correct no matter how or by whom they are prepared. These reports shall also show any other information we may require periodically and shall be in the format we specify.

(d) We retain the right to change the required method of payment at any time and you agree to comply with our directions in this regard.

(e) You agree to sign and submit to your bank any forms required by your bank allowing the required payments from your account. You agree to keep a sufficient balance in the concerned account to cover these payments and not to withdraw or alter your directions to your bank concerning this account and the transfers without our prior written consent. If any properly initiated debit is denied or charged back due to insufficient funds or the closing of the account from which transfers are to be made, you agree to pay us a \$50.00 charge-back fee and reimburse us for all bank and transaction charges we incur as the result of the charge-back. This fee can be adjusted by any increase in the Consumer Price Index as discussed in Section 20 below.

(f) If you do not report your gross receipts to us for any reporting period, we can debit your bank account in an amount equal to 150% of the amount payable to use for the last period for

which you reported. If we then do not have an authorization to do so on file with your bank, you agree to promptly provide us with the required signed forms to allow the transfer.

(g) Nothing in this section is to be construed to waive, postpone or suspend your obligation to submit to us any reports, records or other materials or to waive any default occurring because of your failure to report or pay any amounts required by this Agreement.

(h) Our acceptance of any reports, statements or payments shall not be considered our consent to the accuracy of the statements or payments

4. Term of the Franchise and Renewal Options

This section describes the term of this Agreement, your option to obtain a new franchise and the circumstances under which we can refuse to grant you a new Celebration Title franchise.

Initial Term

4.01 (a) This Agreement is effective upon its signing. The initial term of this Agreement is 5 years beginning on the date your office lease term commences. If the term of your lease expires prior to the end of the 5-year term of this Agreement and you do not extend or renew your lease so that you can continue to occupy your office premises for the balance of the 5 year term of this Agreement, at our option this Agreement will end at the same time as your lease ends unless with our approval you relocate your office and obtain a new lease term as allowed by this Agreement. Unless we agree otherwise at the time, the relocation of your office will not extend the term of this Agreement.

(b) If you own the building in which your *Celebration Title* office is located, the term of this Franchise Agreement begins on the date your office opens for business which must not be later than 4 months from the date of this Agreement.

(c) If this Agreement grants you the right to open more than one *Celebration Title* office, each office you open pursuant to the Office Opening Schedule on Exhibit B will have a term of 5 years, as though it were a new single office subject to the terms of this Franchise Agreement.

Rights after Expiration of Initial Term

4.02 (a) Not less than 6 months nor more than 12 months prior to the expiration of the initial term of this Agreement, you may apply for a successor Franchise Agreement for your office by giving us notice in writing that you wish to continue as a *Celebration Title* franchisee.

(b) If you are in default under this Agreement at the time you give us notice of your desire for a new Franchise Agreement or at the time the new term is to begin, we can refuse to grant you a new franchise. If you have been given 2 or more notices of default under material terms of this Agreement over the course of any 2-year period, even if those violations were cured as allowed by this Agreement, we can deny your request for a new Franchise Agreement.

(c) After we receive your notice that you wish to enter into a new Franchise Agreement, we will send you the form of Franchise Agreement that will be used for the new franchise term at least 60 days prior to the scheduled expiration of the initial term. You must sign the new Franchise Agreement within 30 days of your receipt of that agreement or you will be deemed to have withdrawn your request to enter into a new Franchise Agreement with us and this Agreement will terminate at the expiration of the initial term.

(d) You must have sufficient time remaining on your office lease, or have options to renew your lease, for the term of your new Franchise Agreement in order to be granted a new franchise. The new Franchise Agreement will set forth any right you may have to renew, extend or enter into a new Franchise Agreement when that agreement ends.

(e) If you enter into a new Franchise Agreement with us, we will not require you to pay the initial franchise fee specified in the new Franchise Agreement. However, for each office covered by the new Franchise Agreement, you must pay a fee of equal to 25% of the initial franchise fee we are charging at the time for new single-office *Celebration Title* franchises. If our actual costs, and a reasonable allowance for the time of our employees expended in connection with granting you a new Franchise Agreement, exceed the amount of that fee, you agree to reimburse us for that excess.

(f) Even though a new Franchise Agreement may be signed, we need not provide you with the initial services that may be described in the new Franchise Agreement, such as training, opening assistance and so forth.

(g) As a condition of our signing a new Franchise Agreement with you, you will have to sign a general release of all claims against us, our licensor, our affiliates and their members, shareholders, officers, directors, agents and employees so that we do not start the new term with any unresolved issues between us. The form of General Release we currently use is attached to this Agreement as Exhibit E.

(h) As a condition of entering into a new Franchise Agreement with you, we can require you to update your equipment and refurbish and otherwise update your office and its signs to bring your office up to the standards of new *Celebration Title* offices. We agree to notify you of those requirements and the time within which they must be accomplished at the time we provide you with the Franchise Agreement that will be used for your next term. By signing the new Franchise Agreement you agree to comply with our requirements within the time periods we specify.

4.03 (a) If at the expiration of the term of this Agreement you do not qualify for a new franchise but a new Franchise Agreement or the renewal or extension of the term of this Agreement, is mandated by law, the terms of new Franchise Agreement or the terms of the renewal or extension of this Agreement, will be those contained in the Franchise Agreement we are using for new *Celebration Title* franchisees at the time the new term, or the relevant renewal or extension period, is due to start. If we are not offering new *Celebration Title* franchises at that time, the terms will be those in the Franchise Agreement that we were using at the time we stopped offering new *Celebration Title* franchises.

(b) If you do not give us notice of your desire to continue to be a *Celebration Title* franchisee and enter into a new Franchise Agreement as described in Section 4.02 or if we notify you that you are not eligible to receive a new Franchise Agreement, and for any reason this agreement does not expire at the end of its term, such as by operation of law, the term of this Agreement will continue on a month to month basis at the end of the initial term. In that event, this Agreement will be subject to termination by either party upon 30 days prior written notice to the other party or as otherwise allowed by applicable law.

5. Office Location and Territory

This section describes the location of your office, maintaining a professional atmosphere and your Territory.

5.01 (a) You do not receive an area where you will have the exclusive right to do business. However, we will specify an area in which you are authorized to locate your *Celebration Title* office. As noted above, this area is referred to in this Agreement as “your Territory”. This is the area in which you will be permitted to locate your *Celebration Title* office. You can only locate your *Celebration Title* office in your Territory.

(b) Your Territory will be defined on Exhibit A to this Agreement. The Territory will be specified by a marked map and/or a description of that area. We have the right to determine the boundaries of your Territory. We agree not to open a *Celebration Title* of our own or to franchise another to open a *Celebration Title* office in your Territory while this Agreement is in effect.

5.02 (a) We will consult with you regarding the general criteria for your office location so that you will know what type of location to look for. However, we have no responsibility to find a location for you. It is your responsibility to find a location for your office that is acceptable to us within period set forth in Section 3.02(b) above.

(b) We must approve the site where your business will be located before you can obtain a lease or other occupancy document for that space and begin doing business there. If you own a building where you propose to locate your *Celebration Title* office, we must approve the site and office space before you can develop that location for your *Celebration Title* office. To be effective, all of our approvals must be in writing and signed by one of our officers.

(c) You must provide us with the details of the site when you find a prospective location for your office. To assist us in deciding whether to approve the location, you must provide us with the information on the site we request, which may include population and demographic data concerning the area, the identity of real estate offices and title offices in the same office center, mall, complex or area where your office is proposed to be located, the nature of the residential, commercial and office development in the area and so forth. In addition, such things as traffic patterns, the layout of the proposed space, the visibility and accessibility of the proposed location, the other physical attributes of the location and similar data must be provided to us if reasonably obtainable. If the site is in an office center or other multitenant development, you must provide us with a layout of the office center or development with the location of your proposed office indicated. If we request additional information for our evaluation of the proposed site, you agree

to use your best efforts to provide the requested information to us promptly. All costs in connection with obtaining the information set forth above and supplying it to us are your responsibility.

(d) If we approve the proposed location for your *Celebration Title* office, we will notify you promptly of that approval. If we do not approve the site, we will notify you of our objections and the steps you can take, if any, to make the site acceptable to us.

5.03 (a) Within 30 days after we approve your location, you must obtain a signed lease for the site. If no lease is then available, you agree to get a letter of intent from the landlord of the space setting forth the basic terms of the proposed lease and accepting you as a tenant. If you obtain a letter of intent rather than a lease, you must obtain a finalized and fully-executed lease within 30 days after you obtain the letter of intent. If you do not obtain a lease, or, if appropriate, a letter of intent, for the site within the required period, we can terminate this Agreement. We can extend the foregoing periods in our sole and absolute discretion if we are satisfied that you are using your best efforts to obtain a lease. If we agree to extend either or both periods, we can terminate this Agreement at the end of the extension without granting further extensions to you.

(b) By approving your site we do not guaranty that the site is adequate for your needs or purposes. Our requirements, reviews, approvals and assistance are for our own purposes and are not a representation or warranty guaranteeing your success in the approved location.

5.04 As a condition of our approving your proposed lease we can require you and the lessor or other owner of the site to enter into an agreement allowing the assignment of the lease to us in the event this Agreement expires or is terminated. The agreement may contain other terms concerning your occupancy and/or our rights upon the expiration or termination of this Agreement. The agreement that we currently use for this purpose is attached as Exhibit D to this Agreement.

5.05 (a) If you want to move your *Celebration Title* office to a new location at any time, we must approve that location prior to your obtaining the site. We have absolute discretion whether to approve your relocation and site. You can only relocate your office within your Territory.

(b) If we approve your relocation, you agree to pay us a relocation fee equal to 40% of the initial franchise fee we are charging for new single *Celebration Title* franchises at the time we approve your new site. If our actual costs, and a reasonable allowance for the time of our employees expended in connection with the relocation of your office, amount to more than that fee, you agree to reimburse us for that excess. If we are not offering new *Celebration Title* franchises at the time of your relocation, the relocation fee in that case will be equal to 40% of the franchise fee we were charging for new *Celebration Title* franchises at the time we stopped granting new franchises adjusted by any increase in the Consumer Price Index as described in Section 20 below.

(c) The site, lease, design, construction, decoration, equipping and every other aspect of your relocated *Celebration Title* office must be accomplished in accordance with the requirements that exist at the time for new *Celebration Title* offices.

5.06 You acknowledge that since you will not receive an exclusive area in which to do business you may face competition from other *Celebration Title* franchisees, from offices that we

or our affiliates own or operate as well as from other channels of distribution or competitive brands that we or our affiliates control. As such, people from within the area where your office is located can obtain services from other *Celebration Title* franchisees and from us, our licensor, our affiliates or designees, over the internet and/or by means of other channels of distribution without you receiving any compensation. Similarly, you can do business anywhere, even in areas in which we or others using the *Celebration Title* name have offices. However, you are not allowed to market your office or services by means of any targeted media or activity directed specifically to a geographically limited market of prospective customers outside of your Territory, such as by direct mail or limited circulation publications.

5.07 We and our affiliates are not precluded from owning, operating and/or being the franchisor of, competing outlets owned, operated and/or franchised by any person or entity with whom or which we and/or our affiliates merge, by which we or our affiliates are acquired or which we or they acquire or otherwise become affiliated after the date of this Agreement even if any of those persons or entities have one or more locations within your Territory. However, no such office will use the *Celebration Title* names and marks in your Territory.

5.08 We have no obligation to allow you to open any additional *Celebration Title* offices whether you propose to open them in your Territory or elsewhere, except as otherwise provided in this Agreement.

5.09 Without our prior written consent, no business, other than the business franchised by this Agreement, can be located in your business premises and you cannot operate your *Celebration Title* office inside the business premises of someone else.

5.10 (a) Your *Celebration Title* office must be in operation within 4 months from when you obtain a signed lease or other occupancy document, for your location. If you are not open within the required period, we can terminate this Agreement unless, in our reasonable judgment, you are using due diligence to locate, construct and open your business and the delay is beyond your reasonable control, for example because of unusual permit, engineering or construction problems or if there are delays caused by fire, flood, earthquake or similar events. If that is the case, we will extend the 4-month for a reasonable time. Delays caused by your inability to perform your financial obligations or caused by your action or inactions that we do not consider to be reasonable are not considered to be beyond your control for this purpose. We need not extend the period within which you are allowed to open your office longer than one year from the date of this Agreement whether or not the foregoing applies.

(b) In the event this Agreement is terminated because you are not open for business within the required time period, we can retain your entire Franchise Fee and, if you are granted the right to open more than one *Celebration Title* office by this Agreement, your Multiunit Fee as consideration for our activities to date in connection with the sale of this franchise, your training and/or our other services to date. In addition, we will have all the rights, and you will have all of the duties, following termination described in Section 14 of this Agreement.

6. Designing, Constructing and Equipping Your *Celebration Title* Office

This section discusses designing, constructing and equipping your office and the type of computer system, software and other items you need for your office.

6.01 All costs incurred in connection with the design, construction, equipping and/or remodeling of your office are your responsibility.

6.02 (a) We will advise you of our design and construction standards before you undertake to construct or remodel your office. You must comply with these requirements except for variations which we approve in writing. We must approve your plans and specifications before you begin construction. You agree not to change your design or other aspects of your office without our prior consent.

(b) You agree to comply with our graphic requirements and standards, including our requirements for signs, business cards, stationery, forms and so forth as described in our manuals or our other directives.

(c) We will be available to consult with you on the telephone during our normal business hours regarding the design and construction of your office. However, it is your responsibility to see that your office is designed, built, equipped, decorated and opened without delay and in accordance with our requirements. We assume no responsibility for the work of independent contractors that you employ.

(d) You agree to use your best efforts to open your office for business promptly after you sign your lease. Your office must be open within 4 months of the signing of your lease unless you are prevented from doing so by circumstances beyond your reasonable control, other than your inability to finance the design, construction and opening.

6.03 You agree to obtain and maintain a unique telephone number for your *Celebration Title* office. This number must be used only for your *Celebration Title* office.

6.04 You agree to obtain and maintain all signs, equipment, furnishings and décor we specify and not to utilize any such items that we have not approved. You agree to maintain your *Celebration Title* office and its signs, equipment, decor and furnishings and other physical assets in a high condition of safety, cleanliness, repair and appearance and to replace promptly anything that is not capable of being maintained in that condition. We must approve all material changes you propose to make to your office prior to the changes being implemented.

6.05 Prior to the start of your initial training, you must have acquired, installed and be able to operate the basic functions of the computer software, hardware, peripherals, printer and communications equipment that we specify or otherwise approve. You must have high-speed internet access that meets our requirements.

6.06 If we specify software that you must use in connection with your *Celebration Title* office, you agree to make sure it is acquired and properly installed on your computer system. To maintain compatibility within our communication network and to sustain the functionality of your systems, you agree to maintain, upgrade or otherwise change your computer software, hardware,

peripherals, printer and communications equipment according to the specifications we periodically provide. You also agree not to unilaterally upgrade or change any software or systems that could cause incompatibility with our software or communications.

7. Training

This section describes the initial and ongoing training that we provide.

7.01 (a) After you sign this Agreement and pay your Franchise Fee, but before you begin your *Celebration Title* business, we will provide training for you in the operation of a *Celebration Title* office. We will train the principal owner of this franchise and such other people we designate if they will be involved in the day-to-day operation of the office. The length of the training will depend on our evaluation of the knowledge and experience of the trainees. We will specify the training that is required and when it must be completed to our satisfaction after we evaluate the background, experience and knowledge of each prospective trainee.

(b) If this franchise is owned by a partnership, corporation, limited liability company or other entity, at least one of the principal trainees must be a general partner, principal shareholder, member or owner, as appropriate, unless we otherwise agree. Your *Celebration Title* office must be under the overall supervision of a person who has successfully completed our training course.

(c) Our training course will be provided electronically and/or as we otherwise require.

(d) We can administer various tests during training. If we do, we can require that you and your other trainees pass these tests to our reasonable satisfaction. If a trainee does not pass a test, the trainee will be given the opportunity to retake it. If you fail a test repeatedly, we can terminate this Agreement except as provided in 7.02 below.

(e) We expect you to have reasonable competence in the operation of your computer system and software and be aware of the general requirements of operating a business. Therefore, our training may not cover everything you need to know about your computer system and general business activities. You may need to purchase additional training or educational resources from third parties to adequately operate your computer system and business.

7.02 (a) If you are a sole proprietor and you do not satisfactorily complete our training course, we can terminate this Agreement. If this franchise is owned by an entity, such as a partnership, limited liability company or corporation and the person who will operate your office does not complete our training course in a satisfactory manner, the entity can have another principal of the entity take our training although we can charge our additional training fee in that event. If that person does not complete our training course in a satisfactory manner, we can terminate this Agreement. If any other person that takes our training course does not complete the course in a manner we find reasonably satisfactory, you agree not to employ that person in your business.

(b) If we terminate this Agreement for any of the reasons set forth in this Section 7, we can retain your Franchise Fee, and, if applicable, your Multiunit Fee as compensation for the rights granted to you and our services to date.

(c) All who take our training must sign our nondisclosure agreement. That agreement will contain provisions designed to maintain the confidentiality of our training material and other proprietary information. A copy of the agreement we currently use for this purpose can be found as Exhibit D to the Franchise Disclosure Document that accompanied this Agreement.

7.03 If you desire or are required to, to have one or more additional people to take one or more of our training courses, we have the option to charge an additional training fee in accordance with our price list at the time. The current fee we charge for additional training is \$1,000.00 per trainee. The training fee can be adjusted at any time. We will notify you of the current fee when you request the additional training.

7.04 (a) Other than to the extent that we train your employees, the training of your employees is your responsibility. You agree to provide adequate initial and on-going training for your employees so that they perform their duties in a competent manner and in compliance with the requirements of this Agreement, our manuals and our other directives. We can specify training that must be provided to your employees, including any online training we indicate. We can require that they pass online tests as part of their training

(b) If at any time we reasonably determine that any of your personnel are not able to perform their tasks adequately, you agree to promptly retrain those people. If we still find them to be unable to perform their tasks, we have the right to require any or all of those employees to complete our training course, or the portion of that course that we designate, at the times and places we specify. If we do so, you agree to pay our additional training fee and the salaries, benefits and expenses of your employees in connection with the additional training. In addition, you agree to reimburse our out-of-pocket expenses if the training takes place at your business location. Alternatively, we can require that you terminate the employment of the concerned employees.

7.05 During the term of this Agreement, we may offer additional training for your benefit and the benefit of your employees. Occasionally we may require the satisfactory completion of additional training by you and/or your employees. You and such of your employees as we designate, must satisfactorily complete any mandatory training at the times and manner we require.

7.06 (a) We can offer refresher courses, seminars, conventions, meetings and similar programs for you and/or for your employees. In addition to system-wide meetings, we may sponsor regional training seminars or other meetings in the region in which your *Celebration Title* office is located. If you or your employees attend any of our meetings, you agree to pay your own travel, meals, lodging and other travel-related expenses and those of your employees in connection with attending these meetings. We can require that you and/or others we specify attend one or more of these sessions.

(b) We can conduct these meetings wholly or partially virtually or by means of other media. If we do so, you agree to view the programs we specify and have your employees view the programs we specify.

(c) If we conduct in person conferences, such as regional or national meetings, you can be charged a reasonable fee to attend in order to offset some of our expenses in presenting the meetings.

8. Operations, Obligations and Assistance

This section discusses how you are required to conduct the operation of your business and the ongoing assistance we provide.

Compliance with the Celebration Title System:

8.01 (a) You agree to follow all systems, procedures, techniques, practices and other facets of the *Celebration Title* System that we periodically specify.

(b) You agree to cooperate, and to have your employees cooperate, with us and with our representatives in all matters related to your *Celebration Title* office and your compliance with this Agreement.

(c) You agree to operate your office continuously on such days and during such minimum hours as are customary for similar businesses in the community within which your office is located. We reserve the right to specify the hours of operation to be observed by your office.

(d) We will be available to consult with you on the operation of your office during our normal weekday business hours. We will do so on the telephone and electronically.

Protection of Trade Secrets:

8.02 (a) The manuals, material, software and information that we provide to you contain our trade secrets and other proprietary material (referred to as “our confidential information”). You agree to use this information only in connection with the operation of your office in the manner we specify. You agree not to disclose our confidential information to persons we do not authorize in writing to receive it. You also agree to use your best efforts to prevent unauthorized disclosure of our confidential information by your employees, agents and others over whom you have control.

(b) You agree to take reasonable steps to safeguard any material that we designate as part of our confidential information. You agree not to copy or otherwise duplicate our confidential information except as we may direct or approve in writing.

(c) All those in your employ who have access to our confidential information must sign a confidentiality and nondisclosure agreement in the form we specify before you grant them access to our confidential information. You agree to provide us promptly with true and accurate copies of those signed forms or, at our request, the originals of those agreements.

(d) You agree to return to us all copies of our confidential information including those that contain trade secrets as well as our proprietary software, manuals and other material you obtain from or through us promptly upon the expiration or termination of this Agreement and at the other times we may request.

(e) After the termination or expiration of this Agreement, you agree not use or disclose our confidential information for any purpose unless we agree to that use and disclosure in writing.

Ongoing System Development:

8.03 (a) We have the right to make additions, deletions, modifications and/or other changes to our manuals, products, services, materials, software, confidential information, processes, systems, techniques, sources, supplies and all other aspects of the *Celebration Title* System and to specify additional, different or other requirements for you to use and follow.

(b) You agree to comply with the modifications of the *Celebration Title* System at the times and in the manner we specify.

What You Can Provide:

8.04 (a) You agree not to provide any services or carry or sell any items other than those we specify or otherwise approve in advance in writing.

(b) You may provide your services and items for sale only in the manner we specify or approve. If given, these approvals can be altered or withdrawn at any time.

(c) We can change, add to or reduce the services and items you are to provide as part of your *Celebration Title* business.

Your Employees:

8.05 (a) You should first fill the initial positions we specify. However, you agree to hire and satisfactorily train a sufficient number of employees to handle adequately the volume of business of your office and to provide courteous and capable assistance to your customers. You agree to inform us of the identity, experience, background and training of all of the people you employ who are involved in your *Celebration Title* business.

(b) You agree to make sure that your personnel exercise the standards of appearance, cleanliness, demeanor and customer service that are specified in our manuals and other directives. In any event, you agree to supervise your employees so that they will conduct themselves in a way that will enhance the operations and image of your *Celebration Title* office.

(c) You agree to advise us of any limitations on the authority of your supervisory personnel. In the absence of that advice, we can rely on the obligations and commitments undertaken by your supervisory personnel and those commitments will be binding on you.

(d) None of your employees are to be considered our employees and none of our employees are to be considered your employees.

(e) You agree to comply with all employment-related laws, regulations and practices and to indemnify and defend us against any claims that you have not done so, including claims alleging that we are responsible in any way for your employment practices or employment law violations because of our franchisor-franchisee relationship. This includes indemnifying us against any cost and/or liability arising from a finding that we are a joint employer of any of your owners and/or employees.

Purchases of Goods and Services:

8.06 (a) You may purchase items bearing our names and marks only from us, our licensor, our affiliates or from suppliers we have approved. We can limit such suppliers and the items they provide to *Celebration Title* offices.

(b) We can specify various items you must obtain for the operation of your office. We can specify, and must approve before use, all providers of goods and/or services to or by your office, including underwriters and insurance carriers. We agree to review and approve or disapprove, in our sole discretion, any products, services and/or providers you suggest in accordance with the procedures we are using at the time for reviewing products, services and providers. We agree to conduct our review and to let you know whether we approve of the products, services and providers within a reasonable time after we receive all information and material we need to decide. If we incur any expenses in connection with the review of any provider, product or services we have the right to charge the provider a reasonable fee to cover those costs.

Ongoing Assistance and Advice:

8.07 (a) You may request our assistance and advice in connection with the general day-to-day operation of your *Celebration Title* office. If you do so, we will respond to you within a reasonable time during our normal business hours.

(b) So that we can follow the progress of your business and improve the operations of the *Celebration Title* System, you agree to provide us with the reports that we require at the times, in the manner and in the form that we specify.

(c) We can send one or more representatives to visit your *Celebration Title* office at the times we determine in our discretion. We need not inform you in advance of these visits. Upon prior notice, you agree to be present during the visits of our representatives. You agree to use your best efforts also to have available the other people we request to be available during our visits. You agree to make available to our representatives during their visits, and at such other times as we may reasonably request, the items and information we may require. You agree that you and your employees will cooperate fully with our representatives during their visits.

(d) You agree that our representatives will have full access to your office, your computer system and your other business machines, to the information contained in them and to the reports produced by them, to the extent that information pertains to your *Celebration Title*

business. Our representatives can make and take copies of your records and can photograph and make other accounts of your premises and your operations.

(e) If we notify you at any time of defects, deficiencies or unsatisfactory conditions in the operation of your *Celebration Title* office, you agree to make any required corrections promptly and in the manner we specify.

(f) If you request a special visit by one of our representatives and we agree to the visit, we can condition the visit on such prerequisites as we may determine, such as the prepayment or the reimbursement of the travel and other expenses of our representative and/or a set payment for each day of our representative's visit.

Advisory Councils:

8.08 We may establish one or more advisory councils made up of *Celebration Title* franchisees to consult with us on matters of mutual interest. If we establish such a council, we have the right to determine its rules. If you elect or are required to participate in the activities of such a council, you agree to follow the rules of the council.

Quality Control and Compliance:

8.09 (a) You agree that we can take any action we desire in order to ensure that your customers are satisfied with your services and products and that you are operating your *Celebration Title* office as required by this Agreement. In this regard, you agree that we can contact your present and former customers and employees to conduct surveys, deal with complaints and for any other reason. In addition, you agree that we can employ "secret shoppers" or their equivalent, to observe and report on the services and products provided by your *Celebration Title* office.

(b) For support, compliance, payment determination and other purposes we must have remote access to your computer systems and/or files to the extent they pertain to your *Celebration Title* business regardless of where these systems or files may be located. If such access requires the permission of another party, you agree to promptly authorize and otherwise facilitate that access. You agree to install and maintain any equipment needed, and to give any permissions necessary, to provide us with this access.

(c) At our request, you agree to provide us promptly upon their filing with copies of your sales tax reports and your income tax returns to the extent they pertain to your *Celebration Title* business.

National Accounts

8.10 (a) "National Accounts" are customers or prospective customers of the *Celebration Title* Network who do business at multiple locations. As such, we may provide discounted service to such customers at our company-owned and franchised locations.

(b) If we establish a National Accounts program, the prices to be charged or discounts to be provided, to customers participating in that program will be set by us. You agree

to adhere to the pricing and discount terms we specify for the National Accounts program. If you are allowed by law not to participate in such a program or vary the prices or discounts we specify, we can indicate to National Accounts customers that you are not a participant in the program or do not have to abide by the prices and discounts we have agreed to provide to National Accounts customers.

Compliance with Law:

8.11 (a) You agree to obtain and maintain at your expense all licenses and permits required for the operation of your *Celebration Title* office and the activities you undertake pursuant to this Agreement. You agree to ensure that all of the personnel of your *Celebration Title* business who are required by law to have any specific licenses and/or permits and/or be covered by insurance comply with those requirements within the time periods so required.

(b) You agree to operate your *Celebration Title* office in compliance with all laws, statutes, ordinances, rules, regulations, orders by government officials and the like pertaining to your business, including those that are related to employment, labor, health, safety, the environment and hazardous or toxic materials whether those laws, statutes, ordinances, rules, regulations, orders and the like now exist or are enacted or issued later. You agree to be responsible for the consequences of any noncompliance both during the term of this Agreement, any extensions or renewals of this franchise and thereafter.

(c) You agree to comply immediately with the orders and directives of government officials in the conduct of their official duties pertaining to the operation and conduct of your *Celebration Title* office. You agree to notify us immediately of any significant governmental orders or directives you receive, the reasons for them and the corrective action you have taken or plan to take related to them.

(d) Unless otherwise allowed by applicable law, all closing transactions must take place in the county where the concerned property is located. If another *Celebration Title* franchisee, we or any of our affiliates has a closing in the county where your *Celebration Title* office is located, you agree that the closing can take place at your office. Similarly, you may use the office of another *Celebration Title* franchisee or one of our offices or that of one of our affiliates to close a transaction in a county in which you do not have an office.

Ownership of Developments Related to the Celebration Title System:

8.12 (a) If you or anyone employed by or affiliated with you develops any inventions, discoveries, concepts, procedures, systems, practices, techniques, products, writings, designs, services, systems or the like related to the *Celebration Title* System or the *Celebration Title* Network (collectively referred to as “ideas”), you agree to advise us promptly in writing of the ideas.

(b) You agree not to implement any ideas until we authorize you to do so in writing. It is within our complete and absolute discretion whether to authorize the use and/or dissemination of the ideas, and, if we do so, the manner of their use.

(c) Except as otherwise limited by law, the ideas that you, your employees, affiliated persons or your agents develop in connection with the *Celebration Title* System or the *Celebration Title* Network are our property. You agree that we are not obligated to pay you, or any person or entity employed by or affiliated with you, on account of any ideas developed by you or by that person or entity whether or not we use, disseminate, authorize or otherwise employ the ideas.

Managing Agent:

8.13 (a) If a partnership, corporation, limited liability company or other entity owns this franchise, the entity agrees to designate one person to be the principal agent of the entity. This is the person who will deal with us in connection with the *Celebration Title* franchise, your *Celebration Title* office and your compliance with this Agreement. This person is referred to in this Agreement as the entity's "managing agent". The entity warrants that the managing agent will have the authority to speak for and bind the entity in all matters pertaining to this Agreement and its *Celebration Title* office. The entity further warrants that we can rely on that authority until we are notified in writing of a change in the managing agent.

(b) If the managing agent is removed or resigns, the entity agrees to replace the managing agent immediately and to notify us of the identity and contact information of the new managing agent.

(c) If we so require, the managing agent and any person by whom the managing agent is replaced must complete such training at the time, for the duration and at the location we specify and must complete that training to our reasonable satisfaction as a condition of him or her being your managing agent.

(d) The managing agent cannot be a person who was a *Celebration Title* franchisee or who was the manager of a *Celebration Title* office that had its Franchise Agreement terminated because of a default nor can the managing agent be any other person to whom we have a reasonable basis to object.

Professional Organizations

8.14 You agree to promptly join and maintain membership in your local real estate board, the American Land Title Association ("ALTA"), the land title association of the state in which your *Celebration Title* office is located and any other organizations that we may specify. You agree to advise us prior to joining any other organizations and to discontinue any effort to join any organization of which we do not approve. If you have joined an organization of which we disapprove, you agree to promptly withdraw from membership in that organization.

9. Records, Accounting, Audits, Trade Accounts and Late Charges.

9.01 (a) You agree that you will maintain a separate business bank account into which you will deposit all of the proceeds from the operation of your *Celebration Title* business and from which you will pay all of its expenses. You agree not to use that account for any other purpose.

(b) You agree to maintain current and accurate books, records, accounts, tax returns, and all related back-up material showing the results of the operation of your *Celebration Title* office, including all of the books and records that we list in our manuals and other directives. You agree to use the chart of accounts and accounting software that we specify. You agree to maintain all such materials at your principal place of business unless we otherwise approve.

(c) You agree to retain all transaction records, tax returns, sales tax reports and all of your other business records and related back-up material for at least as long as required by law or 3 years following the end of the year to which the items pertain, whichever period is greater. You agree to make all such items available to our representatives at such times and such locations as we may reasonably specify.

9.02 (a) You agree at your expense to provide us with reports on your operations and such other data as we specify in our manuals and as we otherwise direct. We can require data to be transmitted to us in writing, by electronic transmission or by other means.

(b) In addition to the monthly reports you send us with your royalty payments, you agree at your expense to send us a profit and loss (income) statement for the prior month in the form we specify within 10 days after the end of each month. We can change the reports we require you to submit from time to time.

(c) Within 20 days after the end of every 6-month beginning with the month you open for business, you also agree to send us a balance sheet showing your financial condition at the end of that 6-month period.

(d) Within 30 days after the end of each calendar year, you agree to send us a balance sheet and income statement showing the required information for the year just ended.

(e) If you have repeatedly underreported your gross receipts or failed to provide the financial statements or reports required by this Agreement, we can require that at your expense your financial statements must be prepared by an independent certified public accountant. If we direct that an independent certified public accountant prepare your financial statements, we will indicate on what basis those statements have to be presented, such as on a compilation, review, or audited basis. We can change these requirements whenever we feel that it is necessary in order to get timely and accurate financial statements from you.

9.03 (a) We have the right to inspect and/or audit your books and records at any reasonable time at your office, or at such other location as may be mutually agreed upon between us.

(b) If the inspection or audit reveals an understatement of gross receipts for any month in an amount of 5% or more, or if an audit is necessary because you have not complied with the financial reporting or record keeping requirements of this Agreement, our manuals, or our directives, you agree to pay the costs of the inspection or audit as soon as we advise you of those costs. These costs can include the costs and expenses we incurred for our employees, accountants, attorneys, or any others with whom we have incurred costs in connection with the inspection and/or audit.

(c) Regardless of whether you have to pay the costs of the audit, you agree to pay all sums that are shown to be due because of any understatement of gross receipts or any other

underpayment plus any late charge that results from the nonpayment. If the inspection or audit shows an overpayment to us of any amounts, the amount of the overpayment will be applied to the next amounts due us.

(d) If we discover by inspection, audit, or otherwise that you have intentionally underreported your gross receipts for any period in any amount, or have underreported your gross receipts in the amount of 10% or more for any period, whether or not the underreporting was intentional, we have the right to terminate this Agreement in addition to having all of our other rights and remedies under this Agreement and those available to us under applicable law.

10. Advertising and Promotion; Marketing Fund; Electronic Media

This section discusses the marketing of your Celebration Title office, the prerequisites to any marketing you do, the Marketing Fund and your use of the internet and other alternative media.

10.01 (a) For the good of the *Celebration Title* Network, all advertising, promotion and public relations activities, including participation in charitable events and donations made to charities and other entities, must be consistent with our image and must reflect favorably on the *Celebration Title* name. For the protection of our trademarks and service marks, you agree to discontinue any advertising, donation or activity to which we object. We have complete and absolute discretion in deciding whether to require you to stop using any such material, activity, program or plan and making such donation even if we have previously approved it.

(b) You agree to submit to us, prior to use, copies of all advertising, promotion and public relations plans, material and programs you want to use or participate in and describe to us by what media your advertising will be published, the amount you plan to spend for each advertisement, the nature of each promotional, charitable or public relations event, item and program and all other relevant information, including any other information we request and, if we require, you agree not to use any such item or items without our prior written consent and to follow our other requirements in this regard.

10.02 You agree to conduct a reasonable amount of advertising and other marketing for your *Celebration Title* office on a monthly basis. If we feel you are not doing sufficient advertising and marketing for your office we can specify the amount of advertising and marketing you must do. The advertising and marketing required by this section is in addition to the amount you must contribute to our cooperative advertising and marketing program described below.

10.03 (a) You agree to contribute to the Marketing Fund monthly an amount equal to 3% of your gross receipts. We can modify the amount you will be required to contribute to the Marketing Fund periodically. However, in no event will the amount that you are required to contribute exceed 5% of your gross receipts without your prior written consent.

(b) We can start the Marketing Fund on a local and/or regional basis until such time as we reasonably determine that there are enough *Celebration Title* offices in a larger area to justify more widespread advertising, promotion and/or public relations activities.

(c) The payments to the Marketing Fund are to be made at the same time and in the same manner as the payment of the royalty fee

(d) We agree to maintain Marketing Fund apart from our other accounts. We will account to you annually for the receipts and expenditures of the Marketing Fund. The Marketing Fund does not have to be audited by an independent certified public accountant.

(e) The Marketing Fund can be used for advertising, marketing and public relations activities on a local, regional and/or national basis. We have complete and absolute discretion over how and when sums from the Marketing Fund are spent and what items are charged to it. However, we agree to use the Marketing Fund only for the planning, production, execution and analysis of advertising, promotion and public relations materials, expenses and programs, including point of purchase materials, brochures, display materials, market research and analysis, the employment of advertising and promotion staff and agencies, the purchasing of media time and space, the planning, production and execution of promotion or public relations events, the review and analysis of those activities and for related purposes.

(f) We are not obligated to spend the receipts of the Marketing Fund in any region, even if a disproportionate amount comes from a particular area, or within any particular time period.

(g) We can charge the Marketing Fund for the time, overhead and expenses of our employees to the extent that they work on advertising, promotion or public relations activities designed to enhance the image or sales of *Celebration Title* offices. Alternatively, we can charge the Marketing Fund up to 10% of the amounts collected by the fund to cover our overhead and expenses as they relate to advertising, promotion and public relations matters related to the *Celebration Title* Network.

(h) We have the right to terminate the Marketing Fund or to turn its functions over to an outside entity. If we terminate the Marketing Fund and do not replace it with a similar entity, we can have you use the money you would otherwise contribute to the fund for local or regional advertising, promotion or public relations purposes. If we turn the functions of the Marketing Fund over to an outside entity, we can require you to pay that entity the amounts you would otherwise contribute to the Marketing Fund. Even if we have an outside entity perform some of the functions of the Marketing Fund, we will still have the right to approve any advertising, promotion and public relations material and activities suggested by that entity

(i) We agree that any *Celebration Title* offices that we own and operate will contribute a like percentage of their gross receipts to the Marketing Fund.

10.04 We have the right to establish advertising councils to advise us on our local, regional and national advertising, promotion and/or public relations programs. If we establish such a council or such councils, we have the right to determine their rules. You agree to follow those rules and, if we so request, to participate in the activities of those councils in the manner and to the extent we specify.

10.05 (a) We will provide you with at least one page on our internet website for the promotion of your *Celebration Title* office. We have the right to specify or otherwise approve the

design, appearance and content of your web page. You agree not to initiate the appearance of your *Celebration Title* office on any website we do not expressly approve in advance.

(b) We will provide you with one or more e-mail addresses. You agree not to use any e-mail address not expressly approved by us in conjunction with your *Celebration Title* business. You agree not to use any e-mail addresses, internet domain, URLs or IP addresses provided by us or associated with the *Celebration Title* Network in conjunction with bulk e-mail or any other activity that could result in restriction of *Celebration Title* e-mail or web traffic or blacklisting or negative publicity. If any of your activities on the internet or otherwise, cause the interruption of our ability to send or receive e-mail, internet access or use or cause an adverse impact on the *Celebration Title* name, Network or System, you agree to reimburse us for all reasonable costs, including attorneys' fees, required for us to reinstate the interrupted activity or access or to clear and restore the *Celebration Title* name.

(c) Without our permission you agree not to register, purchase or use any internet domain names that could reasonably be confused with any element of our Proprietary Assets. If you do so, at our request you will transfer the rights to any such domain names to us without cost.

(d) Upon the expiration or termination of this Agreement, any sites, domain names and all other identifying names, marks, symbols, telephone listings and other means of identification that you have used in connection with your *Celebration Title* business will become our property and must be transferred to us at the time and in the manner described in Section 15 below.

10.06 You agree to use any intranet, extranet or the like that we maintain for the use of *Celebration Title* franchisees only in the manner we specify. You further agree not to inform any third person, other than those we authorize in writing, how to access or derive information from our nonpublic sites. The manner of accessing and obtaining information from our nonpublic sites as well as the information contained on those sites are our trade secrets and are subject to the provisions regarding trade secrets and proprietary information set forth elsewhere in this Agreement.

10.07 You agree to follow all of our policies and procedures concerning your use of the internet, social media, other electronic media and any other means or media not otherwise specified in this Agreement whether that media exists now or in the future. These will policies and procedures will be set forth in our manuals and periodic directives.

11. Use and Protection of our Names, Marks and Symbols

This section describes the nature of the trademark license we grant to you and the protection of our names and marks.

11.01 (a) You are licensed to use only those trademarks, trade names, service marks, logotypes, symbols and designs ("the Marks") that we specify in writing from time to time even if they are less than all that we own or otherwise have the right to use. As of the date of this Agreement, you are only licensed to use the Mark(s) listed on Exhibit C.

(b) You acknowledge that your use of the Marks is nonexclusive and that we, our licensor and our affiliates can use, and can license others to use, the Marks in any manner or at any place except as may be limited by this Agreement.

(c) From time to time we may license you to use additional or different trademarks, trade names, service marks, logotypes, symbols, designs, patents, copyrights and/or other commercial property pursuant to the terms of this Agreement. That license or those licenses will pertain only to those items, and only to the extent, we specify in writing in connection with the grant of the concerned license or licenses.

11.02 (a) In the event you become aware of any claim of infringement resulting from or other challenge to, your use of any of the Marks or any of our other intellectual property, you agree to notify us immediately of the facts concerning the claim or challenge. We have sole discretion as to what action to take, if any, regarding any such claim or challenge. You agree to join as a party to any action concerning our Marks or other Proprietary Assets or to allow the action to be brought solely in your name, but only when, as and if we require. If we require you to participate in any such action, we will bear all costs in connection with the matter unless the claim is based on your actions or inactions which we did not direct or authorize in writing.

(b) We will have sole control over each and every legal, administrative and other action of any type concerning the Marks and our other intellectual property. In the event of any legal, administrative or other action concerning the enforcement or defense of our rights, we agree to bear the legal fees and court costs incurred in the handling of the matter except as described above.

(c) We agree to pay all damages for which you are held liable in any proceeding involving your right to use the Marks and our intellectual property but only on the condition that you have used the Marks and our intellectual property in strict accordance with this Agreement, our manuals and our other directives, have promptly notified us of any challenge to your use of our intellectual property and fully cooperate with us in the handling of any proceeding concerning that property.

(d) We have sole discretion as to what legal, administrative or other action to take, if any, against any third person or entity who may be making unauthorized use of the Marks or our other intellectual property. You agree to cooperate fully with us in our handling of any such legal, administrative or other proceeding.

11.03 (a) If it becomes advisable at any time in our sole discretion to modify, discontinue or change the use of any of the Marks and/or other of our intellectual property, you agree to comply with our directives in that regard at the time and in the manner we indicate.

(b) In the event we require you to modify or discontinue the use of any of the Marks and/or any of our other intellectual property, our sole obligation will be to reimburse you for your reasonable out of pocket costs in connection with that compliance, but only to the extent that such costs are for the replacement of tangible items bearing the concerned names, marks and/or designs and provided that your compliance is in accordance with our directives, such as in the liquidation of existing supplies of distinctively marked materials, the disposition of signs, the replacement of

advertising and promotion material and so forth. We will not be obligated to reimburse you for the replacement of any items bearing our names or marks if you have been given a reasonable time to use up items that are consumed in the normal operation of your business or to amortize the cost of such items that are not capable of such use.

11.04 We have the right to require you to use one or more additional trademarks, service marks, logotypes and/or other commercial symbols in connection with the operation of your business. In that event, you agree to bear the cost of using such additional items in accordance with our directives.

11.05 (a) You agree to make no application for registration or other protection of the Marks or any of our other intellectual property or any items similar to them, without our prior written consent and then only upon the terms and conditions we specify.

(b) You agree to take no action that will interfere with our rights in and to the Marks and our other intellectual property, their use by us, our licensor and/or our affiliates and by those we or our affiliates authorize.

(c) You agree not to contest the validity or ownership of any of the Marks and our other intellectual property or to assist anyone else in doing so.

11.06 (a) If we so direct, you agree to give the notices, file the forms and take any other action we reasonably require in connection with your use of the Marks and other intellectual property.

(b) In connection with your use of our intellectual property, you agree to show the symbols and to display all of the legends we specify indicating that any mark, name, logotype or symbol is a trademark, service mark, copyright or is otherwise subject to protection under the law and is owned by us, our licensor and/or by our affiliates.

11.07 Since it is essential to the goodwill and operation of the *Celebration Title* Network that competing businesses are not aware of and/or do not use our trade secrets, including our marketing plans, supplier information, merchandising and promotional programs, financial data, operational practices and procedures and other proprietary information as it currently exists and as it is developed in the future, you agree that if you have more than one *Celebration Title* franchise and you do not renew one of your franchises when the original or renewal term expires but are allowed by operation of law or otherwise to operate a business a principal activity of which is the providing of services similar to those provided by *Celebration Title* offices, we can terminate your remaining *Celebration Title* franchises without further obligation to you. These terminations will be considered terminations without default. In the event we terminate any of your franchises for this reason, you agree to comply promptly with all of the post-termination obligations set forth in Section 14 of this Agreement.

12. Insurance, Rebuilding and Eminent Domain

This section describes the insurance you are required to maintain during the term of this Agreement, rebuilding your office after a loss and loss by eminent domain.

12.01 (a) Before you begin your *Celebration Title* business, you agree to obtain, and while this Agreement is in effect maintain, commercial general liability insurance covering property damage and personal injury liability in the minimum amount of \$1,000,000.00 for each person with a \$1,000,000.00 general aggregate. This coverage may be obtained with a combined single limit for bodily injury and property damage. If you and/or your employees use a vehicle in connection with your *Celebration Title* business, you must also obtain and maintain automobile liability insurance covering all owned, hired and non-owned vehicles in a minimum amount of \$1,000,000.00 combined single limit for each accident

(b) You also agree to maintain real and personal property insurance, including fire and extended coverage insurance on a replacement cost basis, in amounts adequate to repair, reequip and resupply your office in the event of a covered loss. These insurance policies must be carried on an all-risk basis, subject to standard insurance industry exclusions.

(c) You must also obtain and maintain the follow insurance policies:

(i) Errors and Omissions in at least the minimum amount required by law

(ii) Fidelity Bond in at least the minimum amount required by law

(iii) Surety Bond in at least the minimum amount required by law

(iv) Cyber and Security Fraud in least the minimum amount required by law.

12.02 Your insurance policies must comply with the following requirements:

(a) Your insurance carrier must have and maintain a Best rating of at least A- or its equivalent;

(b) Your insurance policies must not contain a coinsurance clause.

(c) The deductible portion of any claim or loss under any of your insurance policies cannot exceed \$1,000.00 without our prior written consent.

(d) Your insurance policies must be written as primary policies regardless of whatever other policies you carry or those carried by us or our affiliates.

(e) Your liability insurance policies must be written on an “occurrence” and not on a “claims made” basis.

12.03 You also must carry workers’ compensation and employer’s liability insurance as required by law. Employer’s liability insurance shall be obtained in an amount of not less than

\$1,000,000.00 per accident for bodily injury by accident and \$1,000,000.00 per employee for bodily injury for and by disease.

12.04 We have the right to require that you carry different limits and/or different types of insurance coverage if we believe that it is necessary in our reasonable judgment. You must comply with our requirements promptly upon receipt of written notice of those requirements.

12.05 You acknowledge that the limits on your insurance policies do not limit your liability to us under your indemnification obligations under Section 13 below or your other obligations under this Agreement.

12.06 (a) You agree at your expense to name us, our licensor, those of our affiliates that we may specify and our and their officers, directors, shareholders, members and employees as additional insureds on each of your policies of liability insurance including your general liability, vehicle liability, umbrella and any other liability policies you carry as long as that can be done at no more than minimal cost to you. We can designate other entities and/or persons to be named as additional insureds on your insurance policies from time to time and you agree to include those persons and entities on your policies at your expense if you can do so without significant expense to you.

(b) You agree to have your insurance carriers provide each additional insured with a certificate of insurance evidencing the required coverage. All of your insurance policies must specify that the insurance carrier will give 30 days prior written notice to each additional insured if the policy in which such persons or entities are named is to be canceled or not renewed.

(c) You agree to provide us with copies of those of your insurance policies that we request.

12.07 (a) If during the term of this Agreement all or part of your office is damaged or destroyed by fire or other casualty, then, except as provided below, you must repair, restore or rebuild your office to the extent allowed by and in compliance with, the terms of your occupancy document and applicable law.

(b) If you are allowed to rebuild your office under the terms of your occupancy document and by applicable law, the term of this Agreement will be extended for a period of time equal to the time your office was closed due to the damage or destruction, but not in excess of 12 months from the date of the damage or destruction.

(c) If your occupancy document requires or permits you to repair or rebuild, all of the proceeds of any insurance payable on account of the damage or destruction must be used to pay for restoring your office. The restoration of your office must comply with our standards at the time for the construction of new *Celebration Title* offices.

(d) To the extent prevented by circumstances beyond your reasonable control, except for your financial inability to proceed unless that is caused by a delay in the receipt of your insurance proceeds, you agree to begin the restoration of your office within 90 days after the damage or destruction occurs and to proceed with the reconstruction and reopening of your office with due diligence.

(e) If your occupancy document permits you to terminate your occupancy because of the damage or destruction and you do so, this Agreement will end on the date your occupancy ends unless we agree to the relocation of your office as provided in this Agreement.

12.08 (a) If your office or the premises in which it is located is taken in an eminent domain, condemnation, compulsory acquisition or similar proceeding for any public or quasi-public use or purpose or is sold under the threat of such an action and if it is not feasible or prudent in our reasonable judgment to use the remaining portion for the operation of a *Celebration Title* office, this Agreement will end as of the date of the taking unless we agree to the relocation of your office as provided in this Agreement. In the event that this Agreement is terminated for this reason, you agree to pay us out of the compensation you receive as restitution for the taking or from the proceeds of the sale an amount equal to the payments required by Sections 3.04 and 10.03 above, for the 12 months immediately preceding the date of the termination of this Agreement or the actual time your office was open if it was open less than 12 months.

(b) If the taking is only partial and the remaining portion of your office is sufficient in our reasonable judgment to continue the operation of your office, you agree promptly to restore your office to a condition adequate for the conduct of your office's business, subject to the consents and approvals you are required to obtain from us as in specified in Section 6 above.

13. Relationship of the Parties and Indemnification

This section confirms that our relationship is that of franchisor and franchisee and describes our mutual indemnification obligations.

13.01 (a) In all matters you are an independent contractor. Nothing in this Agreement and in the relationship created by this Agreement or elsewhere constitutes either of us as agents of, or partners or joint venturers with, each other.

(b) You are solely responsible for all taxes, liens, assessments, costs, expenses, debts, salaries, benefits, accounts, liabilities, charges, duties, compliance, intentional acts, negligence, errors, omissions, imposts, fees, damages and all other obligations of every kind involving the payment of money or performance of any nature incurred in, resulting from or otherwise related to the operation of your *Celebration Title* office.

(c) We each agree not to represent ourselves as other than franchisor and franchisee. If for any reason you are legally determined to be our agent because of something you did or did not do, you agree to indemnify us against any liability, cost and expense, including attorneys' fees, which we incur because of that finding.

13.02 (a) Except for any liability or cost directly resulting from your following our specific directions, you agree to defend, indemnify and hold us harmless from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees, resulting directly or indirectly from, or in any way pertaining to, the operation, sales, policies, procedures, practices, actions, inactions, hiring practices, employment practices, employer or employee conduct, personnel policies, legal compliance and all other activities of your *Celebration Title* business, including your intentional acts and negligence and those of your agents, officers, directors, partners, shareholders, members, owners, employees and others with whose conduct you are

chargeable. You also agree to indemnify us against all costs, taxes and expenses for which you are responsible in connection with the operation of your *Celebration Title* business and your other activities. However, we will be responsible for and will indemnify you against, any loss, cost or damage resulting from your compliance with our policies, procedures and directives but only if you have complied with our requirements at the times and in the manner we have specified.

(b) If you become aware of any claim or potential claim against which we have indemnified you, you agree to notify us promptly of the details of the claim. We agree to defend you against the claim at our expense with counsel of our choosing. You agree to cooperate with us, our attorneys, our insurers and our and their investigators and agents in connection with the investigation and defense of any such claim. We cannot commit you to making any expenditure or taking or withholding any action as a part of any settlement without your prior written consent.

(c) If we become aware of a claim or potential claim against which you have indemnified us, we will notify you of the claim or potential claim. You agree to defend us against the claim at your expense with counsel of your choosing. However, in the event that the claim is one that can affect more than one *Celebration Title* franchisee, we can take over the defense of the matter with counsel of our choosing but you will still be responsible for a pro rata portion of the costs of the defense, including attorneys' fees. If you are defending us in any action, you agree not to settle the matter until we approve the terms of the settlement. You cannot commit us to making any expenditure or taking or withholding any action as a part of any settlement without our prior written consent.

(d) We both agree not to unreasonably withhold or delay our consent to the settlement of any matter in which we have the right to approve the settlement or any cost or action or inaction required as part of the settlement as specified above.

14. Transfer of the Franchise

This section defines "transfer" and describes the procedure to be used to transfer this franchise, our right of first refusal to purchase your office and related matters.

14.01 When we refer to a "transfer" we mean any transfer, assignment, sale, change of ownership or other disposition of this franchise whether it occurs voluntarily or involuntarily. "Transfer" also means the transfer, issuance or reacquisition of any shares or other interest in this franchise or any entity with an interest in this franchise or the merger, acquisition, consolidation, other restructuring or recapitalization of any corporation, limited liability company or other entity that owns this franchise. It also means a variation in the ownership interest or interests of the original owner or owners of this franchise.

14.02 (a) If the original owner of this franchise is an individual or partnership, that owner can transfer this franchise to a corporation, limited liability company or other business entity wholly-owned by those who owned the franchise before the transfer. This type of transfer will not require our approval, the payment of the transfer fee or the signing of a new Franchise Agreement nor will it give us the right to exercise our right of first refusal. However, you must notify us of the proposed transfer before it is completed so that we can send any documents we require to reflect the change of ownership.

(b) In the event of a transfer of the type specified in subsection (a) above, those owning the entity to which this franchise is transferred agree:

(i) They will own the entity in the same proportion that they currently own this franchise;

(ii) They are personally responsible for the entity's performance of the terms of this Agreement and any other agreements between us;

(iii) The share or ownership certificates of the entity will show that there are transfer restrictions under this Section 14; and

(iv) Before the completion of the transfer, the transferor(s) and the owners of the new entity must sign the documents we require concerning the transfer such as a transfer agreement and a personal continuing guarantee of the obligations of the entity.

14.03 Other than as provided above, you can only transfer this franchise with our prior written consent whether the concerned transfer is voluntary or involuntary such as by legal process or the foreclosure of a security interest. Any transfer which we do not approve in advance in writing is not binding on us and is grounds for the termination of this Agreement.

14.04 (a) In determining whether the proposed transferee is acceptable, we will consider, among other things, our then-current standards for new *Celebration Title* franchisees, including such things as the proposed transferee's net worth, creditworthiness, background, training, personality, reputation and business experience.

(b) So that we can review the qualifications and financial condition your proposed transferee, you agree to provide us with all the information we reasonably request about the proposed transferee including, if we so request, an application form completed by the proposed transferee.

(c) At the time you submit a proposed transfer to us you agree to pay us an application fee in the amount of \$5,000.00, adjusted by any increase in the Consumer Price Index as set forth in Section 20 below. The application fee is not refundable but will be applied to the transfer fee if we approve the transfer.

(d) Until all information we request is provided, we are not obligated to take any action on the transfer application.

(e) We agree to use our reasonable business judgment in deciding whether to approve the proposed transfer. However, you acknowledge that in the event you do not agree with our determination, our judgment will prevail.

(f) We can disapprove the proposed transfer if, in our sole and absolute judgment, the sales price to be paid by the transferee and/or the other terms of the transaction are such that the transferee's successful operation of the franchised business may be jeopardized. This provision is solely for our protection and is not intended to provide any assurance to the prospective transferee

that our approval of the transfer in any way guarantees the transferee's success. You agree not to suggest anything to the contrary to anyone including your prospective transferee.

(g) Since you may disagree with our decision to disapprove your proposed transferee or the transfer transaction, you hereby waive and release us from any claims that our refusal to approve the transfer is an unreasonable interference with your prospective advantage, is an interference with your contractual relations or otherwise gives you or the proposed transferee any kind of claim against us. We would not review the application of the proposed transferee if you did not agree to this waiver and release.

14.05 You may finalize the proposed transfer only when you receive our written approval of the proposed transfer and following our decision not to purchase the interest proposed to be transferred under our right of first refusal described below. After you receive our approval, you agree to follow the transfer procedures, sign the transfer documents, pay the below-described transfer fee and perform the other actions regarding the transfer that we specify.

14.06 If any transfer transaction results in the cumulative transfer of 50% or more of the ownership of the original owner of this franchise or the original owners of any entity owning this franchise, as a condition of our approving the proposed transfer, we can require that the transferee sign the form of Franchise Agreement we are using for new *Celebration Title* franchises at the time of the transfer, modified as to the term and the obligation to pay an initial franchise fee which will not be required.

14.07 (a) As a condition of our approving your transferee, unless your transferee is an existing *Celebration Title* franchisee and we waive this requirement, your transferee must complete our training course or so much of it as we require and complete it to our reasonable satisfaction. If your transferee is required to complete our training course but does not take the course or does not complete it to our reasonable satisfaction, you cannot complete the transfer.

(b) To compensate us for reviewing and approving the transferee, providing training and for our other activities in connection with the transfer, as a condition of our approving any transfer that results in the cumulative transfer of 50% or more of the interest of the original owner or owners of this franchise or the original owner or owners of any entity that owns this franchise, but in any event prior to your transferee attending our training course, you or your transferee must pay us a transfer fee equal to 25% of the initial single-office franchise fee we are charging at the time of the transfer. See Section 20 below for how the transfer fee will be determined if we are not offering new *Celebration Title* franchises at that time.

(c) Once your transferee begins our training course, or once the transfer transaction is closed if that happens before your transferee begins training, the transfer fee is not refundable even if the transfer is not completed or is later rescinded.

14.08 You must sign a general release of all claims against us and our affiliates before you complete any transfer so it is important that we resolve any disagreements prior to the transfer.

14.09 We will not charge a transfer fee, require a new Franchise Agreement or exercise our right of first refusal if a transfer is only between the original owners of any entity that owns this franchise unless as a result of this and any prior transfers, control of the entity changes from

the control that existed at the date of this Agreement. However, if we determine that the transferee must complete some or all of our training course, we can charge our then-current training fee for that service.

14.10 (a) You agree not to use this franchise as security for a loan or otherwise encumber this franchise.

(b) You do not have the right to grant a sub-franchise or to franchise, license or permit anyone else to use any of the Proprietary Assets.

(c) You cannot make partial transfers of the rights granted to you under this Agreement.

14.11 We can transfer our rights in this Agreement in whole or in part without your consent. However, we agree that any such transfer will not interfere in a material manner with your receipt of the benefits granted to you by this Agreement.

14.12 (a) When you have agreed to transfer all or any part of your interest in this franchise or in any entity that owns an interest in this franchise, to a third party as allowed by this Agreement, you must notify us of the terms and conditions of the proposed transfer. You must advise us what interest you wish to transfer, the purchase price or other consideration that you will receive, any credit or financing terms you are offering, the date the proposed transfer is to close and all other pertinent information. In addition, you must send us a copy of any contract, agreement, memorandum of sale, deposit receipt, letter of intent or the like concerning the proposed transfer as soon as it is signed. You must also inform us of any changes in the terms of the proposed transaction as soon as you agree to them. After we receive all the information and documents that we require concerning the proposed transfer, we will have 10 business days within which to advise you whether we want to have the interest proposed to be transferred assigned to us on the terms and conditions to which you and your prospective transferee have agreed. However, we have the right to substitute equivalent cash for any noncash consideration that you have agreed to accept.

(b) If we decide to purchase the interest that you propose to transfer, you agree to cooperate with us to complete the transfer as agreed. However, we can extend the date for the completion of the transfer for up to 30 days beyond the date originally scheduled for the closing to allow the completion of the transaction in a manner more convenient to us.

(c) If the proposed transfer involves 50% or more of the ownership of this franchise or of an entity that owns 50% or more this franchise and we want to purchase the interests being transferred under our right of first refusal, we have the right to require those who will hold the resulting minority interests to transfer their interests to us at a price proportionate to the price we are paying for the majority interest and will complete that sale at the time and in the manner that we complete our purchase of the majority interest. At the time or times we specify, you agree to have all of the owners of any such entity sign the documents we require to confirm their agreement to the foregoing and to the other provisions of this Agreement that affect them.

(d) If we decide not to purchase the interest you are planning to transfer, you can complete the proposed transfer on the terms and conditions in your notice to us but only after we have approved the transfer and the transferee and you and your transferee have satisfied all of our

other transfer requirements. However, after we notify you that we have decided not to purchase the concerned interest or following the time within which we could have exercised our right of first refusal, if there are any significant changes in the terms of the proposed transfer, no matter which party benefits from those changes, you agree to notify us of those changes in writing. We will have 15 days after we get that notice within which to decide whether to purchase the concerned interest on the revised terms and conditions.

(e) If the proposed transfer is not completed for any reason within 90 days after we decide not to purchase the interest proposed to be transferred or after the expiration of the time within which we could have exercised our right of first refusal, a new right of first refusal begins as to that transaction as well as to any subsequent proposed transfers.

14.13 (a) The interest of an individual owner of this franchise or that of the owner of any interest in any entity with an interest in this franchise is transferable by will or by intestate succession. Those interests are also transferable by court order to a guardian if the owner is found to be legally incompetent. However, if there is a transfer because of death or legal incompetence, that transfer is subject to all the conditions and requirements concerning transfers described in this Section 14. As such, we must approve the potential transferee and, if the appropriate conditions apply, the transferee must satisfactorily complete our training course. In addition, the transfer fee described above is payable in connection with the transfer, the transferee must sign the form of Franchise Agreement that we are using at the time of the transfer and our right of first refusal applies.

(b) If we do not approve a potential transferee who proposes to take the interest proposed to be transferred as a beneficiary under a will, by intestate succession or because of legal incapacity, the decedent's or incompetent's estate can sell the concerned interest to a transferee acceptable to us within 6 months after our rejection of the transferee. If an approved transfer of this franchise is not completed within the 6-month period, we have the right to terminate this Agreement.

(c) During the period following the death or legal incapacity of the owner of this franchise, the decedent's or incompetent's estate must continue to comply with the terms of this Agreement.

14.14 If a court of competent jurisdiction orders a transfer to a spouse, domestic partner or their equivalent of all or any interest in this Agreement, any entity with such an interest or in a material portion of the property used in your *Celebration Title* office, that order will constitute a proposed transfer and will cause the transfer to be subject to all the terms and conditions concerning transfers described in this Section 14. However, if we have trained the transferee and he or she has been active in the operation of a *Celebration Title* office which is in good standing with us, we will not exercise our right of first refusal, require a new Franchise Agreement to be signed or require the payment of a transfer fee in connection with the transfer. We can charge an additional training fee if we require the transferee to take our training course or a portion of that course, as a condition of approval of the transfer.

15. Defaults, Ability to Cure, Termination and Remedies

This section describes the circumstances under which we can terminate this Agreement and the consequences of that termination.

15.01 We can terminate this Agreement without giving you an opportunity to correct a default under any of the following circumstances:

(a) If you and/or any entity with an interest in this franchise is declared bankrupt or judicially determined to be insolvent, if all or a substantial part of your Celebration Title office property or that of the concerned entity is assigned for the benefit of creditors or if you or the concerned entity admit an inability to pay debts as they become due;

(b) If you or the owner or any of the owners of any entity that owns an interest in this franchise has made a material misrepresentation relating to the acquisition of this franchise;

(c) If you or the owner or any of the owners of any entity that owns an interest in this franchise engages in conduct that reflects upon the operation and/or reputation of your Celebration Title office or the Celebration Title Network in a materially adverse manner;

(d) If you fail to cure any violation of a material federal, state or local law or regulation applicable to the operation of your Celebration Title office within the time allowed to cure the noncompliance;

(e) If during any 12-month period you receive 2 or more notices of valid defaults under material provisions of this Agreement even if the defaults have been cured within the time limits allowed in the notices;

(f) If a levy of execution has been made upon your interest in this Agreement, any interest in any entity that owns an interest in this franchise, any of the Proprietary Assets, your Celebration Title franchise rights or your Celebration Title office or any of them are seized, taken over or foreclosed by a government official in the exercise of his or her duties or are seized, taken over or foreclosed by a creditor, lienholder or anyone else and you or the concerned entity is not restored to possession of that property within 5 days of the levy or seizure;

(g) If a final judgment against you or any entity with an interest in this franchise remains unsatisfied for 30 days unless an appropriate appeal bond has been filed;

(h) If you or any partner, officer, director, shareholder, member or owner of any entity that owns an interest in this franchise pleads guilty or nolo contendere to or is convicted of a felony of any type or any criminal misconduct that is relevant to or that reflects adversely upon your Celebration Title office or the Celebration Title Network;

(i) If you fail to pay any initial, ongoing or other fees, charges or other amounts due to us or to our affiliates when they are due but in any event within 10 days after receiving notice that the sums are overdue;

(j) If we make a reasonable determination that continued operation of your Celebration Title office will result in an imminent danger to public health or safety;

(k) Except as otherwise provided in this Agreement, if anyone who is required by the terms of this Agreement to complete our training course fails to complete that course at the time and in the manner required unless you are allowed to send a substitute who does complete that course in the required manner;

(l) If you intentionally underreport your gross receipts for any period in any amount or if you underreport your gross receipts in the amount of 10% or more in any period whether or not the underreporting is intentional unless you can show that you were the innocent victim of a crime by a third party who caused you to underreport your receipts;

(m) Except as allowed by this Agreement, if you or any partner, shareholder, member or owner of any entity that owns an interest in this franchise attempts or purports to sell, transfer, assign or otherwise dispose of all or any part of their interest in this franchise, the concerned entity or any of the Proprietary Assets or if you or any such person subfranchises, assigns, authorizes or otherwise permits any unauthorized person or entity to use or participate in any way in the rights, assets or property licensed to you under this Agreement, if you or they disclose any of our proprietary, confidential or trade secret information except as allowed by this Agreement or if you or they attempt or purport to do so;

(n) If you abandon your office by failing to operate it for 5 consecutive days during which you are required by this Agreement to keep the office in operation or if you fail to operate it for any lesser period after which, under the facts and circumstances, it is not unreasonable for us to conclude that you do not intend to continue its operation unless that failure is caused by fire, flood, earthquake or other similar cause beyond your control but not because of your inability to operate the business, whether financial or otherwise, or if at any time you express an unwillingness or inability to go forward with any of your obligations under this Agreement or you are unable, in our reasonable judgment, to do so;

(o) Your office does not pass an audit by an insurance underwriter and you are not allowed by that underwriter to cure the defect that resulted in your failure to pass the audit;

(p) If the transfer or sale of any rights upon death or a declaration of incompetence is not accomplished within the time periods and in the manner required by this Agreement;

(q) If there are 3 or more title claims arising from transactions within your office in any 12-month period;

(r) If you lose the right to occupy your office premises because you have committed an uncured default under your lease; or

(s) If you disclose any of our trade secrets or other proprietary information except as permitted by this Agreement.

15.02 In addition to the grounds for immediate termination described in Section 15.01 above, we can terminate this Agreement immediately if you violate any other agreement between

us or any agreement between you and any of our affiliates, including any other Franchise Agreement between us, and that violation is not cured within the time period allowed by the concerned agreement, if any.

15.03 (a) If you have committed a violation under this Agreement and that violation does not result in its immediate termination, cure of the default must be accomplished to our reasonable satisfaction within 20 days, or any longer period required by applicable law, after you are given written notice describing the violation and the corrective action that must be taken to cure the default, if any corrective action is possible. If no corrective action is possible, we can terminate this Agreement without providing you with an opportunity to cure.

(b) If a curable default is of such a nature that more than 20 days are reasonably required to cure the default, you will be given such additional time as may be necessary in our reasonable judgment to cure the default provided that the corrective action is started within the initial 20-day period following notice and is pursued diligently to completion.

(c) If we elect not to enforce any of the applicable immediate termination provisions of Sections 15.01 or 15.02 or if any of those terms are not enforceable under applicable law, the provisions of this Section 15.03 will apply to the concerned event or events of default.

15.04 If a default under this Agreement is not cured within any time period allowed for the correction of the default, the termination of this Agreement will occur upon notice sent to you pursuant to Section 19 below whether or not you receive or accept that notice.

15.05 If you maintain that we are in violation of any material term of this Agreement, you agree to give us written notice of the claimed default. We will have 20 days after receipt of that notice within which to correct any actual condition of default. However, if the default is of such a nature that more than 20 days are reasonably required to cure the default, we will have such additional time as may be necessary in our reasonable judgment to cure the default provided that the corrective action is started within the initial 20-day period following notice and is pursued diligently to completion. If we do not cure the claimed default within the required time, you can pursue all rights allowed to you under applicable law.

15.06 When this Agreement ends for any reason, including its termination for default or its expiration at the end of its term, you agree that you will without delay:

(a) Bring all accounts with us and our affiliates current and turn over to us all pending files, employee records and your other business records;

(b) Stop using the Proprietary Assets, including our trade names, trademarks, service marks, logotypes, commercial symbols, designs, patents, copyrighted material, social network sites which concern the Celebration Title Network, the email address we have provided for you, our web site and other domain names and addresses associated with the Celebration Title Network and our confidential information, trade secrets, proprietary material and other intellectual property;

(c) If you have a business location available to the public which we do not take over, you must change the physical appearance of the location to the extent necessary to distinguish

it from a Celebration Title office. You must also discontinue any activity that would tend to identify your business in the mind of the public as continuing to be affiliated with the Celebration Title Network.

(d) Return to us our manuals, software and all other material that you obtained from or through us or because you operated a Celebration Title office.

(e) At our election, assign us your telephone listing and telephone number, your Celebration Title-related business internet addresses and all similar listings in the manner we specify;

(f) Cancel any fictitious business name and equivalent registrations or listings indicating that you are affiliated with the Celebration Title Network; and

(g) Notify all of your title insurers, real estate contacts, business organizations of which you are a member, suppliers, customers, clients, utilities, landlords, creditors and concerned others that you are no longer affiliated with the Celebration Title Network.

15.07 After the termination or expiration of this Agreement, you agree not to identify any present or future business, yourself or any entity that owned an interest in this franchise, as having been associated with the *Celebration Title* Network except as may be required for nonpublic purposes, such as in employment or financing applications or as otherwise required by law.

15.08 If you default under this Agreement you agree to pay us immediately all fees and other amounts due to us under this Agreement as of the date of termination in addition to all other damages caused to us by virtue of your default.

15.09 After you have satisfied all of your payment and performance requirements following the termination or expiration of this Agreement, we each agree to sign a release that will relieve the other from further liability to each other except for the continuing obligations that apply following the termination or expiration of this Agreement, such as your promise not to use or reveal our trade secrets and your agreement not to compete with *Celebration Title* offices for the period and in the area described in Section 16 below.

15.10 (a) If this Agreement is terminated because you default, we will lose your royalty and Marketing Fund fees as well as the goodwill we would have received from your operation of the office before the scheduled expiration of this Agreement. Since the extent of the actual loss to us that will occur for these reasons will be extremely difficult to determine, if this Agreement is terminated because you default, you agree pay to us in equal monthly installments an amount equal to the monthly royalty and Marketing Fund fees that would have become due following the termination of this Agreement as defined below. The monthly payments shall begin on the first day of the month following the month during which this Agreement was terminated and shall continue until we have established another company-owned or franchised *Celebration Title* office within your Territory.

(b) The term “the monthly royalty and Marketing Fund fees that would have become due” means an amount determined by totaling your gross receipts for the 6 months immediately before the date of termination, applying the royalty and Marketing Fund fee rates called for by this Agreement to that amount and dividing that number by 6. If your *Celebration Title* office has been

open less than 6 months prior to the termination of this Agreement, the actual gross receipts of the office for the time it was open, annualized as appropriate, is to be used in the concerned calculation.

(c) If this Agreement is terminated because you default before your office opens for business, we can use the gross receipts of an office we reasonably consider to be equivalent to your office as the basis for the foregoing calculation.

15.11 (a) Upon the termination of this Agreement for any reason, including its expiration at the end of its term, we have the right to purchase from you any or all equipment, decor, furniture, fixtures and any or all other tangible property used in the operation of your *Celebration Title* office. If we so choose, you agree to sell us your entire *Celebration Title* office and, at our election, assign your office lease to us.

(b) We will pay you the fair market value of the assets we purchase from you. The fair market value of the items is to be determined as of the date this Agreement came to an end without any allowance for any claimed going business value, goodwill or any other intangible asset and without consideration that the office is or was a *Celebration Title* office.

(c) We will notify you whether we will purchase some or all the assets of your *Celebration Title* office during the period from 20 days before to 30 days after the termination, cancellation, expiration or nonrenewal of this Agreement unless this Agreement is terminated without an opportunity to cure in which case the notice can be given up to 30 days after the termination. If we give you this notice, you agree to meet with us promptly to try to agree on the fair market value of the assets we propose to purchase.

(d) If we cannot agree on the fair market value of the assets we propose to purchase within 14 days after we give you notice of our desire to purchase those assets, we each must appoint a professional business appraiser each of whom will separately determine the fair market value of the concerned assets. The appraisers will be instructed to make and deliver their appraisals to us both within 20 days of their appointment. If we cannot agree on the fair market value of the concerned assets within 10 days after the delivery of the appraisals, the two appraisers will be instructed to appoint a third-party arbitrator who will be instructed to pick within 20 days after his or her appointment which of the appraisals he or she considers to be closest to the fair market value of the concerned assets and that value shall then be the purchase price of the assets. The arbitrator can hold such hearings as he or she may determine to assist at arriving at a decision. Each of us will bear the cost of our own appraiser, attorneys and witnesses and shall divide equally the cost of the third-party arbitrator and any expert witnesses called exclusively by the third-party arbitrator. If either of us fails to appoint an appraiser within the required time, the determination of fair market value by the single appointed appraiser shall be the purchase price.

(e) Once the fair market value of the assets we propose to purchase has been determined, either by agreement or as set forth in subsection (d) above, we each agree to enter into a standard purchase and sale of assets agreement within 10 days after the purchase price has been determined. If we have not entered into such an agreement within 10 days after the purchase price is determined, the terms of the agreement can be as we determine and will be deemed complete and binding as of a date 5 days after we send the agreement to you as required by Section 19 whether or not you receive it and whether or not the agreement is signed by either or both of us. Unless we

mutually agree otherwise, we will have the right to allocate the purchase price among the assets we purchase and will pay any resulting sales tax on the transaction. We will divide equally any escrow fees, any costs related to searching for liens and encumbrances on the assets we are purchasing, including those on the real property on which your office is located if we are taking over the premises and similar costs of closing. You will be responsible for prompt compliance with any applicable bulk sale or equivalent, laws and will bear the costs of that compliance. Each side will bear its own attorneys' fees in the transaction.

(f) Transfer of the assets we purchase will occur not later than 20 days after the purchase and sale agreement is completed or upon completion of compliance with and applicable bulk sale laws unless the purchase and sale agreement states otherwise.

(g) Unless we otherwise agree in writing, our election to purchase some or all the assets of your office and the purchase procedure set forth above, will not extend the term of this Agreement, will not waive or cure any default that has resulted in the termination of this Agreement, nor will it extend any period within which you have had the opportunity to correct any condition of default.

(h) If we elect to purchase any or all the physical assets of your office as described above, we will pay you the purchase price for those assets in a lump sum at the closing of the transaction. We can reduce the purchase price by any amounts you owe us or to any of our affiliates and any of your indebtedness or other obligations that we assume as part of the purchase price.

15.12 (a) Upon the termination of this Agreement for any reason, including its expiration at the end of its term, we have the option to have you assign your office lease to us or to lease or sublease the premises to us. If we do so, you will not be entitled to any compensation on account of the transaction.

(b) If we require an assignment or sublease of your lease, or, if you own the property, the entering into a new lease with us, you agree promptly to bring the office premises into full compliance with the requirements of the lease or other occupancy document and with all laws, statutes, ordinances, rules, regulations, orders and the like, applicable to the premises. You also agree to bring all accounts with and other obligations to the lessor current as of the date on which we take over the premises.

(c) If we assume your lease or otherwise take over the premises, you agree to indemnify us against all losses and costs attributable to the period of your possession of the premises. Following our taking over possession of the premises, we agree to indemnify you against all losses and costs attributable to the period of our possession of the premises, except to the extent that any of those losses or costs are the result of any actions or inactions attributable to your period of occupancy.

(d) If we are notified by the lessor at any time after we take over the lease or enter into a sublease that you have overpaid any costs or expenses attributable to your period of occupancy, we will refund those amounts to you to the extent that we have gained the benefit of those overpayments, such as by receiving credits for future payments we are required to make under the lease. To the extent you have underpaid any costs or expenses attributable to your period of occupancy, you agree

to pay us those amounts promptly upon being notified of the basis for owing them and the amount due.

15.13 In addition to the remedies set forth above, in the event of your default under this Agreement we will have all other remedies available to us at law or in equity.

15.14 Upon the termination, non-renewal or expiration of this Agreement for any reason, no payment is due to you on account of any goodwill, going business value, equity or other intangible asset or assets claimed as arising from your operation or ownership of your *Celebration Title* office or otherwise. Any claimed increase in the value of the goodwill associated with the trademarks, service marks, logotypes, symbols and any other intellectual property we have licensed to you claimed to have occurred because of the operation of your *Celebration Title* office belongs to us and you hereby assign any such increase to us without cost.

16. Covenants Not to Compete

This section discusses limitations on your ability to compete with us during the term of this Agreement as well as after it ends.

16.01 In this section “you” also means those with any interest in this franchise or in any entity with an interest in this franchise.

16.02 In order to prevent the trade secrets and confidential information you receive about *Celebration Title* offices, business plans, marketing and the like, from being used to compete with *Celebration Title* offices, you agree that as long as this Agreement is in effect you will not be an owner, employee, consultant, officer, director, shareholder, member, partner or otherwise participate in or own a business or have any interest in any entity that owns a business at any location a principal activity of which is substantially similar to those of *Celebration Title* offices.

16.03 Since we will have provided valuable trade secrets to you as part of this franchise and in order to prevent the use of those trade secrets for purposes other than the operation of a *Celebration Title* office, for a period 2 years following the termination or expiration of this Agreement or the date of the closing of a transaction in which you transfer all or a material part of your interest in this franchise or in any entity that owns an interest in this franchise, you agree not to operate, be employed by, serve as a consultant to, be an officer, director, member, franchisor or a franchisee of or otherwise take part in the operation of or have an ownership interest in a business a principal activity of which is providing services of the type provided by the *Celebration Title* Network in your Territory as well as those within 25 miles of any *Celebration Title* office whether franchised, owned by us or owned by any of our affiliates except for the operation of any other *Celebration Title* franchised office that you own which we allow to continue in operation.

16.04 To the extent allowed by applicable law, you agree not to induce or attempt to induce any of our employees, those of our affiliates or of another *Celebration Title* franchisee to leave that person's employment during the term of this Agreement, any renewals or extensions of this franchise and within 1 year after this Agreement ends.

16.05 The foregoing covenants to the extent they apply following the termination, expiration or transfer of this Agreement or the transfer of any interest in any entity that has an

interest in this franchise shall survive the termination, expiration or transfer and they will apply regardless of whether this Agreement ended at the conclusion of its term, was terminated due to the default of either party or for any other reason.

16.06 If a court or arbitration tribunal of competent jurisdiction determines that the foregoing covenants cannot be enforced as written, the court or arbitration tribunal is authorized to alter the terms of these covenants to the extent necessary to permit the covenants to be enforced to the greatest extent possible.

17. Dispute Resolution

This section discusses how we will resolve any disputes between us and certain conditions applying to disputes.

17.01 Any dispute involving this Agreement or any transactions concerning it, its inducement, execution, interpretation, performance or breach, shall be resolved in or nearest to, the city in which our main business office is located. You hereby consent to the jurisdiction of the courts and the mediation and arbitration tribunals located in that city and agree to be subject to them.

17.02 (a) If there is ever any dispute or claim between us related to this Agreement, its inducement, execution, interpretation, performance or breach by either of us, or anyone with any interest in this Agreement, except those described below, before taking any further action the parties agree to refer the matter to mediation pursuant to the rules of American Arbitration Association (“AAA”) at its office in or nearest to the city in which our main business office is located.

(b) We each agree that the person who attends the mediation on behalf of a party will have the authority to settle the dispute on behalf of that party.

(c) Unless we both agree otherwise at the time, the mediation will be limited to one day with the costs of the mediation divided equally between us.

(d) If any party that is required to attend the mediation refuses to attend and participate, that party will be responsible for the costs incurred by the other party or parties in connection with the mediation, including any action to compel attendance at a subsequent mediation. Those costs will include reasonable attorneys’ fees, mediation charges for the original and subsequent mediation, court costs, travel and living costs and so forth.

17.03 (a) If the mediation does not result in a resolution of the dispute, the parties agree to resolve the matter by referring the matter to binding arbitration before a single neutral arbitrator pursuant to the Commercial Arbitration Rules of AAA.

(b) The decision of the arbitrator in the matter shall be final and binding upon the parties to the arbitration and a judgment on the award of the arbitrator may be entered in any court having jurisdiction of the matter.

17.04 The parties agree that the foregoing arbitration provisions will not apply to the portion of any dispute that involves claims by more than one *Celebration Title* franchisee, those for which class action certification is possible, those involving the validity of our trademarks, service marks, logotypes or other commercial symbols or disputes involving claims under state or federal antitrust and/or other trade regulation laws.

17.05 Nothing in this Section 17 or elsewhere in this Agreement, will prevent either of us, without prior resort to the mediation and arbitration procedure set forth above, from seeking a temporary restraining order, a preliminary and a permanent injunction from a court to prevent or remedy any irreparable injury or damage, including, on our part, to our trademarks, trade names, service marks, logotypes, commercial symbols, goodwill, trade secrets or other of our intellectual or proprietary property or to the *Celebration Title* System or Network.

17.06 In the event either of us files an action or arbitration against the other concerning the inducement, execution, breach, compliance with or enforcement of this Agreement or otherwise related to our relationship, the arbitrator or the court, if the matter is decided by a court rather than an arbitrator, shall designate one or more of the parties as the “prevailing party”. The arbitrator or court shall award the prevailing party its reasonable attorneys’ fees, filing and administration fees, expert witness fees and court costs in the matter and, in the case of an arbitration award, reimbursement of the prevailing party’s share of the costs imposed by the arbitration administrator and the arbitrator.

17.07 We both agree to the following:

(a) Neither party shall be entitled to punitive or exemplary damages against the other;

(b) Any claim either of us may have against the other will expire 2 years from the date the claim arises unless through the exercise of reasonable diligence the complaining party could not have learned of the claim in which case the 2-year period will begin when the complaining party learns of the claim or through the use of reasonable diligence could have learned of the claim. In no event will a claim survive for more than any statute of limitations period prescribed by applicable law.

18. Modification of This Agreement

This section describes how this Agreement can be modified.

18.01 This Agreement can be modified only by a written document signed by the parties to this Agreement.

18.02 We can modify our manuals, operating procedures and all other aspects of the *Celebration Title* System. You agree to follow those changes at your expense at the times and in the manner we direct subject to the limitations of this Agreement.

18.03 No course of dealing, temporary concession, alleged custom, practice or the like at variance with the terms of this Agreement will modify this Agreement or the rights and duties of the parties unless the modification is made in writing and is signed as required above.

19. Notices and Approvals

This section provides how notices, approvals and consents are given and transmitted.

19.01 In order to be effective, all notices, approvals and consents required by this Agreement or related to it must be in writing. By providing the other party or parties with a facsimile number and/or an electronic mail address, the indicating party consents that notices, approvals and consents can be transmitted to them electronically if the method of electronic communication creates a record that can be retained, retrieved and reviewed by the recipient and can be directly reproduced in paper form through an automated process. Notice of default under this Agreement shall also be sent by hard copy by certified mail, return receipt requested or by a national overnight delivery service for delivery on the next business day after receipt by the service.

19.02 Notices, approvals, consents, and other communications required by this Agreement to be served on a party shall be deemed to have been received by the addressee at the earlier of:

(a) When actually delivered to the addressee or when delivery by certified mail or overnight delivery service is attempted and receipt is refused by the addressee or is not possible because of the addressee's absence from the place where delivery is attempted;

(b) When an acknowledgment of receipt is signed by the addressee or a duly authorized agent of addressee;

(c) For other than notices of default, the next business day after sent to the addressee by facsimile or by electronic mail or the same day when receipt of such a transmission is acknowledged by the addressee;

19.03 (a) For purposes of notices, approvals, consents, payments, receipts or other communications, the parties designate the addresses listed at the beginning of this Agreement.

(b) Any party to this Agreement can change his, her or its address by giving written notice of the change to the other party as provided above.

20. Consumer Price Index Adjustment and Adjustment of Fees Based on Initial Franchise Fee

In this Agreement various sums are subject to adjustment by any increase in the Consumer Price Index or by reference to the initial franchise fee being charged at the time of payment. This section describes how those adjustments are to be made.

20.01 Whenever in this Agreement any charge, fee or other payment is to be adjusted by the Consumer Price Index, that adjustment will be based upon any increase between the date of this Agreement, or such other time as may be set forth in the provision of this Agreement requiring the adjustment, and the date on which the concerned payment is due in the Consumer Price Index for All Urban Consumers (base year 1982-84=100) published by the Bureau of Labor Statistics of the United States Department of Labor most immediately preceding the concerned dates.

20.02 In no case will any Consumer Price Index adjustment result in the charge, fee or other payment that is subject to adjustment being adjusted below the original amount of the concerned charge, fee or other payment.

20.03 If the Index designated in Section 20.01 above is changed so that the base year differs from that in effect on the date of this Agreement, the Index shall be converted in accordance with the conversion factor published by the Bureau of Labor Statistics of the United States Department of Labor. If the Index is discontinued or revised during the term and any extensions or renewals of this Agreement, the government index or computation with which it is replaced shall be used to obtain substantially the same result that would have been obtained had the Index not been discontinued or revised.

20.04 Whenever a charge or fee is based on the initial franchise fee we are charging at a specified time and we are not granting new franchises at that time, that amount will be determined by the amount of the initial franchise fee we were charging when we stopped granting new franchises adjusted by any increase in the Consumer Price Index between the time we stopped granting new franchises and the date the concerned payment is due.

21. Heirs, Successors and Assigns

This section makes this Agreement binding on the parties' successors in interest.

21.01 This Agreement is binding upon and inures to the benefit of the parties to this Agreement, any entity with an interest in this Agreement, the owners of any entity with an interest in this Agreement and their respective heirs, successors, representatives and assigns but only on the conditions and in the manner more specifically set forth elsewhere in this Agreement including the transfer requirements above.

22. Waivers

This section discusses the limitations on waivers of rights under this Agreement.

22.01 Except as otherwise provided in this Agreement, the failure by any party to this Agreement to enforce any right that he, she or it may have or to enforce or declare any default by the other party under this Agreement shall not be deemed to be a waiver or abandonment of the right or default unless the right or default is waived by a written document signed by the party who is waiving the right or default.

22.02 The waiver of any right or default in one instance shall not be deemed to be a continuing waiver of the concerned right or default or a waiver of the concerned right or default, or any other right or default, in any other instance.

22.03 The acceptance of money or other performance by either party shall not be a waiver of any right or default other than the one to which that payment or performance pertains and then only to the extent of the payment or performance accepted by the other party.

23. Severability

This section seeks to preserve the balance of this Agreement if any portion is not enforceable.

23.01 The invalidity or unenforceability of any portion of this Agreement shall not affect the validity of any other portion and, unless the substantial performance of this Agreement taken as a whole is frustrated as a result, this Agreement shall remain in full force and effect.

23.02 Any invalidity or unenforceability of any part of this Agreement in any jurisdiction shall not invalidate that part, or any other part of this Agreement, in any other jurisdiction.

24. Covenant of Further Assurances

This section requires the execution of any other documents reasonably necessary to carry out the terms of this Agreement and responding to authorized inquiries.

24.01 If, in our reasonable judgment, it is advisable to execute any other and further documents that have not been specifically referred to in this Agreement but are necessary or desirable to carry out the purposes of this Agreement, you agree to execute those documents promptly as long as they do not substantially alter your rights or increase your duties or costs under this Agreement.

24.02 You agree to respond promptly and accurately to all inquiries from our accountants, auditors, lenders, attorneys and others we authorize concerning the status of this Agreement, the status and amounts of any accounts between us and/or any other matters pertaining to our mutual rights and obligations under this Agreement.

25. Governing Law

This section designates which state's laws govern the interpretation of this Agreement.

25.01 This Agreement and its interpretation shall be governed by the laws of the state of Florida.

25.02 If a court of competent jurisdiction determines that some or all of this Agreement must be governed by the laws of a state other than Florida, then the laws of the other state will govern the interpretation of this Agreement to the extent required by that court. An arbitrator shall not be authorized to select the law of another state for the governance and interpretation of this Agreement.

25.03 If applicable law requires there to be terms other than, or in addition to, the terms contained in this Agreement, then the required terms will be considered to be a part of this Agreement but only to the extent necessary to prevent the invalidity of this Agreement or any of its provisions or to prevent the imposition of any civil or criminal penalties or liability.

25.04 To the extent permitted by the laws of the state whose law governs the interpretation of this Agreement, you waive any provisions of law or regulation that renders any portion of this Agreement altered, invalid or unenforceable in any respect.

26. Counterparts

This section makes clear that separate copies of Agreement can be signed by the parties.

26.01 This Agreement may be executed in one or more counterparts all of which shall constitute but one agreement.

27. Headings and Gender

This section limits the Agreement to the provisions intended to be part of the agreement and clarifies some references.

27.01 The headings and section descriptions used in this Agreement are for convenience only and are not to be used in interpreting the provisions of this Agreement since the headings and explanatory comments at the beginning of each section may not completely describe the contents of that section.

27.02 As used in this Agreement the male or female gender shall include the other and the neuter, the singular shall include the plural and the plural shall include the singular as appropriate.

28. Miscellaneous

This section contains various "housekeeping" provisions.

28.01 Time is of the essence in this Agreement. That means that when a time is specified for the performance of an action or inaction, that time period must be adhered to unless it is waived or modified by the other party or parties.

28.02 In entering into this Agreement neither of us intends to confer any benefit or right on any person or entity not a party to this Agreement except as specified regarding our licensor and our affiliates and our and their officers, directors, shareholders, members, owners, employees and agents. Other than for our licensor and affiliates and our and their officers, directors, shareholders, members, owners, employees and agents, we both agree that no third party shall have any right to claim any benefit or right as a third-party beneficiary under this Agreement or any provision of this Agreement.

28.03 You are not entitled to claim any rights or benefits, including those of a third-party beneficiary, under any contract, understanding or agreement between us and any other person or entity unless that contract, understanding or agreement specifically refers to you by name or to a class to which you belong and specifically grants rights or benefits to you or to the concerned class.

28.04 (a) Where a partnership, corporation, limited liability company or other entity is a party to this Agreement, the person or persons signing this Agreement on behalf of the concerned

entity warrant to us that he, she or they have the necessary authority to sign this Agreement for the entity. At our request, you agree to provide us promptly with a certified copy of a resolution or other authorization from the concerned entity authorizing the execution of this Agreement and naming the persons who are authorized to sign this Agreement on behalf of the entity.

(b) You warrant that if you are a partnership, limited liability company, corporation or other entity, that it has been duly organized, is validly existing and is in good standing in the jurisdiction in which it was formed and, if necessary as a condition of doing business there, in the jurisdiction where your *Celebration Title* office or offices will be located.

28.05 Except as otherwise set forth in this Agreement, no fees, charges or other payments of any kind that you make to us, or that are made on your behalf, are refundable in whole or in part.

28.06 All amounts that you owe us that are past due will be subject to a late charge in the amount of 1½% per month. If the amount of this late charge not allowed by applicable law, the late charge will be equal to the highest lawful rate on loans between businesses in the state whose law governs this Agreement. Neither because we impose nor because you pay a late charge does that payment waive or otherwise affect any right or remedy that we have under this Agreement or under law except as may be set forth elsewhere in this Agreement.

28.07 All of the provisions of this Agreement that apply by their terms or by implication following the end of this Agreement will survive the termination or expiration of this Agreement.

29. Accord and Satisfaction

This section concerns payments of less than the full amount due.

29.01 (a) Any payment you make to us or to our affiliates, any payment made by anyone for your account or the receipt of any amount of less than that required to be paid, shall not be anything but a payment on account regardless of any endorsement to the contrary contained on the payment or in any oral or written communication transmitted in connection with the payment.

(b) Neither any payment made to us or to our affiliates nor the acceptance of a payment by us or by our affiliates shall be a waiver of any of our rights or those of our affiliates to require full payment and performance of all of your duties and obligations under this Agreement or any other agreement under which the concerned obligation arose.

(c) Neither by endorsing or accepting any check, accepting any amount from you, nor by accepting any amount paid on your behalf are we bound by any claim that the endorsement or acceptance is an accord and satisfaction for less than the full amount due.

29.02 All payments you make to us or to our affiliates and any payments made on your behalf shall be applied first to any late charges and/or interest owing and then to the earliest of the principal amounts due.

30. Joint and Several Liability

This section makes clear that everyone signing this Agreement is responsible for its performance both individually and as a group.

30.01 If 2 or more people, corporations, partnerships, limited liability companies or other entities or any combination of them, sign this Agreement, the liability of each is joint and several.

31. Our Right to Act

This section gives us the right to perform your obligations if you do not do so.

31.01 If you fail to perform any duty or obligation required under this Agreement, we have the right, but not the obligation, to perform that duty or obligation for your account, on your behalf and/or in your name. If we elect to do so, you agree immediately to pay us all costs and expenses we incur in that performance plus a reasonable payment for our time spent in the performance of the obligation or duty.

31.02 No action we may take on your behalf under Section 31.01 will amount to a waiver or release of any claims we may have because of your failure to perform the concerned duty or obligation.

32. Entire Agreement

This section makes clear that this Agreement, the disclosure document that accompanied it and any other agreements we may sign contain our entire understanding.

32.01 This Agreement and any other agreements we both may sign as part of this transaction as well as the representations in the disclosure document that we gave you with this Agreement contain the entire understanding between us and include all representations on which we both have relied.

32.02 This Agreement and any other agreements we both may sign as part of this transaction supersede all negotiations, agreements, representations, promises, commitments, inducements, assurances, conditions and covenants between us whether direct, indirect or implied and whether oral or written except for those in the disclosure document that we gave you with this Agreement.

32.03 By signing this Agreement you confirm that we have made no promises or representations that are not contained in this Agreement, any other agreements we both may sign as part of this transaction and those in the disclosure document that we gave you with this Agreement including promises or representations concerning your potential for success or the likely profitability of your *Celebration Title* office. You also confirm that we have advised you that there can be no guarantee or assurance of sales levels, profitability or success in your *Celebration Title* office and that your business ability and dedication to your *Celebration Title* business are crucial elements of your potential for success.

32.04 This Agreement and any other agreements we both may sign as part of this transaction are intended to be the entire integration of all of our understandings of every type concerning your *Celebration Title* business and your rights whether those understandings arose before or at the same time as the execution of this Agreement and any other agreement we both may sign as part of this transaction except for those contained in the disclosure document that we gave you with this Agreement.

32.05 We both confirm and agree that no other agreements, representations, negotiations, understandings, promises, commitments, inducements, assurances, terms, conditions or covenants of any kind exist between us except those in this Agreement, any other agreements we both may sign as part of this transaction and those in the disclosure document that we gave you with this Agreement whether they pertain to this Agreement or to any future, further or additional rights of either or both of us or otherwise. To the extent that there may be any agreements, representations, negotiations, understandings, promises, commitments, inducements, assurances, terms, conditions, covenants or the like not contained in this Agreement, in the disclosure document we gave you with this Agreement or in any other agreements we both may sign as part of this transaction, we both agree that they are waived.

32.06 YOU CONFIRM THAT WE HAVE ADVISED YOU THAT YOU MUST MAKE SURE THAT ALL PROMISES AND REPRESENTATIONS FOR PRESENT AND FUTURE RESULTS AND RIGHTS, WHETHER ABSOLUTE OR CONTINGENT, ARE CONTAINED IN THIS AGREEMENT OR IN ANOTHER AGREEMENT SIGNED BY BOTH OF US OR THEY MAY BE LOST.

IN WITNESS WHEREOF, we both execute this Agreement as of the date and year first above written.

Franchisee

Franchisor

CELEBRATION TITLE FRANCHISING, LLC
a Florida limited liability company

By: _____

Name: AMANDA DOUGLAS

Title: owner

EXHIBIT A
to Celebration Title Franchise Agreement

Location and Territory

Immediately upon its execution by the parties, this Exhibit A becomes a part of the Franchise Agreement dated _____, between Celebration Title Franchising LLC and _____.

We both agree that the location for your *Celebration Title* office is:

The Territory granted in connection with your office is described as follows:

The Territory of Michigan shall be granted for sales purposes. Any future franchisees in Michigan will allow for you to have First Right of Refusal for that market within 15 days of inquiry from another party

If a map that depicts your Territory is attached, and there is a conflict between the map and the above-description, the above-description will control.

This EXHIBIT A is signed on _____.

Franchisee

Franchisor

CELEBRATION TITLE FRANCHISING, LLC
a Florida limited liability company

_____ By: _____

_____ Name: AMANDA DOUGLAS

_____ Title: Owner

EXHIBIT B
to *Celebration Title* Franchise Agreement

Office Opening Schedule

If this Agreement covers more than one *Celebration Title* office, you agree to comply with the following Office Opening Schedule.

Your Development Area is:

25 MILE CIRCULAR RADIUS FROM OFFICE LOCATION

If a map that depicts your Development Area is attached, and there is a conflict between the map and the above-description, the above-description will control.

Total number of offices covered by the Franchise Agreement is ¹_____.

Number of offices to be open by date indicated:

Date:					
Number					

Exhibit A to the Franchise Agreement should be amended, or a new Exhibit A completed and signed, for each new office to show the address of the office and its Territory.

This EXHIBIT B is signed on _____.

Franchisee

Franchisor

CELEBRATION TITLE FRANCHISING, LLC
a Florida limited liability company

By: _____

Name: AMANDA DOUGLAS

Title: Owner

EXHIBIT C
to *Celebration Title* Franchise Agreement
Licensed Marks

Celebration Title SM

This EXHIBIT C is signed on _____.

Franchisee

Franchisor

CELEBRATION TITLE FRANCHISING, LLC
a Florida limited liability company

By: _____

Name: AMANDA DOUGLAS

Title: owner

EXHIBIT D
to *Celebration Title* Franchise Agreement
ADDENDUM TO LEASE AGREEMENT

This Agreement is made on _____, by and between _____, referred to herein as "Lessor", _____, referred to herein as "Lessee", and Celebration Title Franchising LLC a Florida limited liability company, referred to herein as "Franchisor".

Lessor and Lessee have entered into a Lease Agreement dated _____ ("the lease") so that a *Celebration Title* office can be opened and operated at _____ ("the premises") pursuant to a Franchise Agreement with Franchisor. As partial consideration for Franchisor approving the location and lease for the premises, the parties hereto have agreed to enter in to this Addendum.

In the event that Lessor claims that Lessee is in default under any provision of the lease, Lessor agrees to notify Franchisor in writing of the claimed default and the time within which Lessee can cure the default prior to the default resulting in the termination of the lease.

If Lessee fails to cure the claimed default, Lessor agrees to so notify Franchisor in writing and to allow Franchisor an additional reasonable period of time, which shall not be less than 15 days, within which to cure the default, if Franchisor elects to do so. If the nature of the default is such that more than 15 days are reasonably required to cure the default, Lessor shall allow Franchisor such additional time to cure the default as is reasonably necessary.

Both Lessee and Lessor agree that at the times Franchisor so requests, Lessor will provide to Franchisor copies of all sales reports and any other information Lessor may possess regarding the premises and the operation of Lessee's business at the premises.

If Lessee's Franchise Agreement with Franchisor expires or is terminated for any reason, Lessor agrees that upon the election of Franchisor the lease shall be deemed assigned to Franchisor, or to such other entity as may be specified by Franchisor, upon written notice to Lessor. Notwithstanding any other provisions of the lease, upon the giving of such notice from Franchisor to Lessor, no additional consent of Lessor or any payment on account of the assignment to Lessor will be required to perfect the assignment to Franchisor or to the designated entity.

The parties hereto agree that upon Franchisor's election to have the lease assumed, whether by Franchisor or by a designated person or entity, Lessee will be solely responsible for full performance of the terms of the lease until the effective date of the assumption of the lease and that the person or entity to whom or which the lease is assigned will be solely responsible for full performance of the lease after that date.

Lessor agrees that Franchisor, or the person or entity who or which assumes the lease, will not be responsible for the performance of any duties or responsibilities, including any

payments, arising during, becoming due during, or attributable to the period of Lessee's tenancy under the lease.

It is agreed that neither Lessor, Franchisor, nor any person or entity whom or which may assume the lease, will be obligated to Lessee in any way because of the assignment of the lease to Franchisor or such person or entity pursuant to the terms of this Addendum or otherwise.

EXECUTED as of the date first written above.

LESSOR

LESSEE

FRANCHISOR

Celebration Title Franchising, LLC

By _____

Its _____

EXHIBIT E
to *Celebration Title* Franchise Agreement

GENERAL RELEASE

This General Release is made on _____, by _____, hereinafter referred to as "Franchisee" in favor of Celebration Title Franchising LLC, a Florida limited liability company, hereinafter referred to as "Franchisor".

This General Release is made with reference to the following facts:

Franchisor and Franchisee entered into a Franchise Agreement dated _____, hereinafter referred to as "the Franchise Agreement".

The Franchise Agreement is for a *Celebration Title* office ("the office") located at:

As a condition of the transfer of the franchise/expiration or termination of this Franchise Agreement/other N/A (delete inapplicable words), Franchisee is required by the Franchise Agreement to provide Franchisor with this General Release.

NOW, THEREFORE, in consideration for Franchisor allowing the relocation/renewal/transfer of the office, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound, the parties hereto agree as follows:

The facts set forth above are true.

Except for the obligations undertaken by Franchisor in this General Release, Franchisee hereby forever releases, forgives, and discharges Franchisor from any and all liability of any kind and nature whether arising out of the Franchise Agreement, its inducement, execution and performance, the franchise relationship between Franchisee and Franchisor or otherwise, including, but not limited to, any and all claims, demands, rights of action, causes of action and liability caused by errors, omissions, intentional acts and negligence, of any kind or character whatsoever, which Franchisee may now have or claim to have against Franchisor. Franchisee understands and agrees that this release covers all claims of every kind and nature, past and present, known and unknown, suspected and unsuspected, except for claims arising pursuant to obligations undertaken under this General Release.

If any legal action, or other action or proceeding, is brought for the enforcement of this General Release, or because of a dispute, breach, default or misrepresentation in connection with any of the duties, obligations, covenants, representations, warranties, performance, promises or provisions of this General Release, the party prevailing in that action or proceeding shall be entitled to recover its reasonable attorneys' fees and all other costs incurred in that action or proceeding in addition to any other relief to which that party may be entitled.

Franchisee warrants and represents he, she or it, as appropriate, has full power and authority to enter into this General Release. Franchisee warrants and represents that no third party has any

interest or right in any claim, potential claim, right of action or cause of action covered by this General Release and the consent of no third party is required for the effectiveness of this General Release.

It is agreed that the agreements and undertakings contained in this General Release shall be binding upon Franchisee and also upon Franchisee's heirs, successors, representatives, and assigns.

Unless prohibited by any applicable law, this General Release shall be construed and governed by the laws of the state of Florida. This General Release does not release any claims the forgiveness of which is specifically prohibited by any applicable law.

Should any provision of this General Release be found to be invalid or unenforceable under any law which may be found to govern this General Release, that invalidity or unenforceability shall not affect the validity or enforceability of any other portion of this General Release and, unless substantial performance of this General Release taken as a whole is prevented thereby, this General Release shall remain in full force and effect.

This General Release contains the entire understanding and agreement of the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous negotiations, inducements, assurances, conditions, agreements, contracts, representations, promises, commitments, covenants and understandings between them whether direct or implied and whether oral or written concerning Franchisee's release of claims as part of the effected transaction or event.

IN WITNESS WHEREOF, this General Release has been duly executed it as of the date first written above.

FRANCHISEE

By _____

Its _____

EXHIBIT F
to *Celebration Title* Franchise Agreement

CONTINUING GUARANTY

(To be used to guaranty the obligations of a corporate or limited liability company franchisee
or to guaranty the obligations of a franchisee other than the guarantor)

_____ (hereinafter referred to as "Guarantor")

whose address is _____ as a
material inducement to and in consideration for Celebration Title Franchising LLC (hereinafter
referred to as "Franchisor") entering into a Franchise Agreement ("the Franchise Agreement")

with _____ (hereinafter referred to as

"Franchisee"), dated _____, unconditionally guarantees and promises to
and for the benefit of Franchisor that Franchisee will perform faithfully and completely all of
the provisions, obligations and duties that Franchisee has agreed to perform under the Franchise
Agreement and/or any other obligations undertaken or to be undertaken by Franchisee in favor
of Franchisor and/or Franchisor's licensor, parent, subsidiary or affiliated persons and/or
entities. Guarantor also agrees to be bound by the confidentiality and noncompetition covenants
in the Franchise Agreement.

If Guarantor is more than one person, Guarantor's obligations are joint and several. Guarantor's
obligations are also independent of Franchisee's obligations. A separate action may be brought
or prosecuted against any Guarantor whether or not the action is brought or prosecuted against
any other Guarantor or against Franchisee, or any or all of them, or whether any other Guarantor
or Franchisee is or are joined in the action.

Guarantor waives the benefit of any statute of limitations or other provision of law which in any
way affects or limits Guarantor's liability under this Guaranty.

The provisions of the Franchise Agreement or other obligation involving Franchisee may be
changed between Franchisor and Franchisee at any time and in any manner, either by written
or oral agreement, by operation of law, by course of conduct or otherwise, without the consent
of or notice to Guarantor. This Guaranty shall continue to guaranty the performance of
Franchisee under the Franchise Agreement, as so modified, without further agreement or act of
Guarantor being required.

Assignment by Franchisee or by Franchisor of the Franchise Agreement or other obligation as
permitted in that Agreement or the other obligation shall not affect this Guaranty as to the
obligations of Franchisee and the obligations of Guarantor hereunder shall carry over to the
transferee of the Franchise Agreement.

This Guaranty shall not be affected, nor the obligations of Guarantor hereunder limited in any way, by Franchisor's delay in enforcement or failure to enforce any of its rights under the Franchise Agreement, other guaranteed obligation or under this Guaranty.

If Franchisee commits a breach of the Franchise Agreement or other guaranteed obligation, Franchisor can proceed immediately against Guarantor or Franchisee or both or Franchisor can enforce against Guarantor, Franchisee or both, any rights which Franchisor has under the Franchise Agreement, other obligation or pursuant to applicable law or both. If the Franchise Agreement or other obligation terminates, Franchisor can enforce any rights it has following such termination against Guarantor, Franchisee or both, without giving prior notice to Guarantor, Franchisee or either, and/or without making demand on Guarantor, Franchisee or either.

Guarantor waives the right to require Franchisor to proceed against Franchisee before proceeding against Guarantor, to proceed against or exhaust any security that Franchisor holds from Franchisee, Guarantor or any other source, and/or to pursue any other remedy available to Franchisor or the concerned beneficiary prior to proceeding against Guarantor, Franchisee or either. Guarantor further waives any defense available to Guarantor, Franchisee or either, by reason of any disability of Franchisee and further waives any other defense based on the termination or limitation of Franchisee's liability by reason of any cause, event, term or condition including any defense or limitation available by operation of law.

Until all of Franchisee's obligations to Franchisor has been satisfied and discharged in full, Guarantor waives any right of subrogation against Franchisee. Guarantor waives any right it may have to enforce any remedies that Franchisor or such beneficiary may now have against Franchisee or may have at a later time. Guarantor further waives all presentments, protests, demands of any type, notices of any type, including notices of protest, notices of dishonor and notices of acceptance of this Guaranty. Guarantor waives the foregoing as to present and/or future obligations and specifically waives any and all notices of the existence, creation or incurring of any new or additional obligations of Franchisee to Franchisor.

If Franchisor seeks to enforce Guarantor's obligations under this Guaranty by legal proceedings, and/or by the employment of an attorney or takes any other or additional collection or other action to enforce its rights hereunder, Guarantor agrees to pay to Franchisor all costs incurred by Franchisor in such proceedings, action, and/or employment, including court costs, costs of suit and attorneys' fees.

This Guaranty shall be binding upon Guarantor and each and all of them if more than one and upon his, her, its or their, successors, representatives and assigns.

Executed at _____, on _____.

Acknowledgment at Closing

EXHIBIT F
to Celebration Title Franchising, LLC
Franchise Disclosure Document

ACKNOWLEDGMENT AT CLOSING

In this document "Franchisee" means _____
_____ and "Franchisor" means Celebration
Title Franchising, LLC, a Florida limited liability company.

The execution of documents for the awarding of a *Celebration Title* franchise to Franchisee finalizes a process in which Franchisee reviews a great deal of information provided by Franchisor and others. Much of this information has a significant impact upon the transaction. The information considered by Franchisee serves as the basis upon which Franchisee makes a decision whether to purchase a franchise.

Franchisee wishes to enter into a Franchise Agreement with Franchisor for a *Celebration Title* office to be located at _____
_____.

In order to induce Franchisor to enter into a Franchise Agreement with Franchisee, Franchisee acknowledges that the following statements with regard to the documents, data and other material described below are true and are an accurate reflection of the transaction with Franchisor. **If they are not, Franchisee is instructed to insert the correct information where appropriate and to initial, and to have Franchisor initial, the changes.**

- (1) Franchisee received the Franchise Disclosure Document required by the Federal Trade Commission or the state in which Franchisee resides and/or in which his or her business will be operated at least 14 calendar days prior to the execution of any documents or the transfer of any funds by Franchisee, or on behalf of Franchisee, to Franchisor or an affiliate of Franchisor.
- (2) Franchisee received and reviewed all completed contract documents at least 7 calendar days prior to the execution of those documents.
- (3) Franchisee acknowledges that the success or failure of Franchisee's business depends primarily upon Franchisee's business ability, the quality and quantity of the effort put forth by Franchisee and upon Franchisee's compliance with the manuals, requirements, instructions and directives of Franchisor.
- (4) Franchisee acknowledges that neither Franchisor nor anyone purporting to act for Franchisor has made any promises or representations concerning Franchisee's business, the sales volumes that will be produced by Franchisee's business, the profits to be made in the business, the likelihood of success of the franchised business or any other matter in connection with the proposed franchise or the franchised business other than those that are set forth in the Franchise Disclosure Document, the Franchise Agreement and any other signed amendments or agreements between Franchisee and Franchisor. If any such promises have been made, Franchisee is instructed to make sure that they are set forth in writing in the Franchise Agreement or in an amendment or exhibit to that agreement which is

signed by both parties. Franchisor in granting this franchise is relying on Franchisee to see that all such matters are reduced to writing, are signed by Franchisee and Franchisor and are attached to the Franchise Agreement. If they are not, Franchisee hereby waives any such representation, warranty and promise and agrees that Franchisee will not be able to rely in any way on it and that Franchisor will not be bound by it.

Nothing in this Acknowledgment at Closing will alter the law of the state whose law governs this transaction.

IN WITNESS WHEREOF Franchisee has executed this Acknowledgment on

Date

Signature

Name: _____

Signature

Name: _____

And if an entity:

Name of Entity

Title of signer: _____ Title of signer: _____

Franchisor acknowledges receipt of Franchisee's representations and commitments stated above and based on those assurances, among other things, Franchisor agrees to award Franchisee a *Celebration Title* franchise.

FRANCHISOR:

Celebration Title Franchising, LLC

By: _____

Name: AMANDA DOUGLAS

Title: owner/CEO

Date: _____

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 Celebration Title Franchising, LLC 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.

If Celebration Title Franchising, LLC 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 your state agency.

The franchise seller with whom you have dealt in connection with this franchise offer is Amanda Douglas, 6052 Turkey Lake Road, Suite 205, Orlando, Florida 32819.

The issuance date of this disclosure document is January 3, 2022.

I received a disclosure document dated January 3, 2022, that included the following exhibits:

- A. Financial Statements
- B. State Franchise Law Administrators and Agents for Service of Process
- C. List of Offices
- D. Nondisclosure and Confidentiality Agreement
- E. Franchise Agreement
- F. Acknowledgment at Closing

Date: _____

Signature

Signature

Your Name: _____

Your Name: _____

If an entity, name of entity: _____

If an entity:

Title _____

Title: _____

You may return the signed Receipt by signing, dating and mailing it to Celebration Title Franchising, LLC at 6052 Turkey Lake Road, Suite 205, Orlando, Florida 32819, or emailing it to info@celebrationtitlefranchises.com.

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