FRANCHISE DISCLOSURE DOCUMENT

POSTNET INTERNATIONAL FRANCHISE CORPORATION

1819 Wazee Street, Denver, Colorado 80202
Phone (303) 771-7100 Facsimile (303) 771-7133
E-mail: info@postnet.com
Internet http://www.postnet.com or www.postnetfranchise.com
http://www.facebook.com/PostNet or http://twitter.com/postnet

PostNet businesses provide a broad array of printing and document services, graphic design, web and marketing services, shipping, packaging and mailing services, and other related business services under the trade name "POSTNET" ("PostNet Business").

The total investment necessary to begin operation of a PostNet Business ranges from $167,067 to $205,550, including between $125,400 and $135,800 that must be paid to the franchisor.

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 formations, contact Brian Spindel at spin@postnet.com, (303) 771-7100, 1819 Wazee Street, Denver, Colorado 80202.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, such as 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, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: March 4, 2014

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISOR OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit E for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION/ARBITRATION/MEDIATION ONLY IN COLORADO. OUT-OF-STATE LITIGATION/ARBITRATION/MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE/ARBITRATE/MEDIATE WITH US IN COLORADO THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT REQUIRES THAT COLORADO LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. YOUR SPOUSE MUST ALSO SIGN A GUARANTY MAKING YOUR SPOUSE JOINTLY AND INDEPENDENTLY LIABLE FOR THE FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT. THIS GUARANTY PLACES YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.

4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Dates: See the next page for state effective dates.

STATE EFFECTIVE DATES

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

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

Effective Dates for States Requiring Registration and Notice Filings:

State	Effective Date
CALIFORNIA	MARCH 11, 2014
HAWAII	MARCH 11, 2014
ILLINOIS	MARCH 10, 2014
INDIANA	MARCH 4, 2014
MARYLAND	APRIL 7, 2014
MICHIGAN	MARCH 7, 2014
MINNESOTA	MARCH 11, 2014
NEW YORK	MARCH 19, 2014
NORTH DAKOTA	MARCH 7, 2014
RHODE ISLAND	MARCH 10, 2014
SOUTH DAKOTA	MARCH 7, 2014
VIRGINIA	MAY 8, 2014
WASHINGTON	MARCH 4, 2014
WISCONSIN	MARCH 4, 2014

NOTICE REQUIRED BY
STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that the franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its terms except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type or under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373-7117.

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

POSTNET INTERNATIONAL FRANCHISE CORPORATION
FRANCHISE DISCLOSURE DOCUMENT

TABLE OF CONTENTS

Page

EXHIBITS

A. Franchise Agreement and Attachments
B. Lists of Current and Former Franchisees and Area Franchisees
C. Financial Statements
D. Table of Contents to Manual
E. List of State Administrators and Agents for Service of Process
F. State-Specific Addenda
G. Compliance Certification
H. Contracts for use with the PostNet Franchise
I. Receipt

APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES REGARDING THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT OR STATE SPECIFIC AMENDMENTS TO THE FRANCHISE AGREEMENT. THESE ADDITIONAL DISCLOSURES OR STATE SPECIFIC AMENDMENTS, IF ANY, APPEAR IN THE STATE ADDENDA AT EXHIBIT F.

POSTNET INTERNATIONAL FRANCHISE CORPORATION
FRANCHISE DISCLOSURE DOCUMENT

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

To simplify the language in this Franchise Disclosure Document, "we," "us," "our," or "PIFC" means PostNet International Franchise Corporation, the franchisor. "You," "your," or "Franchisee" means the person who buys the franchise from PostNet International Franchise Corporation and its owners if the Franchisee is a business entity.

The Franchisor

PIFC is a Nevada corporation, incorporated on October 27, 1992. Our principal business address is 1819 Wazee Street, Denver, Colorado 80202. We conduct business under the name PostNet and do not conduct business under any other name. Since July 1993, we have offered franchises for PostNet Businesses, and do not engage in any other business. Our agents for service of process for other states are identified by state in Exhibit E. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

We are a wholly owned subsidiary of our parent, Global Franchise Ventures, Inc., a Colorado corporation ("Global"). Global was formed on January 18, 2007. Global acquired all of the stock of PIFC on February 5, 2007. Global's principal business address is 1819 Wazee Street, Denver, Colorado 80202. Global does not offer franchises in any line of business. We do not have any predecessors. We do not have any affiliates that offer franchises in any line of business or provide products or services to the franchisees of PIFC.

The Franchise Offered

We offer franchises for the use of our "PostNet" trademarks, trade names, service marks and logos ("Proprietary Marks") for the operation of PostNet Businesses ("Franchises or PostNet Franchises"). PostNet Businesses are operated under our PostNet system ("System"). The system may be changed or modified by us throughout your ownership of the Franchise. PostNet Businesses provide printing and document services, including digital printing, large format and finishing services, scanning, graphic design, web and marketing services, shipping, packaging and mailing services including direct mail, domestic and international shipping and related services and products such as facsimile and notary services to the general public with a unique and distinctive center design and selling system under the PostNet brand. PostNet Businesses operating under the System and Marks are referred to in this Franchise Disclosure Document as a "PostNet Center(s)," or "Center(s)"). You will operate your PostNet Center from an approved location. PostNet Centers are typically located in high traffic areas that provide ample parking, significant foot traffic, and exposure to a public thoroughfare. You must sign our standard franchise agreement attached to this Franchise Disclosure Document as Exhibit A ("Franchise Agreement"). You may operate one PostNet Center for each Franchise Agreement you sign.

We previously offered area representative, area franchisee, and area developer franchises under the PostNet brand from 2001 to 2011. Area representatives and area franchisees had the right and obligation to provide certain training and assistance to PostNet operated by franchisees in an exclusive territory and the obligation to solicit franchisees for their territory. Area developers had the right and obligation to open new PostNet Centers within a specified territory and time frame.

We also offer to existing independent businesses that provide services and products similar to those offered by PostNet Centers the opportunity to convert their businesses to PostNet Centers. To be eligible to convert, you must have operated your business for at least six (6) months at the time of conversion ("Conversion Owners"). Conversion Owners will sign a Franchise Agreement that will include an addendum for conversion owners, which is attached to this Franchise Disclosure Document as Exhibit H. Conversion Owners must modify their business premises to our design plans and specifications, use our Proprietary Marks, and complete our training.

We have one pilot PostNet Center in development that will be operated in a smaller retail location with a primary target audience of the general public that we are calling "PostNet Satellite." We may offer franchise opportunities for PostNet Satellites under a separate Franchise Disclosure Document. We anticipate a PostNet Satellite franchise will offer shipping and mailing services, graphic design services, printing, wide format and sign products, advertising specialties, web services, marketing and other business services on a smaller scale within a prime retail environment.

The Market and Competition

PostNet Centers service the needs of consumers and business customers. PostNet Businesses' services are not seasonal in nature. The market for the goods and services offered by a PostNet Center is well established and very competitive. PostNet Centers compete with other businesses which offer similar services and products, including independent, national and franchised businesses. In addition, we have franchised three (3) businesses in Nevada under the trademark "PostNet Express" which provide some of the services and products that are provided by a PostNet Center. These businesses are typically smaller and offer fewer services than full service PostNet Centers and may compete with your PostNet Center if your PostNet Center is located in one of these areas.

Industry-Specific Laws and Regulations

PostNet Centers operate as a "Commercial Mail Receiving Agency" which is described in the U.S. Postal Service domestic mail manual. You will also have to comply with government and state shipping regulations regarding interstate shipping of certain materials or items (alcohol, tobacco, hazardous materials, etc.), including the rules and regulations adopted by the Transportation Security Administration and the Federal Maritime Commission, to the extent such laws, rules and regulations affect your PostNet Center. You will also be required to comply with your state's regulations and application procedures for becoming a notary public. A few states, and even some counties, regulate mailbox rentals by establishing certain prohibitions relating to the use of rented mailboxes. You also should investigate whether there are state or local regulations and/or requirements that may apply in the geographic area in which you intend to operate your PostNet Center, and consider both the effect and cost of compliance.

ITEM 2
BUSINESS EXPERIENCE

Director, Chief Executive Officer: Steven J. Greenbaum, CFE*

Mr. Greenbaum is our Chief Executive Officer and a Director and has been since February 2008 for PIFC in Denver, Colorado. Mr. Greenbaum served as the Chairman of the International Franchise Association in 2008/2009 in Washington, DC.

Director, President, Secretary/Treasurer and COO: Brian E. Spindel, CFE*

Mr. Spindel is our President, Secretary/Treasurer, Chief Operating Officer and a Director and has been since February 2008 in Denver, Colorado. Mr. Spindel serves on the International Franchise Association Education Foundation Board of Trustees and on the Information Technology Committee in Washington, DC.

Marketing Director: Roxanne Stone

Mrs. Stone is our Marketing Director and has been since February 2013 in Denver, Colorado. From January 2007 to January 2013, Mrs. Stone owned and operated her own business, The Family Plaque, LLC, in Denver, Colorado.

Director of Center Development: Brian Destarac

Mr. Destarac is our Director of Center Development and has been since January 2013 in Denver, Colorado. From April 2012 to December 2012, Mr. Destarac served as Director of National Business Development for Resurg Group in Denver, Colorado. Since 2008, Mr. Destarac has served as a principal for Cobalt Business Solutions in Denver, Colorado. Mr. Destarac has been a principal of BT Properties, LLC, a property management company, since 1996 in Denver, Colorado.

Accounting Manager: Gabe Rimey

Mr. Rimey is our Accounting Manager and has been since July 2011 in Denver, Colorado. Prior to this, he was employed as a Junior Partner with Grabau & Company in Denver, Colorado from November 2009 to July 2011. From 2007 to 2009, Mr. Rimey was a Senior Accountant with Wilson Downing in Denver, Colorado.

Business Support Manager: Brian Zugschwert

Mr. Zugschwert is our Business Support Manager and has been since January 2011 in Denver, Colorado. Prior to this, he served as our Business Support Consultant from April 2008 to January 2011 in Denver, Colorado.

Manager of Legal, Compliance and Brand: Eugene Kim

Mr. Kim is our Legal, Compliance and Brand Manager and has been since January 2014 in Denver, Colorado. From September 2010 to October 2013, he served as an Associate in the litigation department in the Denver office of the law firm of Snell & Wilmer, LLP. Prior to this, Mr. Kim attended law school at the University of Minnesota Law School.

Director of Education: Tim James

Mr. James is our Director of Education and has been since December 2011 in Denver, Colorado. During October and November of 2011, he served as Campaign Canvasser for Terra Strategies in Denver, Colorado. Prior to this, he was Crew Chief for Massachusetts Youth Soccer in Lancaster, Massachusetts from June 2008 to September 2011. From May 2007 to March 2011, Mr. James was an Assistant to the Superintendent with Erland Construction in Burlington, Massachusetts.

Area Franchisees

Prior to the Issuance Date of this Franchise Disclosure Document, PostNet previously offered area representative, area franchisee, and area developer franchises ("Area Franchisees") under the PostNet brand from 2001 to 2011. Area representatives and area franchisees had the right and obligation to provide certain training and assistance to PostNet operated by franchisees in an exclusive territory and the obligation to solicit franchisees for their territory. Area developers had the right and obligation to open new PostNet Centers within a specified territory and time frame. Exhibit B to this Franchise Disclosure Document contains a list of our current Area Franchisees, as well as their employment histories during the past five (5) years.

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*CFE stands for Certified Franchise Executive, a designation granted by the International Franchise Association.

ITEM 3
LITIGATION

Except as provided below, no litigation is required to be disclosed in this Item.

PostNet International Franchise Corporation v. Arthur Jones and Carolyn Jones, Case No. 12-CV-03065-WYD-CBS, United States District Court for the District of Colorado

We filed suit against Arthur Jones and Carolyn Jones, former PostNet franchisees in Rancho Cucamonga, California. On April 15, 2003, we and Mr. and Mrs. Jones entered into a franchise agreement which provided, among other things, that during the term of the franchise agreement, Mr. and Mrs. Jones would comply with reporting requirements and pay specified fees. Mr. and Mrs. Jones failed to meet these requirements and on November 6, 2012, we terminated the franchise agreement. Afterward, Mr. and Mrs. Jones continued operating a competing business using our intellectual property, in violation of post-term obligations under the franchise agreement. We filed a complaint against Mr. and Mrs. Jones on November 20, 2012 for breach of contract, trademark infringement, misappropriation of trade secrets, and to enjoin Mr. and Mrs. Jones from the continued operation of the competing business. From the institution of this action through January 2014, Mr. and Mrs. Jones failed to timely respond to any of PostNet's claims and requests to cease operation of the competing business. The Court ultimately determined that Mr. and Mrs. Jones were in civil contempt and found in favor of PostNet. The Court scheduled a hearing for January 7, 2014 to determine the precise civil contempt sanctions to be imposed on Mr. and Mrs. Jones. Following the January 7, 2014 hearing, the Court ordered that Mr. and Mrs. Jones fully comply with the September 30, 2013 Order by February 10, 2014, and further ordered that PostNet inspect the their premises to confirm Mr. and Mrs. Jones' compliance. As of the Issuance Date of this Franchise Disclosure Document, the resolution to this matter is still pending.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

You must pay us an initial franchise fee ("Initial Franchise Fee") of $35,000 as follows: $20,000 when you sign the Franchise Agreement and the remaining $15,000 when you sign the lease for the

PostNet Center premises or, if the premises will not be leased, when we approve the location for the PostNet Center premises. Your Initial Franchise Fee is fully earned and non-refundable when paid. We will not refund any portion of your Initial Franchise Fee under any circumstances.

We offer a reduced Initial Franchise Fee under the following circumstances:

1. If you are a Conversion Owner, we offer a reduced Initial Franchise Fee ranging from $0 to $35,000. The range of the fee will be based on experience, length of time in business, sales volume, growth and future potential. Conversion Owners that have been in business longer and have larger sales volume, growth and potential will qualify for a greater reduction in the Initial Franchises Fee, while those Conversion Owners that have been in business for a short period of time will receive a smaller reduction. We did not sell any conversion PostNet Centers during our last fiscal year.

2. If you are an existing franchisee and purchase additional PostNet Franchises, you will receive a discount of 50% off of the Initial Franchise Fee that we are charging under the then-current franchise agreement. If, at the time you sign an additional franchise agreement, each and every PostNet Center owned by you exceeds $400,000 in gross sales in the immediately preceding twelve (12) months, the Initial Franchise Fee will be $0. The preceding statement is not to be construed as an earnings claim or financial performance representation.

3. We participate in the VetFran program. Under this program, honorably discharged United States veterans or their spouses receive a 35% discount on our Initial Franchise Fee. If you qualify, your Initial Franchise Fee will be $22,750, a savings of $12,250.

Center Development Package

You also must pay us a PostNet Center development fee of $89,900 (the "Center Development Fee") for the purchase of "Center Development Package" that consists of computer systems, equipment, fixtures and supplies for your PostNet Center and an initial inventory package. The Center Development Fee also includes the costs of an exterior sign up to 24 inches in height for your PostNet Center and 75 hours of graphic and web design services to be used within the first 90 days of the Center's opening date. Attachment B of the Franchise Agreement contains complete descriptions of the items included in the Center Development Package. We may substitute items of greater or equal value at our sole discretion. The Center Development Fee is not refundable, and is payable when you sign the lease for your PostNet Center's premises, or 90 days before the projected opening date of the PostNet Center, whichever date is later. Conversion Owners must transform their businesses to conform to the PostNet Center standards and will have to purchase certain items from the Center Development Package but are not required to pay a Center Development Fee. The fees will be determined on a case-by-case basis, depending on the specific items needed. You will be required to pay sales and/or use tax on some or all of the equipment, fixtures, and other assets form the Center Development Package that are not for resale (such as inventory items). In some cases, we will collect those taxes from you and pay them directly to the states, in which case you will be required to make a payment to us in excess of $89,900. If required, this tax payment is due at the same time that you pay your Center Development Fee. In other cases you will be required to pay these taxes directly to the appropriate taxing authority. You may incur additional expenses depending on the size of your PostNet Center premises or exterior sign required. We estimate these costs to be between $0 and $10,400 (See Item 7). These fees are nonrefundable under any circumstances.

Other Purchases

You must also pay us a meal fee of $500 for each person that attends our initial training program. This fee is nonrefundable under any circumstances.

ITEM 6
OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty Fee[2]	5% of gross sales	5th day of month	Based on gross sales during the previous month. Payments are made via an electronic funds transfer ("EFT").
National Advertising Fund Contribution	2% of gross sales	Same as royalty fee	This fee is currently 2% of gross sales. Franchisees may choose to increase this contribution. See Item 11 for more details.
Individual Advertising Expense	Greater of 2% of gross sales for previous 12 months or $6,000 per year	As incurred	Franchisee must begin this advertising during the first month of operation of the PostNet Center. See Item 11 for more details.
Interest on Late Payments	Lesser of 18% or the maximum amount allowed by state law	Upon demand	Payable on overdue royalty payments, advertising contributions, or other payments due to us. The interest rate is per annum, calculated daily.
Transfer Fee[3]	Greater of $10,000 or 50% of our then-current Initial Franchise Fee	$1,000 non-refundable deposit at time of transfer application submittal and the remaining balance of fee at time of approved transfer	See Note 3.
Broker Fee[4]	$10,000 to $15,000	Upon demand	See Note 4.
Remodel or PostNet Center Upgrades[5]	$0 - $35,000	Upon execution of successor franchise agreement or transfer of an existing PostNet Center that has not completed the required remodels.	Payable to various third parties, possibly by escrow, upon execution of successor franchise agreement for a PostNet Center that has not completed the required remodels, or is not in compliance with current standards, or for the transfer of an existing PostNet Center that has not completed the required remodels or is not in compliance with current standards. See Note 5.

Type of Fee[1]	Amount	Due Date	Remarks
Audit	Amount of any underpayment, interest, and cost of audit estimated to be between $600 to $15,000	Upon demand	Cost of audit is payable only if the understatement exceeds 2%.
Default Fee[6]	At least 3% and no more than 12% of gross sales	Same as royalty fee	See Note 6.
Additional Training	$350 per day plus reimbursement of the trainer's expenses, which are estimated to be between $75 to $150 per day	Upon demand	This expense is for any optional training that you request. See Item 11 for more details.
Successor Franchise Fee	25% of the then-current Initial Franchise Fee	Upon execution of the successor franchise agreement	This fee is commonly referred to as a "renewal fee." Payable if you execute a successor franchise agreement.
Thrive Registration Fee[7]	Varies each year	Annually	This fee covers some of the expenses related to the "Thrive" annual franchise conference. See Note 7.
Thrive Absentee Fee	$300	As incurred	See Note 7.
Annual Point-Of-Sale Software Fee[8]	Then-current cost, currently $720 to $770 per year	Annually	This fee covers your software license, updates and service for a year and is paid to our approved supplier. See Note 8.
Technology Fee	$100	Same as royalty fee	This fee covers the costs associated with the Google apps account, website hosting, web to print and other technologies that are utilized in the operation of your PostNet Center. We reserve the right to increase this fee in the event we offer updated or additional software or technology for use in the PostNet Center.
Adobe Creative Cloud	Then-current cost, currently $50 per month	Annually	This fee covers your PostNet Center's Adobe Creative Cloud account and is payable directly to Adobe.
QuickBooks Online ("QBOE") Business Package[9]	Then-current cost, currently $270 per year	Annually	This fee covers your PostNet Center's license for a QBOE account. See Note 9.

Type of Fee[(1)]	Amount	Due Date	Remarks
Reimbursement of monies paid by us on your behalf	Varies	Upon demand	For payments you fail to make and that we make on your behalf.
Unauthorized Advertising Fee	$500	Upon demand	This fee is payable to the PostNet national advertising fund if you use unauthorized advertising.
Indemnification[(10)]	Will vary under circumstances	As incurred	See Note 10.
Payment Service Fees	Up to 4% of total charge	As incurred	If payment is made to us or our affiliates by credit card, we may charge a service charge of up to 4% of the total charge.
Insufficient Funds Fee	$100 per occurrence	As incurred	Payable if any check or EFT payment is not successful due to insufficient funds, stop payment, or any similar event.
Customer Satisfaction Reimbursement	Varies under circumstances	As incurred	We may, in our sole discretion, remedy any issues with customers of your PostNet Center, including full reimbursement of any fees paid to you. You are required to reimburse us for any such costs.

NOTES:

1. All fees paid to us, unless otherwise noted, are uniform and are non-refundable. Fees paid to vendors or other suppliers may be refundable depending on the vendors and suppliers. We require you to pay fees and other amounts due to us via EFT or other similar means. You must complete the EFT Authorization (in the form attached to this Franchise Disclosure Document as Exhibit H) for direct debits from your business bank operating account. We can require an alternative payment method for any fees or amounts owed to us under the Franchise Agreement. All fees are current as of the Issuance Date of this Franchise Disclosure Document. Certain fees that we have indicated may increase over the term of the Franchise Agreement.

2. "Gross Sales" include all revenue from the PostNet Center minus sales and other taxes collected by you. Gross Sales also includes seventy percent (70%) of the full retail value of services or products you use for your personal use and seventy percent (70%) of the full retail value of any gift certificate or coupon sold for use at the PostNet Center that has been discounted more than thirty percent (30%) off of the retail price (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from this calculation). A Conversion Owner shall

pay royalties at a reduced rate for the initial two (2) years of the Franchise Agreement at the following rates: 3% of Gross Sales during the first year of the Franchise Agreement; 4% of Gross Sales during the second year of the Franchise Agreement; and 5% of Gross Sales during for the remainder of the term of the Franchise Agreement. We reserve the right to require the royalty fee and national advertising fund contribution on a weekly instead of monthly basis as specified in our operations manual.

3. Except for transfers (i) to a corporation you control where the percentage of ownership remains the same; or (ii) necessitated by the death or incapacity of you or certain employees, you must reimburse us for our reasonable legal, accounting, management, training, and incidental expenses associated with the transfer, subject to a minimum fee of $10,000 and a maximum of 50% of the then-current Initial Franchise Fee. If you transfer a PostNet Center that was purchased with a reduced Initial Franchise Fee within the first year of operations, you will be required to pay the difference between the reduced Initial Franchise Fee and the then current Initial Franchise Fees for PostNet Center.

4. If, prior to commencing serious negotiations with you or one of your principals, a transferee (or any individual associated with any transferee entity) had contacted us, one of our Area Franchisees, or a third-party franchise broker with whom we have a referral fee arrangement, then you also must pay us an additional fee of (i) $15,000 if we must pay a third-party broker, or (ii) $10,000 in all other circumstances.

5. If you purchase an existing PostNet Center, or if you are a current PostNet franchisee executing a successor franchisor agreement, and your PostNet Center has not been remodeled to the current design or is not in compliance with current standards, you will be required to, prior to execution of the Franchise Agreement or successor franchise agreement, have an approved plan for remodeling and either (1) purchase substantially all of the assets required to complete the remodel or (2) put an estimated amount into escrow toward the remodel. You must also successfully complete the remodel within two (2) months of execution of the Franchise Agreement or successor franchise agreement.

6. This fee is only due in the event you: (1) fail to allow, or cooperate with, any audit conducted by us or our designated agents as required by the Franchise Agreement within 30 days after receiving notice of the audit; (2) fail to follow or comply with our prescribed accounting system as required by the Franchise Agreement; (3) establish or use an unapproved website without our prior written approval; or (4) fail to complete the initial classroom training in the timeframe that we prescribe. Upon the occurrence of each and any of these events of default, we have the right to impose a separate fee equal to three percent (3%) of Gross Sales of the PostNet Center. Each separate three percent (3%) fee is in addition to the royalty fee and will continue until such time as the specific event of default is cured. This fee is intended to offset the damages that we incur as a result of your default and is not intended as a penalty.

7. All franchisees are required to send one representative to our annual national convention of franchisees ("Thrive") each year from their PostNet Center unless we have approved otherwise in our discretion. Registration prices depend on when the registration is received. In 2013, the registration ranged from $249 to $449 per attendee. This registration fee is due whether or not you attend Thrive. If you do not attend Thrive, you will pay either: (i) the maximum registration fee if you provide us with prior written notice of your to attend; or (ii) the maximum registration fee plus an absentee fee, currently $300, if you do not provide us with prior written notice of your failure to attend. This fee is covers the extra costs that are incurred for franchisees that fail to

notify us that they will not be attending (such as meal costs, hotel bookings, administrative costs, etc.)

8. You must obtain an annual service contract from our point-of-sale software vendor, which is currently ReSource, Inc., to cover updates and telephone support for ReSource's toll free telephone number for software support. This fee may increase and you will be responsible for any such increases.

9. You must obtain an annual subscription to QBOE through our master software license. QuickBooks charges our account for each individual subscription. We then bill you to cover your portion of the account cost. The prices are set by QuickBooks. The current annual cost of the subscription is approximately $270. This fee may be increased by QuickBooks and you will be responsible for any increases. The first year subscription is included with your Center Development Package.

10. You must pay for any expenses or losses that we or our representatives incur related in any way to your PostNet Center or the operation of your PostNet Business.

ITEM 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Initial Franchise Fee[1]	$35,000	$35,000	Lump sum	Upon signing Franchise Agreement and upon selection of site or lease signing	Us
Center Development Fee[2]	$89,900	$89,900	Lump sum	When you sign your lease for the PostNet Center premises or 90 days before our projected opening date for your PostNet Center, whichever date is later	Us
Extra Development Expense[3]	$0	$10,400	Lump sum	Prior to opening	Us or Suppliers

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Lease of PostNet Center Premises[4]	$1,067	$5,250	Per agreement with landlord	Monthly	Landlord
Equipment Lease or Rental Payments[5]	$1,200	$2,000	Per agreement	Monthly	Equipment lessors
Security Deposit Fees[6]	$3,000	$8,000	Lump sum	Prior to opening	Landlord, utilities
Insurance[7]	$900	$2,000	Lump sum	Annually	Insurers
Initial Training Expenses[8]	$1,000	$2,500	As incurred	As incurred	Providers of transportation, food and lodging, Us
Miscellaneous Pre-Opening Expenses[9]	$3,500	$7,500	As incurred	As incurred	Government agencies (such as sales and use tax), craftsmen, architectural, electrician, etc.
Grand Opening Advertising Campaign	$1,500	$3,000	As incurred	Within eight (8) weeks after the opening	Third parties
Additional Funds (3 Months)[10]	$30,000	$40,000	As incurred	As required during the first three (3) months	Various
TOTAL[11]	$167,067	$205,550			

NOTES:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your PostNet Center. We do not offer direct or indirect financing for these items. Our estimates are based on our experience and our current requirements for PostNet Franchises. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your Franchise may be greater or less than the estimates given depending upon the location of your PostNet Center, and current relevant market conditions. Your costs will also depend on factors such as how well you follow our methods and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our products and services; the prevailing wage rates; competition; and sales levels reached during your initial phase of business operations. All expenses payable to third parties are non-refundable, except as you may arrange for utility deposits and other payments.

Except as described below, all fees are uniform and non-refundable.

1. $20,000 of your Initial Franchise Fee is due upon signing the Franchise Agreement and the remainder is due upon signing the lease or, if no lease will be signed, at site approval. The Initial Franchise Fee for Conversion Owners, existing franchisees that acquire an existing business and convert it to a PostNet Center, and existing franchisees that enter into additional franchise agreements, ranges from $0 to $35,000.

2. All new franchisees must pay this fee. Conversion Owners that may not need the complete Center Development Package have the option to obtain individually needed items and services from us or other approved sources. The Center Development Package includes the initial cost of your computer system and other equipment, fixtures, signage, and supplies listed in Attachment B to the Franchise Agreement.

3. There may be additional development expenses related to the size of your PostNet Center premises and/or external sign. For example, the Center Development Package includes an exterior sign up to 24 inches in height. If you desire or require an exterior sign that is larger than 24 inches, you would pay the difference between the cost of a 24 inch exterior sign and the size of the exterior sign that you desire or require. The same would be true if your PostNet Center is larger than 1,200 square feet and incur additional expenses related to paint, flooring, or fixtures.

4. We anticipate that you will lease retail space. We estimate that the PostNet Center will require approximately 800 to 1,400 square feet of retail space and that the cost should range between $16 and $45 per annum per square foot. This cost will depend on a variety of factors, the most prominent being location and market conditions. The rent for urban areas may be higher than the reflected range. This estimate also does not include security deposits or prepaid rent which the landlord may require.

5. You will need to lease or rent two (2) connected high-speed copier/printing devices (one for black and white and the other for color) and a large format printer, all of which must meet our minimum specifications and which are not furnished as part of our Center Development Package.

6. Security deposits generally are required by utilities, the landlord, and the equipment lessors. Amounts will vary depending on the provisions of various leases, utilities' policies, and your credit rating. The estimated cost includes a one (1) month deposit to the landlord. It is not likely that Conversion Owners will incur any new expense for security deposits.

7. The estimated cost covers the typical first year's insurance premium for required coverage for equipment and business liability insurance.

8. The cost will vary depending upon the distance traveled, the mode of transportation, the cost of meals and accommodations. The estimate is for one (1) person and includes a meal fee of $500.

9. You will incur expenses in connection with any leasehold improvements to your PostNet Center which are not included in our Center Development Package such as local requirements for architectural plans, taxes on leasehold improvements, miscellaneous electrical and other expenses, as well as various licenses and permits to operate your business. These are not required in all areas. In most states you will also be required to pay sales and use taxes on the equipment

you purchase from us as part of the Center Development Package. These taxes may be paid to us or to the taxing authority.

10. The disclosure laws require us to include this estimate of all costs and expenses to operate your PostNet Franchise during the "initial phase" of your business, which is defined as three (3) months or a longer period if "reasonable for the industry." We are not aware of any established longer "reasonable period," so our disclosures cover a three (3) month period. This estimate includes your initial start-up expenses (other than the items identified separately in the table) during the first three (3) months of operation. These expenses include payroll costs during the first three (3) months of operation, but not any draw or salary for you. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. Your actual costs for initial start-up expenses during this three (3) month period will depend on how closely you follow our methods and procedures; your management skills, experience, and business acumen; local economic conditions; the local market for your products; the prevailing wage rate; your competition; and the sales level you reach during the initial period. Your working capital needs may vary widely from working capital needs of other franchisees. It is expected that new businesses usually will generate a negative cash flow. The amount we show is the minimum we recommend at the opening of your PostNet Center and is not intended to provide any indication of revenue or profit levels that your PostNet Center may achieve. There is no assurance that you will not need additional working capital. These amounts do not include sums necessary for living or personal expenses, nor payments for debt service. These figures are estimates, and we cannot guarantee you will not have additional expenses starting the business. Your actual costs for initial start-up expenses during this three (3) month period will depend on how closely you follow our methods and procedures; your management skills, experience, and business acumen; local economic conditions; the local market for your products; the prevailing wage rate; your competition; and the sales level you reach during the initial period.

11. You should review these figures with a business advisor, financial consultant or other professional before deciding to purchase the franchise.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Standards and Specifications

To ensure that the highest degree of quality and service is maintained, you must operate the PostNet Center in strict conformity with the methods, standards, and specifications that we list in our proprietary and confidential operating manual ("Manual"), which may exist in various parts, locations, and formats and may include a combination of audio, video, written material, electronic media, website content, and/or software components. You must not: (i) deviate from these methods, standards, and specifications without our prior written consent, or (ii) otherwise operate in any manner which reflects adversely on our Proprietary Marks or the System. Our Manual states our specifications, standards, and guidelines for all goods and services that we require you to obtain in establishing and operating your PostNet Center. We based these specifications on our experience and upon the experience of our officers and franchisees.

We will notify you of new or modified specifications, standards, and guidelines through periodic amendments or supplements to the Manual or through written communication (including electronic communication). We will issue copies of our standards and specifications to you and approved and proposed suppliers, unless these standards and specifications contain our confidential information.

You must purchase, install, maintain in sufficient supply, and use only fixtures, furnishings, equipment, signs, and supplies that conform to the standards and specifications described in the Manual or otherwise in writing; you must not use nonconforming items. In addition, you must sell or offer for sale only those products and services that we have expressly approved for sale in the Manual or otherwise in writing and discontinue selling any products or services that we, in our discretion, determine may adversely affect the System. You must not offer any unapproved products or services.

You must obtain and maintain insurance policies protecting you, us and our affiliates, and our respective shareholders, directors, employees, and agents against any demand or claim regarding personal and bodily injury, death, or property damage, or any loss, liability, or expense whatsoever arising or occurring at or in connection with the construction and/or operation of your PostNet Center. Such policies must be written by an insurer acceptable to us and conform to our standards and minimum amounts of coverage. All insurance policies you purchase must name us and any affiliate we designate as additional insureds, and provide for 30 days' prior written notice to us of a policy's material modification or cancellation. If you fail to obtain or maintain the insurance we specify, we may (but need not) obtain the insurance for you and your PostNet Center on your behalf. The cost of your premiums will depend on the insurance carrier's charges, terms of payment, and your insurance and payment histories.

You must carry a minimum of $2,000,000 in comprehensive general liability insurance and worker's compensation coverage as required by statue or rule of the state in which your PostNet Center is located. This amount may periodically be increased at PIFC's discretion due to circumstances such as inflation, new risks, and changes in the law, etc. Each policy must contain a waiver by the Franchisee and its insurer of their subrogation rights against PIFC and its affiliates, and their respective shareholders, directors, employees and agents. Each policy must also name PIFC, and its affiliates, and their respective shareholders, directors, employees and agents be listed as an additional insured with primary non-contributory coverage.

<u>Purchases from Approved Suppliers</u>

We are the only approved supplier for the Center Development Package and QBOE. We are also an approved supplier of marketing materials, envelopes, and other relatively minor inventory items. Except for these items, you are currently not required to purchase or lease from us or our affiliates, any goods, services, supplies, fixtures, equipment, inventory, or real estate for the establishment or operation of the PostNet Center. You must, however, purchase all products, equipment, supplies, and materials used or sold by the PostNet Center, solely from suppliers (including manufacturers, wholesalers, and distributors): (i) who demonstrate, to our continuing reasonable satisfaction, the ability to meet our reasonable standards and specifications for these items; (ii) who possess adequate quality controls and capacity to supply your needs promptly and reliably; (iii) whose approval would enable the System, in our opinion, to take advantage of marketplace efficiencies; and (iv) who have been approved by us in the Manual or otherwise in writing and not later disapproved. The items you must purchase or lease from approved suppliers include business equipment such as copiers, printers, computers and software; inventory such as corrugated cartons, paper products and printing supplies; and fixed assets such as our proprietary counters, cabinets and signs. The required computer hardware and software is included in the Center Development Package.

We estimate that approximately 90% of purchases required to open your PostNet Center and 70% of purchases required to operate your PostNet Center will be from us or from other approved suppliers and in accordance with our specifications. Some of our officers own an equity interest in PIFC, an approved supplier.

According to our audited financial statements, in our 2013 fiscal year we had total revenues of $4,429,536 of which $347,741 (approximately 7.9%) consisted of revenues from new franchisees for our Center Development Package for their PostNet Centers. We also received $286,499 (approximately 6.5% of our total revenues) from other required purchases or leases of products and services for a total of $634,240 (approximately 14.3% of our total revenues) received from required purchases and leases of products and services by franchisees.

We have negotiated purchase arrangements with suppliers where our franchisees obtain discounts of 5% to 63% from standard prices for items such as shipping costs, inventory, equipment, and outsourced services such as websites, insurance and credit card processing. We have not negotiated any agreements with suppliers that give us a better price than the price the supplier charges to franchisees. Some suppliers pay a percentage of their Gross Sales to franchisees directly into our national advertising fund. These percentages range from 1% to 3% of the suppliers' sales to franchisees.

There are currently no purchasing or distribution cooperatives.

Approval of New Suppliers

If you desire to have a non-approved supplier of a product or service designated as an approved supplier, you must submit samples of the supplier's products and services to us, along with a written statement describing why such items, services, or suppliers should be approved for use in the system. We do not charge a fee to evaluate the proposed supplier. We do not make our supplier specifications and/or standards generally available to franchisees or suppliers. While we will be required to respond to a request within 60 days, we generally respond to a request for an additional approved supplier within seven (7) days. Our written approval must be received before you use products not purchased from an approved supplier. We may revoke our approval at any time if we determine, in our discretion, that the supplier no longer meets our standards. When you receive written notice of a revocation, you must stop selling any disapproved products, and stop purchasing from any disapproved supplier.

We do not provide any material benefits to any franchisees (for example, additional franchise rights or renewal rights) based on their purchases of particular products or services or their use of particular suppliers.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement	Item in Franchise Disclosure Document
a. Site selection and acquisition/lease	Sections 1, 4 and Attachment A	Items 7 and 11
b. Pre-opening purchase/leases	Sections 3, 4, 5 and Attachment B	Items 5, 7, and 8
c. Site development and other pre-opening requirements	Sections 4, 5, 13 and Attachment B	Items 6, 7, and 11
d. Initial and ongoing training	Sections 4 and 5	Item 11

Obligation	Section in Franchise Agreement	Item in Franchise Disclosure Document
e. Opening	Sections 4 and 9	Item 11
f. Fees	Sections 1, 2, 3, 4, 5, 9, 11, 12 and 13	Items 5, 6 and 7
g. Compliance with standards and policies/operating Manual	Sections 1, 3, 4, 5, 7, 8, 9, 11, 13 and 14	Items 11 and 14
h. Trademarks and proprietary information	Sections 7, 8, and Guarantee and Covenants; Confidentiality and Non-Competition Covenant (Exhibit H)	Items 13 and 14
i. Restrictions on products/services offered	Sections 5 and 8	Item 16
j. Warranty and customer service requirements	Section 5	Not Applicable
k. Territorial development and sales quotas	Not Applicable	Item 12
l. Ongoing product/services purchases	Section 5	Item 8
m. Maintenance, appearance and remodeling requirements	Sections 5 and 12	Item 11
n. Insurance	Sections 5 and 10	Item 7
o. Advertising	Sections 3, 4, 5, 7 and 9	Items 6 and 11
p. Indemnification	Section 17 and Guarantee and Covenants	Item 6
q. Owner's participation/ management/staffing	Sections 5 and 15	Items 11 and 15
r. Records and reports	Section 11	Item 6
s. Inspections and audits	Sections 4, 5 and 11	Items 6 and 11
t. Transfer	Section 12	Items 6 and 17
u. Renewal	Section 2	Item 17
v. Post-termination obligations	Sections 14 and 15	Item 17
w. Non-competition covenants	Section 15 and Guarantee and Covenants	Item 17
x. Dispute resolution	Section 22	Item 17

ITEM 10
FINANCING

Neither we, nor any agent of ours, offers direct or indirect financing or guarantees your note, lease or obligation.

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

Except as listed below, PIFC is not required to provide you with any assistance.

Pre-Opening Obligations

Before you open your PostNet Center, we (or our designee) will provide the following assistance and services to you:

1. Except for Conversion Owners, assist you, as we deem reasonable and necessary, in selecting a site, which meets our then-current site-selection criteria ("Approved Location") and in negotiating business terms for an acceptable lease agreement for the site. See below for more information regarding Site Selection (Item 11). We generally do not own the premises for the PostNet Center and lease it back to you (Franchise Agreement Section 4). We do not require you to locate an Approved Location within a given time frame but you must open your PostNet Center within one (1) year after the signing of your Franchise Agreement (Franchise Agreement Section 4.1) or your Franchise Agreement may be terminated (Franchise Agreement Section 13).

2. Give you access to the Manual for the duration of the Franchise Agreement and any other manuals that we may develop and issue. The table of contents of the Manual is attached as Exhibit D to this Franchise Disclosure Document. The majority of the Manual is currently electronic, and available exclusively on our password-protected extranet. Our Manual contains mandatory specifications, standards, forms, material samples, guidelines, policies, and operating procedures (Franchise Agreement Section 4H). As our Manual is electronic, we are unable to provide the exact number of pages. However, we estimate the Manual to be greater than the equivalent of 1,000 pages of a printed operations manual. This Manual is confidential and remains our property. We may modify the Manual, but the modifications will not alter your status and rights under the Franchise Agreement (Franchise Agreement Section 4).

3. Provide the Center Development Package described in Attachment B to the Franchise Agreement (See Item 5). The Center Development Package will be delivered directly to your PostNet Center and installed at your PostNet Center at no additional cost to you (Franchise Agreement Section 4). If you are a Conversion Owner, we may only provide certain items from the Center Development Package.

4. Provide, at no charge to you, proposed plans (in the form of "blue-line drawings") and specifications for the interior design and layout of your PostNet Center (Franchise Agreement Section 4).

5. Offer a classroom training program to you covering basic PostNet Center operations and management (Franchise Agreement Section 4).

6. Offer, at your PostNet Center's premises, an initial training program to you and those individuals who will be involved in the management and operation of the PostNet Center. (Franchise Agreement Section 4).

7. Furnish to you an initial set of personalized forms, stationery, marketing materials, and PostNet logo apparel (Franchise Agreement Section 4).

8. Conduct a final inspection of the PostNet Center before it opens for business (Franchise Agreement Section 4).

9. Provide initial advice and assistance to you in operating the PostNet Center, as we deem appropriate (Franchise Agreement Section 4).Site Selection

The PostNet Center must be located at the Approved Location. If we have not approved a location for the PostNet Center at the time you sign the Franchise Agreement, you must get our approval before you lease or otherwise acquire a location (Franchise Agreement Section 1).

We will assist you, as we deem reasonable and necessary, in your selection of a site for the Approved Location (Franchise Agreement Section 4). Typically, our assistance includes a demographic review and evaluation of the proposed premises for the PostNet Center, including population density, foot traffic, vehicle traffic, average household income, number of business establishments and a review of the physical attributes of the proposed location, including access, visibility, parking convenience, location of competition, and other factors that may be relevant to your market. Once you have selected a site and we have approved it, we will advise you in negotiating an acceptable lease agreement for your PostNet Center premises by developing an offer to lease proposal covering all the basic business terms and conditions of the lease (Franchise Agreement Section 4). We recommend that you also retain your own attorney to assist in finalizing the lease agreement.

Schedule for Opening

The estimated time between the signing of the PostNet Franchise Agreement and the opening of a PostNet Center is typically between 90 to 180 days. Factors such as the ability to obtain a lease, construction of required improvements to the site, and obtaining financing affect the time it takes to open a PostNet Center. If the PostNet Center premises will be newly constructed rather than renovated, it is likely that more than 180 days will be required. You must open your PostNet Center within one (1) year of the signing of the Franchise Agreement or your Franchise Agreement may be terminated (Franchise Agreement Section 13). We do not provide site selection assistance to Conversion Owners.

Continuing Obligations

During the operation of your PostNet Center, we (or our designee) will provide the following assistance and services to you:

1. Provide continuing advice and assistance to you, as we deem appropriate, in operating and promoting the PostNet Center. (Franchise Agreement Section 4).

2. Offer a follow-up on-site training visit to you (Franchise Agreement Section 4).

3. Offer, as we deem necessary, additional required and optional training programs, seminars, and workshops, at the times and locations selected by us (Franchise Agreement Sections 4 and 5).

4. If we determine it is necessary, inspect your business premises and evaluate your PostNet Center's management and operation to assist you and to maintain the System's standards of quality, appearance, and service (Franchise Agreement Sections 4).

Advertising by Franchisees

The Fund

Your are required to contribute to the PostNet national advertising fund ("Fund") 2% of the PostNet Center's Gross Sales (Item 6 and Franchise Agreement Sections 3 and 9). Each PostNet Center that we own also will contribute 2% of its monthly (or weekly, if applicable) Gross Sales to the Fund (Franchise Agreement Section 9). Franchisees have the right to periodically adjust the amount of the required contribution to the Fund, subject to the following conditions: (i) any adjustment must be approved by at least a majority of all franchisees as well as 2/3 of the franchisees who vote; (ii) each franchisee will have one (1) vote for each of its open and operating PostNet Centers; (iii) the required Fund contribution will never be less than 2% of the PostNet Center's Gross Sales; (iv) each adjustment will be for a period of not less than one (1) year; and (v) PIFC will develop the mechanisms and procedures for recommending, considering, and voting on any proposed adjustment (Franchise Agreement Section 9).

We previously established the Fund, and have the right, in our discretion, to maintain and administer the Fund. The Fund, all contributions to the Fund, and any earnings on amounts in the Fund, will be used exclusively to meet all costs of maintaining, administering, directing, conducting, and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which we believe will benefit the System, including, the costs of preparing and conducting advertising campaigns in various media; preparing direct mail advertising; market research; employing advertising and/or public relations agencies to assist in our advertising efforts; purchasing promotional items; conducting and administering PostNet Center promotions; providing promotional and other marketing materials and services to the PostNet Centers operating under the System, and point-of-purchase materials. The Fund is not a trust fund, and we do not have any fiduciary duty to you with respect to the Fund's administration, activities, or expenditures (Franchise Agreement Section 9).

We direct all advertising and promotional programs. We are not obligated to make expenditures from the Fund that are equivalent or proportionate to your contribution, or to ensure that you or any other particular franchisee or geographic region benefits directly or pro rata from the advertising or promotion that we conduct under the Fund (Franchise Agreement Section 9). We are also not required to spend any amount on advertising in the area or territory where you are located. We will provide you with an annual unaudited accounting of receipts and disbursements within 30 days of a written request.

Of the monies expended from the Fund during our last fiscal year, 44% was spent on national event promotions. These promotions are nationally coordinated but locally focused and the expenditures include direct mail, email blasts, postage, printing, promotional item and point-of-purchase material production and kitting, online advertising, contests and sweepstakes. These activities were conducted on the Internet and in the trade areas near and around PostNet Centers. In December of 2012, PostNet was featured on an episode of the CBS television series "Undercover Boss." Fund expenses related to the production and promotion of the episode represented 7% of the expenditures from 2013. In addition, 3% of the Fund was used to rebrand and redesign the PostNet trademark. 11% of the Fund was spent on technology to support marketing programs, websites, locator systems, branded email accounts for franchisees, a franchisee online integrated marketing center, and customer relationship management tools and resources, including email marketing campaigns. Some of these expenses were used to promote more regular or frequent purchases from existing customers of PostNet Centers. 4% of the Fund was used to sponsor and promote the PostNet brand with DECA and with other associations like the National Restaurant Association and the National Association of Realtors. 5% of the Fund was spent on creative services, public relations and online marketing like search engine optimization and search engine marketing. 9% of the Fund was used in local marketing efforts with specifically targeted regions.

Finally, 15% of the Fund was spent to offset PIFC's direct general and administrative costs in administering and developing the preparation of promotional and advertising materials and campaigns and the remaining 1% on miscellaneous projects and expenses. 0% of the Fund was spent on the solicitation of new Franchises.

We maintain all amounts paid to the Fund in an account separate from our other accounts, and will not use the advertising contribution to defray any of our expenses except for our reasonable costs and overhead that we incur in activities related to the administration of the Fund, including, costs of personnel for creating, implementing and managing advertising and marketing programs. If we do not use all of the amounts in the Fund in the year in which they accrue, they will be the first monies expended in the next year. We will not use the Fund contributions for advertising that is principally a solicitation for the sale of franchises, but we reserve the right to include a notation in any advertisement indicating "Franchises Available" or similar phrasing.

Local Advertising

You must spend at least $1,500 and up to a recommended amount of $3,000 on local advertising within eight (8) weeks after your PostNet Center is open for business. Beginning after the first month of operation of your PostNet Center, and for the duration of the Franchise Agreement, you must spend a minimum of either two percent (2%) of your total yearly Gross Sales based on the Gross Sales you generated in the previous twelve (12) months or no less than $6,000 per year, ("Individual Advertising Expense") for local marketing purposes. We reserve the right to require you to submit monthly reports to us reflecting your advertising expenditures. The Individual Advertising Expense must be used by you for local advertising. These funds are reserved only for marketing, promotions and advertising of your PostNet Center. (Franchise Agreement Section 9). If you fail to spend the entire Individual Advertising Expense in any given year, you will be required to pay the deficient amount of the Individual Advertising Expense to the Fund.

In addition to your other required advertising contributions and expenditures, you must obtain advertisements and listings in the white and yellow pages of the Bell (utility) telephone directory ("Directory") and equivalent online directories and search advertising linked to a website we approve ("Online Listings") serving the market in which your PostNet Center is located. In the event that more than one PostNet Center is located within the market served by the Directory or Online Listings, you will, if possible, join with the other PostNet Centers in the market (whether franchised or owned by us) to purchase a shared advertisement that includes all of the applicable PostNet Centers, and pay the pro rata share of the cost of such advertising. If two (2) PostNet Centers are involved, then the franchisees will mutually agree on the features of the advertisement(s); if more than two (2) PostNet Centers are involved, the features of the advertisement(s) will be determined by a majority of the applicable franchisees. In the event that the franchisees are unable to agree about the advertisement(s), then PIFC will make the final determination of the features of the advertisement(s) (Franchise Agreement Section 9). Other than this, you are not required to participate in a local or regional advertising cooperative.

You must actively and continuously engage in local advertising and promotional activities that are designed to increase business for the PostNet Center. We will specify in the Manual or otherwise in writing the types of activities needed, as well as the minimum monthly time commitment that must be made to local activities. These will include such activities as client development programs, community outreach and other local initiatives that will assist you in generating goodwill for the PostNet Center. As of the Issuance Date of this Franchise Disclosure Document, the minimum time commitment is eight (8) hours per week. We reserve the right to modify these requirements from time to time (Franchise Agreement Section 5).

All local advertising and promotion by you must be conducted in a dignified manner, and conform to the standards listed in the Manual or otherwise in writing. You may not use any advertising or promotional plans or materials, including any website on the Internet which you may wish to establish, or third party discount websites, until we have approved it, following the procedure described in the following paragraph, or unless it has been preapproved as stated in the Manual (Franchise Agreement Section 9).

You must order sales and marketing material from us or our designated suppliers. If you desire to use your own advertising materials, you must obtain our prior approval. We will review your request and we will respond in writing within seven days from the date we receive all requested information. Our failure to notify you in the specified time frame will be deemed an approval of your request. Use of logos, Marks and other name identification materials must follow our approved standards. If you use unauthorized advertising materials, including social media postings and Internet advertisements, you must pay a fee of $500 per occurrence to the Fund (Franchise Agreement Section 9).

Website

We provide all franchisees with a webpage on the www.postnet.com website which lists specific information regarding your PostNet Center, including an online print center, which can be upgraded for an additional cost. We provide a standard template that supports local content for all webpages to maintain uniformity of the PostNet brand. Additionally, to obtain this uniformity, we do not authorize PostNet franchisees to establish websites outside of the provided webpage on our main site. You may choose, however, to promote your business via alternate online strategies consistent with our policies and guidelines as contained in the Manual, which may be changed at our discretion. We have the right to review all online content on social media sites, blogs, in electronic communications, and on other online sites, which are related to your PostNet Center or contain our trademarks, in order to protect the reputation and high quality associated with our Proprietary Marks and brand. We may require you to remove any questionable usage or content involving our Proprietary Marks. We may also require you to cease using our Proprietary Marks at all such sites (Franchise Agreement Sections 9 and 11).

Advisory Council

We have established a PostNet National Franchisees Advisory Council ("PNFAC") which serves in an advisory capacity only with respect to a variety of issues, one of which is to advise on advertising and promotional activities. The PNFAC is governed by by-laws. The purpose of the PNFAC is to promote communications between us and all franchise owners. The PNFAC has nine (9) members. In each of the three (3) regions, one (1) member is elected by franchisees and one (1) is appointed by us. One (1) member for the PNFAC is chosen by us from the existing franchise owners in Canada. The remaining two (2) members are appointed by us. We have the power to form, change, or dissolve the PNFAC at any time.

Computer System

You must purchase or lease, and thereafter maintain and use, only such computer(s), hardware (including laptops), software (including point-of-sale software), firmware, web technologies or applications, required dedicated Internet access and power lines, modem(s), printer(s), and other related accessories or peripheral equipment, and methods of operation, as we specify in the Manual or otherwise in writing (collectively the "Computer System"). The Computer System will have the capacity to electronically exchange information, messages, and other data with other computers, by such means (including, but not limited to, the Internet), and using such protocols as we may reasonably prescribe in the Manual or otherwise in writing. You must keep your Computer System in good maintenance and repair and, at your expense, promptly make any and all additions, changes, modifications, substitutions, and/or replacements to your Computer System as we direct. You will pay any and all, annual or otherwise, software fees, or other fees, as required by our approved suppliers to maintain your Computer System. You acknowledge and agree that our suppliers have the right to increase or decrease the software fees at any time, in their sole discretion, upon written notice to you. You further acknowledge and agree that we reserve the right to change our approved suppliers, including any software suppliers, at any time and in our sole discretion. You may not alter your Computer System, or use alternative software or suppliers of technology, without our prior written approval. If you are in default of any obligations under the Franchise Agreement, we may, in addition to any other remedy we may have under this Agreement, temporarily inhibit your access to all or part of the Computer System, including point-of-sale software, until you have cured such default completely (Franchise Agreement Section 11).

The Computer System is included in the Center Development Package and consists of two (2) Dell Optiplex i5 tower computers, one (1) 15" LCD monitor with credit card scanner and our proprietary and designated software. We estimate the cost of purchasing the Computer System (as listed as the Point-of-Sale System, Rental Computer Station, and Network in Attachment B to the Franchise Agreement) will range from $10,400 to $16,000. This cost is included in the Center Development Fee you pay to us.

You will be responsible for the maintenance of the Computer System. You will be required to purchase a service contract from our approved supplier to cover upgrades and updates, enhancements, and telephone support and assistance using our approved supplier's 800 telephone number for the software. This obligation begins when the Computer System is installed in your Center. The current annual cost of this service contract ranges from $720 to $770. You are also required to purchase a QuickBooks Online Edition subscription under our umbrella QBOE account and thereafter maintain the subscription with current financial information (See Item 6 and Section 11 of the Franchise Agreement). The cost to upgrade the hardware and maintain or upgrade the software depends on the PostNet System's future needs, as well as technological developments, none of which we can predict at this time and are therefore subject to change. You may be required to upgrade your computer hardware approximately every two (2) to three (3) years due to improvements in the software, advances in technology, and memory requirements. There is no limitation on the frequency or cost of this obligation. Other than as specified in this paragraph, neither we nor any third party vendor have any ongoing obligation to provide ongoing maintenance, upgrades or updates to your Computer System. Computer systems in general are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date related problems and attacks by hackers and other unauthorized intruders ("E-Problems"). We have taken reasonable steps to prevent E-Problems from materially affecting you. We do not guarantee that information or communication systems that we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify that your suppliers, lenders, landlords, customers, and governmental agencies on which you rely, have reasonable protection from E-problems. This may include securing your systems (including firewalls, password protection, and anti-virus systems), and to provide backup systems.

We have the right to independently access your electronic information and data through our proprietary data management and intranet system and to collect and use your electronic information and data in any manner we promote developing the System and the sale of Franchises. This may include posting financial information of each franchisee on an intranet website. There is no contractual limitation on our right to receive or use information through our proprietary data management and intranet system.

PostNet Training Program

Training for Franchisees with New PostNet Centers

Before you open your PostNet Center, you and, if applicable, your designated manager must attend and complete, to our satisfaction, our classroom training program ("Classroom Training Program"), our initial on-site training program ("Initial Onsite Training Program") and follow up training program ("Follow-Up Training Visit") (Franchise Agreement Section 4).

Training for Transferees Purchasing an Existing PostNet Center

If you are purchasing an existing PostNet Center, you and, if applicable, your designated manager, must attend our Classroom Training Program either: (1) prior to the transfer date; or (2) the first Classroom Training Program immediately following the effective date of the Franchise Agreement. The Classroom Training Program will be held at our corporate headquarters in Denver, Colorado. PIFC will provide the trainers and training materials at no cost, but the transferee must pay for travel, lodging, meals, and related expenses. In the event that you and, if applicable, your designated manager, do not attend our Classroom Training Program prior to the transfer date, or the first Classroom Training Program immediately following the effective date of the Franchise Agreement, then you will be required to pay an additional royalty payment of three percent (3%) (for a total royalty of eight percent) of Gross Sales until such time that you complete the Classroom Training Program. Transferees also must complete the Initial Onsite Training Program that is provided to new franchisees. We will not charge a separate fee for our expenses related to the on-site portion of the initial training or travel costs (Franchise Agreement Section 4).

Training for Conversion Owners

A Conversion Owner must attend and complete to our satisfaction the Initial Onsite Training Program. The Initial Onsite Training Program will be customized for each Conversion Owner to reflect the Conversion Owner's prior business experience and will be shorter and less detailed than the program for new franchisees. Conversion Owners may also attend and complete the Classroom Training Program (Addendum for Conversion Owners Section 2). This training occurs as needed based on the number of PostNet Centers making a conversion.

Classroom Training Program Description

The Classroom Training Program will last for approximately twelve(12) calendar days (at our discretion) and is offered approximately five (5) times per year. Training will be held at our corporate headquarters in Denver, Colorado and will cover comprehensive PostNet Center operations and best practices. We will provide training instructors, instructional manuals, and other materials without charge. The instructional materials for the training include printed manuals, online manuals, and online interactive software. You will be responsible for all other expenses incurred during the training, such as travel, lodging and certain meals for you, your designated manager (if applicable) and/or any of your other attendees.

Initial Onsite Training Program Description

Your Initial Onsite Training Program will be held at your PostNet Center at approximately the time your PostNet Center opens or, if you are purchasing an existing PostNet Center, approximately one (1) to two (2) months following the transfer date. Tim James serves as our Training Manager and is responsible for overseeing all initial and ongoing training events and programs. He collaborates closely with PostNet's Education Committee on the creation and refinement of training initiatives. Mr. James is also our Director of Education and has been so since December 2011. He also served as Campaign Canvasser for Terra Strategies and as Crew Chief for Massachusetts Youth Soccer. Other trainers working under Mr. James will be PostNet certified trainers and the training will cover PostNet Center set up, daily operations, use and maintenance of equipment, service fulfillment, advertising, merchandising, and marketing. PostNet certified trainers must attend and successfully complete a one (1) to two (2) day annual training certification session that updates them on new information and curriculum. Initial Onsite Training will last for approximately eight (8) to twelve (12) calendar days, of which three (3) to five (5) days will be after the PostNet Center is open for business if you are not a transferee. We will provide the Initial Onsite Training Program and any materials associated with it at no charge to you. We may modify the Initial Onsite Training Program for franchisees who sign additional franchise agreements to reflect their prior experience and knowledge of our System. The modified initial training program will last approximately one (1) to three (3) calendar days, at our discretion. Certain approved suppliers also may provide instruction and hands-on training at your PostNet Center, prior to the Initial Onsite Training Program. The Initial Onsite Training Program occurs as needed, based on number of new and transfer stores. The time spent during any such vendor training is not reflected in the chart below. Finally, the Initial Onsite Training Program will require all attendees to utilize electronic learning opportunities to supplement the training received at PostNet Headquarters.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
PostNet Standards and Direction	3 – 5	0	PostNet Headquarters (currently Denver, Colorado)
Shipping, Packaging, and Additional Services	8 – 10	3-5	PostNet Headquarters (currently Denver, Colorado)
Printing and Finishing	10 – 16	4-6	PostNet Headquarters (currently Denver, Colorado)
Digital Services	3 – 5	0	PostNet Headquarters (currently Denver, Colorado)
Point-of-Sale and Customer Transactions	9 – 11	0	PostNet Headquarters (currently Denver, Colorado)
Financial Management	4 – 6	0	PostNet Headquarters (currently Denver, Colorado)
Marketing, Advertising and Sales	12 - 14	8 - 12	PostNet Headquarters (currently Denver, Colorado)
Human Resources and Leadership	2 – 4	0	PostNet Headquarters (currently Denver, Colorado)
Vendor Relations	2 – 4	0	PostNet Headquarters (currently Denver, Colorado)
General Operations	0	1	Your PostNet Center

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Point-Of-Sale Setup	1 - 2	1 - 2	Your PostNet Center
Point-Of-Sale Transactions	3 - 5	3 - 5	Your PostNet Center
Inventory Management	0	1	Your PostNet Center
Shipping – Domestic and International	3 - 5	5 - 7	Your PostNet Center
Packaging	2 - 4	2 - 3	Your PostNet Center
Business Management	0	3 - 5	Your PostNet Center
Design and Digital Services	0	3	Your PostNet Center
Printing and Finishing Services	0	11	Your PostNet Center
Additional Services	0	0.5	Your PostNet Center
Customer Accounts	0	1	Your PostNet Center
Mailboxes	0	2	Your PostNet Center
Marketing	0	4.5	Your PostNet Center
Financial Management	0	1	Your PostNet Center
PostNet System and Standards	0	0.5	Your PostNet Center
Training Wrap-up	0	0.5	Your PostNet Center
TOTAL TRAINING TIME	Approximately 60-80 hours	Approximately 50 hours	

Follow-Up Training Visit Description

The Follow-Up Training Visit will occur approximately 60 days after your PostNet Center's opening* and will be conducted by a PostNet certified trainer who may be one of our Area Franchisees. The trainer will work with you for two (2) to three (3) days (at our discretion) to follow up on questions or needs identified since the conclusion of the Initial Onsite Program, and also to provide advanced training on PostNet Center operations, financial management, marketing techniques, and advertising and promotion. We will provide the trainer and all materials without charge. The Follow-Up Training Visit occurs as needed, based on the number of new PostNet Centers. The instructional materials for the Follow-Up Training Visit include printed materials and on-line manuals.

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*There will be no Follow-Up Training Visit for Conversion Owners, transferees, or existing franchisees that open additional PostNet Centers.

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Point of Sale and Transactions	0	2-3	Your PostNet Center
Shipping and Packaging	0	1-2	Your PostNet Center
Printing, Finishing, and Digital Services	0	4-6	Your PostNet Center
Marketing	0	3-4	Your PostNet Center
Business Management	0	1-2	Your PostNet Center
Financial Management	0	2	Your PostNet Center
Consultation and Follow-Up	0	2-4	Your PostNet Center
TOTAL HOURS OF FOLLOW-UP TRAINING	Approximately 0 Hours	Approximately 15-23 Hours	

Additional and Ongoing Training

We may, from time to time, require that you (including, if applicable, your designated manager, staff, and employees) attend additional training programs that we designate at the times and places that we designate ("Additional Training"). The Additional Training will be at our corporate headquarters, your PostNet Center or at any other location that we designate. We estimate the additional training to be no more than three (3) to five (5) days per year. The Additional Training may encompass operational issues, new products or services, or compliance issues. Attendance at Additional Training will be at your sole expense, including expenses to cover travel, living expenses, and wages in connection with attending Additional Training (Franchise Agreement Section 4).

The managing owner, designated manager (if applicable) and other employees of Franchisee that have signed a confidentiality and noncompetition agreement may attend our Thrive annual national convention of franchisees. All franchisees must send one (1) representative from their PostNet Center to Thrive unless we have approved otherwise in our discretion. The location for the convention is in a major

U.S. city and may change each year. Last year, Thrive 2013 was held in Denver, Colorado. This year, Thrive 2014 will be in Las Vegas, Nevada. Next year, Thrive 2015 will be held in Denver, Colorado. You must attend Thrive and your failure to attend two (2) or more Thrives may result in a default of the Franchise Agreement. You are responsible for all travel, living expenses, wages and other costs in connection with attendance at Thrive. You must also attend, at your sole expense, such additional meetings, seminars, workshops and regional meetings as we may reasonably require from time to time and at any time (Franchise Agreement Section 5). We do not charge a tuition fee for these additional trainings.

ITEM 12
TERRITORY

The Franchise Agreement designates the Approved Location for the PostNet Center. If no Approved Location exists at the time you sign the Franchise Agreement as is typically the case, we will describe the Approved Location in an amendment to the Franchise Agreement after you select and we approve the Approved Location. You may not relocate the PostNet Center without our prior written approval. Our approval will, among other things, be based on where your PostNet Center will be located, whether or not such relocation will infringe upon the rights of other franchisees, and the time it will take to relocate your PostNet Center.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels or distribution or competitive brands that we control. We grant you a protected territory for your PostNet Center. During the term of the Franchise Agreement, neither we will establish or operate, or franchise any entity to establish or operate, a business using the Proprietary Marks and System at any location within the area described in the Franchise Agreement ("Protected Territory"). The size of the Protected Territory will likely differ among franchisees, and will be determined by the demographics and attributes of the area in which the PostNet Center is situated. As a general rule, the area will be approximately one-quarter (1/4) mile to one-half (1/2) mile from your Approved Location for an urban area, approximately one (1) mile from your Approved Location for a suburban area, and approximately one and one-half (1-1/2) miles from your Approved Location for a rural area. For purposes of determining your Protected Territory, urban area means a densely populated area, such as a major metropolitan area. Suburban area means an outlying area associated with a major metropolitan area. Rural area means an area with a low population density. Once we establish your Protected Territory we will not change or modify it without your consent.

You do not receive the right to acquire additional PostNet Centers within the Protected Territory. You are not given a right of first refusal on the sale of existing PostNet Centers. You are, however, given the right to sign additional franchise agreements and your additional PostNet Center may be in your Protected Territory subject to our approval. You are not prohibited from soliciting or accepting orders from consumers outside of your Protected Territory. You may not use any other channel of distribution, other than a retail storefront or those websites that have been specifically approved by us as reflected in the Manual, to make sales outside of your Protected Territory. Other than as stated above, the franchise is non-exclusive, and we retain the right, for ourselves and our affiliates, on any terms we deem advisable, and without granting you any rights:

1. to own, franchise, or operate PostNet Centers at any location outside of the Protected Territory regardless of the proximity to your Approved Location or their impact on your existing or potential customers;

2. to use the Proprietary Marks and the System to sell any products, similar to those which you will sell and which bear the Proprietary Marks, through any channels of distribution within or outside

of the Protected Territory, regardless of their proximity to the Approved Location or their impact on your existing or potential customers. This includes, but is not limited to, small format centers located within other retail locations such as grocery stores, regional malls, airports, college campuses, special events, and military bases; and other channels of distribution such as television, direct mail, mail order, catalog sales, telemarketing, or over the Internet. We exclusively reserve the Internet, including computerized or remote entry ordering systems, as a channel of distribution for us, and you may not independently market on the Internet or conduct e-commerce unless you have received our prior written permission or unless such activities are expressly authorized by the Manual;

3. to use and license the use of other proprietary and non-proprietary marks or methods which are not the same as or confusingly similar to the Proprietary Marks, whether in alternative channels of distribution or in the operation of a retail store, at any location, including within the Protected Territory, which may be similar to or different from the PostNet Center operated by you;

4. to purchase or be purchased by, or merge or combine with, any business, including a business that competes directly with your PostNet Center, wherever located; and

5. to implement multi-area marketing programs which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs.

Continuation of the Protected Territory is not dependent upon your achievement of a certain sales volume, market penetration, or other contingency. We do not pay compensation for soliciting or accepting orders inside your Protected Territory. As of the Issuance Date of this Franchise Disclosure Document we do not currently sell anything directly to customers.

ITEM 13
TRADEMARKS

The Franchise Agreement grants you the non-exclusive right and license to use the System, which includes the use of the Proprietary Marks. Your use of the Proprietary Marks is limited solely to the operation of the PostNet Center at the Approved Location and only in accordance with the System.

We own the following service mark registrations on the principal register of the United States Patent and Trademark Office:

Mark	Application/ Registration Number	Application/ Registration Date	Status/Register
POSTNET	1,801,313	October 26, 1993	Registered on the Principal Register.
POSTNET® CREATE • DUPLICATE • DELIVER	3,208,053	February 13, 2007	Registered on the Principal Register.
CREATIVE CAFE	4,080,995	January 3, 2012	Registered on the Principle Register.

No agreement significantly limits our right to use or license the Proprietary Marks in any manner material to the PostNet Business. You must follow our rules when using the Proprietary Marks. You cannot use our name or mark as part of a corporate name or with modifying words, designs, or symbols unless you receive our prior written consent. You may not use the PostNet name relating to the sale of any product or service that is not previously authorized by us in writing. You must indicate to the public in any contract, advertisement and with a conspicuous sign in your Approved Location that you are an independently owned and operated licensed franchisee of PIFC.

If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or discontinue using any Proprietary Mark and/or use one (1) or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We will not reimburse you for your direct expenses of changing signage, for any loss of revenue or other indirect expenses due to any modified or discontinued Proprietary Mark(s), or for your expenses of promoting a modified or substituted trademark or service mark.

You must notify us immediately when you learn about an infringing or challenging use of the Proprietary Marks. If you are in compliance with the Franchise Agreement, we will defend you against any claim brought against you by a third party alleging your use of the Proprietary Marks in accordance with the Franchise Agreement allegedly infringes upon that party's intellectual property rights. We may require your assistance, but you are not permitted to control any proceeding or litigation relating to our Proprietary Marks. We have no obligation to pursue any infringing users of our Proprietary Marks. If we learn of an infringing user, we will take the action appropriate, but we are not required to take any action if we do not feel it is warranted. We shall control all actions but not be obligated to take any action. You must not directly or indirectly contest our right to the Proprietary Marks. We may acquire, develop and use additional proprietary marks not listed here, and may make those proprietary marks available for your use and for use by other PostNet Businesses.

All required affidavits have been filed. There are no currently effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court; no pending infringements, oppositions or cancellations; and no pending material litigation involving any of the Proprietary Marks. We do not know of any infringing uses that could materially affect your use of the Proprietary Marks.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

The information in the Manual is proprietary and is protected by copyright and other laws. The designs contained in the Propriety Marks, the layout of our advertising materials, the content and format of our products, and any other writings and recordings in print or electronic form are also protected by copyright and other laws. Although we have not applied for copyright registration for the Manual, our advertising materials, the content and format of our products, or any other writings and recordings, we claim common law and federal copyrights in these items. We grant you the right to use this proprietary and copyrighted information ("Copyrighted Works") for your operation of your PostNet, but such copyrights remain our sole property.

There are no effective determinations of the United States Copyright Office or any court regarding any Copyrighted Works of ours, nor are any proceedings pending, nor are there any effective agreements between us and third parties pertaining to the Copyrighted Works that will or may significantly limit using our Copyrighted Works.

Our Manual, electronic information and communications, sales and promotional materials, the development and use of our System, standards, specifications, policies, procedures, information, concepts and systems on, knowledge of, and experience in the development, operation and franchising of PostNet Centers, our training materials and techniques, information concerning product and service sales, operating results, financial performance and other financial data of PostNet Centers, and other related materials are proprietary and confidential ("Confidential Information") and are our property to be used by you only as described in the Franchise Agreement and the Manual. Where appropriate, certain information has also been identified as trade secrets ("Trade Secrets"). You must maintain the confidentiality of our Confidential Information and Trade Secrets and adopt reasonable procedures to prevent unauthorized disclosure of our Trade Secrets and Confidential Information.

We will disclose parts of the Confidential Information and Trade Secrets to you as we deem necessary or advisable for you to develop your PostNet Center during training and in guidance and assistance furnished to you under the Franchise Agreement and you may learn or obtain from us additional Confidential Information and Trade Secrets during the term of the Franchise Agreement. The Confidential Information and Trade Secrets are valuable assets of ours and are disclosed to you on the condition that you, and your owners if you are a business entity, and employees agree to maintain the information in confidence by entering into a confidentiality agreement we can enforce. Nothing in the Franchise Agreement will be construed to prohibit you from using the Confidential Information or Trade Secrets in the operation of other PostNet Centers during the term of the Franchise Agreement.

You must notify us within three (3) days after you learn about another's use of language, a visual image, or a recording of any kind, that you perceive to be identical or substantially similar to one of our Copyrighted Works or use of our Confidential Information or Trade Secrets, or if someone challenges your use of our Copyrighted Works, Confidential Information or Trade Secrets. We will take whatever action we deem appropriate, in our sole and absolute discretion, to protect our rights in and to the Copyrighted Works, Confidential Information or Trade Secrets, which may include payment of reasonable costs associated with the action. However, the Franchise Agreement does not require us to take affirmative action in response to any apparent infringement of or challenge to your use of any Copyrighted Works, Confidential Information or Trade Secrets or claim by any person of any rights in any Copyrighted Works, Confidential Information or Trade Secrets. You must not directly or indirectly contest our rights to our Copyrighted Works, Confidential Information or Trade Secrets. You may not communicate with anyone except us, our counsel or our designees regarding any infringement, challenge or claim. We will may take action as we deem appropriate regarding any infringement, challenge or claim, and the sole right to control exclusively any litigation or other proceeding arising out of any infringement, challenge or claim under any Copyrighted Works, Confidential Information or Trade Secrets. You must sign any and all instruments and documents, give the assistance, and do acts and things that may, in the opinion of our counsel, be necessary to protect and maintain our interests in any litigation or proceeding or to protect and maintain our interests in the Copyrighted Works, Confidential Information or Trade Secrets.

No patents or patents pending are material to us at this time.

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

Each PostNet Center is required to have a "Designated Manager," a position normally filled by you, if you are an individual, or one of your owners, if you are a legal entity. The Designated Manager must: (i) work an average of at least forty hours per week excluding holidays, sick days and up to two (2) weeks for vacation, to supervise the day-to-day operations of your PostNet Center and continuously exert their best efforts to promote and enhance your PostNet Center; (ii) possess the ability to operate your PostNet Center professionally and in compliance with the System; (iii) interface with us as needed and be available to communicate with us during normal business hours; and (iv) be authorized by you and possess the ability to cure any default of the Franchise Agreement on your behalf, including the payment of overdue amounts. You will not hire or replace any Designated Manager without our prior written approval of the potential replacement's qualifications. Each Designated Manager and successor Designated Manager must attend and complete our Classroom Training Program. The Designated Manager and other employees you may designate must also attend and satisfactorily complete refresher training courses at our reasonable request. We do not require that the Designated Manager have an equity interest in your PostNet Center, but he or she cannot have any interest in or business relationship with any business competitor of your PostNet Center.

Any Designated Manager and, if you are an entity, an officer that does not own equity in the entity, must sign a Noncompetition, Nondisclosure and Nonsolicitation Agreement, the form of which is attached to this Franchise Disclosure Document in Exhibit H. All of your employees and other agents or representatives who may have access to our confidential information must sign a Confidentiality Agreement (unless they already signed a Noncompetition Agreement), the current form of which is attached to the Franchise Disclosure Document in Exhibit H. If you are an entity, each owner (each person holding an ownership interest in you) must sign a personal guaranty, the form of which is attached to the Franchise Agreement as Attachment "C". We require that the spouses of the franchise owners sign Noncompetition Agreements and a personal guaranty.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only products and services that we have expressly approved for sale in the Manual or otherwise in writing. You must discontinue selling and offering for sale any products or services that we disapprove in writing at any time. You must not offer any unapproved products or services. You have the ability to set your own prices for products or services sold at your PostNet Center.

Except as described in the preceding paragraph, you are not restricted by the Franchise Agreement or any of our practices or customs regarding the products or services you offer for sale or to whom you may sell. You must comply with all reasonable requirements if we supplement, improve, or modify the System, including offering and selling new or different services and products that we specify. We have the right to change the types of authorized goods and services, and there are no limits on our right to make changes.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists 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 2	15 years.

Provision	Section in Franchise Agreement	Summary
b. Renewal or extension of the term	Section 2	If you are in good standing and you meet other requirements, you may add one successor renewal term of 15 years.
c. Requirements for Franchisee to renew or extend	Section 2	Renewal means the right to sign a successor franchise agreement. Give timely written notice; make repairs/renovations as needed; not be in default; be current in debt obligations; execute our then-current franchise agreement (the successor franchise agreement), which may have materially different terms and conditions than your original Franchise Agreement; at our option, execute with us a mutual general release of claims; pay renewal fee of 25% of then- current Initial Franchise Fee.
d. Termination by Franchisee	None	You may terminate the Franchise Agreement if you are in compliance with it and we are in material breach and we fail to cure that breach within 30 days of receiving written notice.
e. Termination by franchisor without cause	None	We cannot terminate this agreement without cause.
f. Termination by franchisor with cause	Section 13	We may terminate the Franchise Agreement for cause. In certain cases you will be given time to cure the default constituting cause; in other cases we may terminate the Franchise Agreement immediately without giving you an opportunity to cure.
g. "Cause" defined – curable defaults	Section 13	All defaults not specified in Sections 13.1 and 13.2; curable within 30 days of written notice from us.
h. "Cause" defined – non-curable defaults	Section 13	Bankruptcy; failure to open PostNet Center; abandonment of PostNet Center; certain breaches of the Franchise Agreement; failure to attend the national franchise convention; material misrepresentations; repeated defaults after cure; trademark misuse; unapproved transfers; nonpayment of fees and debts; failure to execute covenants; nonrenewal of lease; commission of a crime, offense or other morally offensive conduct; false books and records; no insurance; 5% understatement of payments or two (2) understatements in two (2) years, unless we determine otherwise; and others. Termination upon bankruptcy may not be enforceable under federal bankruptcy law 11 U.S.C. Section 101 *et seq*.

Provision	Section in Franchise Agreement	Summary
i. Franchisee's obligations on termination/nonrenewal	Section 14	Cease operation of PostNet Center and use of Proprietary Marks, trade dress, and Manual; de-identification of PostNet Center, payment of amounts due, return Manual, covenant not to compete and other covenants described in Section 14; and others.
j. Assignment of contract by franchisor	Section 12	We may change our ownership or form and/or assign the Franchise Agreement and any other agreement without restriction.
k. "Transfer" by Franchisee – definition	Section 12	Includes transfer of your rights under Franchise Agreement, transfers that change your ownership, and transfers of PostNet Center assets.
l. Franchisor approval of transfer by Franchisee	Section 12	We have the right to approve all transfers and will not unreasonably withhold consent if you satisfy our requirements.
m. Conditions for franchisor approval of transfer	Section 12	You are not in default under agreements with us; all monetary obligations are satisfied; at our option, execute a release of claims; transferee signs our then-current form of franchise agreement; transferee satisfies our conditions for franchisee; transferee completes in person evaluation, training and upgrades PostNet Center; payment of transfer fee and any other applicable fees related to the transfer.
n. Franchisor's right of first refusal to acquire Franchisee's business	Sections 12	We have the right only in the context of an assignment under the United States Bankruptcy Code.
o. Franchisor's option to purchase Franchisee's business	Section 14	We have the option upon termination of the Franchise Agreement.
p. Death or disability of Franchisee	Section 12	Your interest must be transferred within six (6) months to a third party approved by us. If your heir or beneficiary cannot satisfy our conditions, your executor or administrator has a reasonable time to transfer.
q. Non-competition covenants during the term of the franchise	Section 15	Prohibition against owning, operating, advising, working in, being associated with, and making loans to a business that provides similar products and services. Certain individuals also must sign the Non-Competition Agreement or Confidentiality Agreement (Exhibit H to the Franchise Disclosure Document).

Provision	Section in Franchise Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Section 15	Prohibition on diverting any business to a competitor or being associated with any similar business and prohibition, for one (1) year, on engaging in similar business at the Approved Location, within ten (10) miles of the Approved Location, or any other location at which a PostNet Center is open or under construction at the time you sign the Franchise Agreement. Exception if you are less than a five percent (5%) owner of certain companies registered with the Securities and Exchange Commission. Certain individuals also must sign the Confidentiality and Non-Competition Agreement (Exhibit H to the Franchise Disclosure Document) at the time you sign the Franchise Agreement, which contains similar restrictions.
s. Modification of the agreement	Section 20	Requires writing signed by both parties (except for unilateral changes to Manual or unilateral reduction of scope of restrictive covenants by us). Other modifications primarily to comply with various states laws.
t. Integration/merger clause	Section 20	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 22	Except as provided in Section 22.4, you must arbitrate all disputes arising out of or related to the Franchise Agreement. Except as provided in Section 22.2, before arbitration may begin, you must first mediate all disputes arising out of or related to the Franchise Agreement.
v. Choice of forum	Section 22	Where we have our principal place of business at the time when the mediation, arbitration or litigation commences (subject to state law). As of the date of this Franchise Disclosure Document, our principal place of business is Denver, Colorado.
w. Choice of law	Section 22	Colorado law applies (subject to state law). The Colorado Consumer Protection Act does not apply.

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote PostNet Businesses.

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 information that differs from that included in Item 19 may only 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 performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Brian Spindel at 1819 Wazee Street, Denver, CO 80202, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years 2011 to 2013

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2011	709	683	-26
	2012	683	686	+3
	2013	686	691	+5
Company-Owned	2011	0	0	0
	2012	0	0	0
	2013	0	0	0
Total Outlets	2011	709	683	-26
	2012	683	686	+3
	2013	686	691	+5

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2011 to 2013

State	Year	Number of Transfers
Arizona	2011	3
	2012	1
	2013	2
Arkansas	2011	1
	2012	0
	2013	0
California	2011	3
	2012	0
	2013	2
Colorado	2011	1
	2012	0
	2013	0
Florida	2011	1
	2012	0
	2013	0
Georgia	2011	0
	2012	1
	2013	1
Indiana	2011	1
	2012	0
	2013	0
Minnesota	2011	0
	2012	0
	2013	1
Missouri	2011	0
	2012	0
	2013	1

State	Year	Number of Transfers
Montana	2011	0
	2012	0
	2013	1
Nevada	2011	0
	2012	2
	2013	0
New Jersey	2011	1
	2012	1
	2013	0
North Carolina	2011	3
	2012	0
	2013	1
Oregon	2011	0
	2012	0
	2013	1
South Carolina	2011	1
	2012	0
	2013	0
Texas	2011	2
	2012	3
	2013	3
Utah	2011	1
	2012	1
	2013	1
Virginia	2011	0
	2012	0
	2013	2
Washington	2011	1
	2012	0
	2013	0

State	Year	Number of Transfers
Domestic Totals	2011	19
	2012	10
	2013	16
Guam, Puerto Rico, Cayman Islands, Virgin Islands	2011	1
	2012	0
	2013	0
Totals	2011	20
	2012	10
	2013	16

Table No. 3
Status of Franchised Outlets
For Years 2011 to 2013

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions: Other Reasons	Outlets at End of the Year
Alabama	2011	4	0	0	0	0	1	3
	2012	3	0	0	0	0	0	3
	2013	3	0	0	0	0	0	3
Arizona	2011	30	1	0	0	0	5	26
	2012	26	0	0	0	0	2	24
	2013	24	0	0	0	0	0	24
Arkansas	2011	5	0	0	0	0	0	5
	2012	5	0	0	0	0	0	5
	2013	5	0	0	0	0	0	5
California	2011	35	0	0	0	0	4	31
	2012	31	0	1	0	0	2	28
	2013	28	0	0	0	0	2	26
Colorado	2011	14	0	0	0	0	1	13
	2012	13	0	0	0	0	2	11
	2013	11	0	0	0	0	1	10

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions: Other Reasons	Outlets at End of the Year
Delaware	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	0	2
	2013	2	0	0	0	0	0	2
Florida	2011	20	0	0	0	0	1	19
	2012	19	0	0	0	0	3	16
	2013	16	0	0	0	0	3	13
Georgia	2011	7	0	0	0	0	0	7
	2012	7	0	0	0	0	2	5
	2013	5	0	0	0	0	1	4
Idaho	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
Illinois	2011	6	0	0	0	0	0	6
	2012	6	0	0	0	0	1	5
	2013	5	1	0	0	0	0	6
Indiana	2011	6	0	0	0	0	2	4
	2012	4	0	0	0	0	1	3
	2013	3	0	0	0	0	0	3
Iowa	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	0	2
	2013	2	0	0	0	0	0	2
Kansas	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	0	2
	2013	2	0	0	0	0	0	2
Kentucky	2011	1	0	0	0	0	0	1
	2012	1	2	0	0	0	0	3
	2013	3	1	0	0	0	1	3
Louisiana	2011	2	0	0	0	0	0	2

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions: Other Reasons	Outlets at End of the Year
	2012	2	0	0	0	0	1	1
	2013	1	0	0	0	0	0	1
Maryland	2011	3	0	0	0	0	0	3
	2012	3	1	0	0	0	0	4
	2013	4	0	0	0	0	0	4
Michigan	2011	4	0	0	0	0	0	4
	2012	4	0	0	0	0	0	4
	2013	4	0	0	0	0	0	4
Minnesota	2011	7	0	0	0	0	0	7
	2012	7	0	0	0	0	1	6
	2013	6	0	0	0	0	0	6
Missouri	2011	4	0	0	0	0	0	4
	2012	4	0	0	0	0	0	4
	2013	4	0	0	0	0	0	4
Montana	2011	3	0	0	0	0	0	3
	2012	3	0	0	0	0	0	3
	2013	3	0	0	0	0	0	3
Nevada	2011	29	0	1	0	0	5	23
	2012	23	0	0	0	0	5	18
	2013	18	0	0	0	0	1	17
New Jersey	2011	8	2	0	0	0	0	10
	2012	10	0	0	0	0	0	10
	2013	10	0	0	0	0	1	9
New Mexico	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
New York	2011	6	0	0	0	0	0	6
	2012	6	0	0	0	0	1	5

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions: Other Reasons	Outlets at End of the Year
	2013	5	1	0	0	0	0	6
North Carolina	2011	16	2	1	0	0	0	17
	2012	17	0	0	0	0	1	16
	2013	16	0	0	0	0	1	15
Ohio	2011	8	0	0	0	0	0	8
	2012	8	0	0	0	0	0	8
	2013	8	0	0	0	0	1	7
Oklahoma	2011	4	0	0	0	0	0	4
	2012	4	0	0	0	0	1	3
	2013	3	1	0	0	0	0	4
Oregon	2011	4	0	0	0	0	0	4
	2012	4	0	0	0	0	2	2
	2013	2	0	0	0	0	0	2
Pennsylvania	2011	2	1	0	0	0	0	3
	2012	3	0	0	0	0	1	2
	2013	2	0	0	0	0	0	2
South Carolina	2011	4	0	0	0	0	0	4
	2012	4	0	0	0	0	1	3
	2013	3	0	0	0	0	0	3
South Dakota	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	1	0
	2013	0	0	0	0	0	0	0
Tennessee	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	0	2
	2013	2	0	0	0	0	0	2

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions: Other Reasons	Outlets at End of the Year
Texas	2011	47	1	0	0	0	3	45
	2012	45	1	0	0	0	5	41
	2013	41	0	0	0	0	2	39
Utah	2011	5	0	0	0	0	0	5
	2012	5	0	0	0	0	0	5
	2013	5	0	0	0	0	0	5
Virginia	2011	11	0	0	0	0	1	10
	2012	10	1	1	0	0	0	10
	2013	10	0	0	0	0	0	10
Washington	2011	12	0	0	0	0	1*	11
	2012	11	0	0	0	0	0	11
	2013	11	0	0	0	0	0	11
West Virginia	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	0	2
	2013	2	0	0	0	0	0	2
Wisconsin	2011	4	0	0	0	0	1	3
	2012	3	0	0	0	0	0	3
	2013	3	0	0	0	0	0	3
Domestic Totals	2011	324	7	2	0	0	25	304
	2012	304	5	2	0	0	33	274
	2013	274	4	0	0	0	14	264
Guam, Puerto Rico, Cayman Islands, Virgin Islands	2011	5	0	2	0	0	0	3
	2012	3	0	0	0	0	0	3
	2013	3	0	0	0	0	0	3
International	2011	380						376
	2012	376						409
	2013	409						427

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions: Other Reasons	Outlets at End of the Year
Total Franchises	2011	709						683
	2012	683						686
	2013	686						691

Table No. 4
Status of Company-Owned Outlets
For Years 2011 to 2013

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
TOTAL	2011	0	0	0	0	0	0
	2012	0	0	0	0	0	0
	2013	0	0	0	0	0	0

Table No. 5
Projected Openings as of
December 31, 2013 for 2014

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	0	0
Alaska	0	0	0
Arizona	0	1	0
Arkansas	1	0	0
California	0	0	0
Colorado	0	1	0
Connecticut	0	0	0
Delaware	0	0	0
Florida	1	1	0
Georgia	0	1	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Hawaii	0	0	0
Idaho	0	0	0
Illinois	1	1	0
Indiana	0	1	0
Iowa	0	0	0
Kansas	0	0	0
Kentucky	0	0	0
Louisiana	0	0	0
Maine	0	0	0
Maryland	1	1	0
Massachusetts	1	1	0
Michigan	0	0	0
Minnesota	1	1	0
Mississippi	0	0	0
Missouri	0	0	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	0	1	0
New Hampshire	0	0	0
New Jersey	0	1	0
New Mexico	0	0	0
New York	0	2	0
North Carolina	0	1	0
North Dakota	0	0	0
Ohio	0	0	0
Oklahoma	0	0	0
Oregon	0	0	0
Pennsylvania	1	1	0
Rhode Island	0	0	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
South Carolina	0	0	0
South Dakota	0	0	0
Tennessee	2	0	0
Texas	2	2	0
Utah	0	0	0
Vermont	0	0	0
Virginia	0	0	0
Washington	0	1	0
West Virginia	0	0	0
Wisconsin	0	0	0
Wyoming	0	0	0
Total	11	18	0

The names, addresses and telephone numbers of our current Franchisees and Area Franchisees, including those that have signed agreements with us but have not opened their PostNet Center as of December 31, 2013 are attached to this Franchise Disclosure Document as Exhibit B. The name and last known address and telephone number of every Franchisee and Area Franchisee who had a PostNet Center terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement or Area Franchise Agreement during the one (1) year period ending December 31, 2013, or who has not communicated with us within ten (10) weeks of the Issuance Date of this Franchise Disclosure Document is listed in Exhibit B. Within the last three (3) fiscal years, current and former franchisees have signed confidentiality clauses restricting their ability to speak openly about their experiences with PIFC. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experiences with PIFC. You may wish to speak with current and former franchisees, but know that not all such franchisees can communicate with you. If you buy a PostNet franchise, your contact information may be disclosed to other buyers when you leave the franchise System.

In July 1994, we formed the **PNFAC**. The contact information for the PNFAC is pnfac@postnet.com. No other franchise organizations sponsored or endorsed by us and no independent franchisee organizations have asked to be included in the Disclosure Document.

ITEM 21
FINANCIAL STATEMENTS

Exhibit C contains our audited financial statements for the years ended December 31, 2013, and December 31, 2012 and December 31, 2011. Our fiscal year end is December 31.

ITEM 22
CONTRACTS

The following exhibits contain proposed agreements regarding the Franchise:

Exhibit A	Franchise Agreement (which includes a Personal Guaranty)
Exhibit F	State Addenda and Agreement Riders
Exhibit H	Contracts for use with the PostNet Franchise

ITEM 23
RECEIPT

The last pages of this Franchise Disclosure Document, Exhibit I are a detachable document, in duplicate. Make sure that you indicate the franchise seller(s) with whom you had substantive discussions about this franchise. Please keep the second copy for your records.

EXHIBIT A
TO FRANCHISE
DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

POSTNET INTERNATIONAL FRANCHISE CORPORATION

FRANCHISE AGREEMENT

POSTNET INTERNATIONAL FRANCHISE CORPORATION
FRANCHISE AGREEMENT

TABLE OF CONTENTS

Page

POSTNET INTERNATIONAL FRANCHISE CORPORATION
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "**Franchise Agreement**") is made and entered into by and between PostNet International Franchise Corporation, ("**we**", "**us**", "**our**" or "**Franchisor**"), and the "**Franchise Owner**" identified in the signature block of this Franchise Agreement ("**you**", "**your**" or "**Franchisee**") effective as of the "Effective Date" identified in Attachment A of this Franchise Agreement.

RECITALS

A. We, as a result of the expenditure of time, skill, effort, and money, have developed and own a unique and distinctive business model relating to the establishment and operation of neighborhood business centers that provide a broad array of printing and document services, graphic design, web and marketing services, shipping, packaging and mailing services, and other related business services ("**Franchised Business**").

B. We and our affiliates use, promote, and license certain trademarks, service marks, and other commercial symbols for the operation of the Franchised Business, and we may create, use, and license other trademarks, service marks, and commercial symbols for the same use (collectively, the "**Proprietary Marks**").

C. The Franchised Business operates using the business formats, methods, procedures, fixtures, assets, signs, equipment designs, standards, specifications, business tools, and Proprietary Marks we designate (the "**System**").

D. We permit certain individuals and/or entities to establish business centers for the purpose of implementing the Franchised Business under the System ("**PostNet Center(s)**" or "**Center(s)"**).

E. As a franchise owner of a PostNet Center, you must comply with this Franchise Agreement in order to maintain the high and consistent quality that is critical to attracting and keeping clients of a PostNet Center and preserving the goodwill of the Proprietary Marks.

NOW, THEREFORE, the parties agree as follows:

1. GRANT

1.1 We grant you the right, and you accept the obligation, to own and operate a PostNet Center in accordance with this Franchise Agreement and the System.

1.2 Your Center will be located at the approved location ("**Approved Location**") in Attachment A. If a particular site has not been selected and approved at the time this Franchise Agreement is signed, Attachment A will describe the Approved Location in general terms. In that case, after you have an Approved Location, we will unilaterally modify Attachment A and the Approved Location will replace the general description as if originally set forth in

Attachment A. The Approved Location does not extend beyond your Center's tenant space/suite number and does not encompass any neighboring buildings, common areas, public spaces or parking lots. You must not relocate your Center without our prior written approval.

1.3 During the term of this Franchise Agreement, except as permitted by Section 1.4, we (including our affiliates) will not establish, or franchise any entity to establish, a PostNet Center within the geographic area described in Attachment A ("**Protected Territory**").

1.4 You expressly acknowledge and agree that, except as provided in Section 1.3, the franchise is non-exclusive. We retain the right, for ourselves, and/or through any affiliate, in any manner and on any terms and conditions we deem advisable, and without granting you any rights therein:

(a) to own, acquire, establish, and/or operate, and license others to establish and operate, PostNet Centers outside the Protected Territory regardless of their proximity to the Approved Location or their impact on your Center;

(b) to use the Proprietary Marks and the System to sell any products, similar to those which you will sell and which bear the Proprietary Marks, through any channels of distribution within or outside of the Protected Territory, regardless of their proximity to the Approved Location or their impact on your existing or potential customers. This includes, but is not limited to, retail locations such as grocery stores, regional malls, airports, college campuses, special events, and military bases; and other channels of distribution such as television, direct mail, mail order, catalog sales, telemarketing, or over the Internet. We exclusively reserve the Internet, including computerized or remote entry ordering systems, as a channel of distribution for us, and you may not independently market on the Internet or conduct e-commerce unless you have received our prior written permission or unless such activities are expressly authorized by the Manual (as the term "**Manual**" is defined in Section 4.2);

(c) to use and license the use of other proprietary and non-proprietary marks not confusingly similar to the Proprietary Marks, whether in alternative channels of distribution or in the operation of a retail store, at any location, including within the Protected Territory, related to the operation of a business which may be the same as, similar to, or different from the business operated at your Center;

(d) to purchase or be purchased by, or merge or combine with, any business, including a business that competes directly with your Center, wherever located; and

(e) to implement multi-area marketing programs that allow us, or others, to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs.

1.5 You have the option to sign additional franchise agreements during the term of this Franchise Agreement under the following terms and conditions:

1.5.1 You must not be in default of any provision of this Franchise Agreement, or any other agreement between you and us (including any agreement between you and our affiliates), or of any standards in the Manual, and you must have complied with all such agreements and the Manual since the Effective Date;

1.5.2 You must be current with respect to your obligations to your lessor, suppliers, and any others with whom you do business;

1.5.3 You must execute our then-current form of franchise agreement, the terms of which may materially differ from the terms of this Franchise Agreement, except that (i) the initial franchise fee payable for any additional franchise agreement will be fifty percent (50%) less than the initial franchise fee required under the then-current form of franchise agreement and a renewal addendum reflecting that the franchise agreement is being entered into for an existing Center; and (ii) the initial training program we provide under each additional franchise agreement will comprise a minimum of one (1) and a maximum of three (3) calendar days, at our discretion;

1.5.4 We must approve the location for your Center and our approval may depend upon whether the location will infringe upon the rights of another franchisee, a developer, or any other party with whom we have an agreement; and

1.5.5 If you open any PostNet Center under this Section 1.5 and transfer that PostNet Center (as described in Section 12.2) within one (1) year following its opening, then, in such event, you must pay us at the time of the transfer, in addition to any other transfer fees required under Section 12, the difference between the reduced initial franchise fee you paid for the PostNet Center and the initial franchise fee required under our then-current form of franchise agreement.

2. <u>TERM AND RENEWAL</u>

2.1 The term of this Franchise Agreement begins on the Effective Date and expires fifteen (15) years after the Effective Date, unless sooner terminated as provided in this Franchise Agreement.

2.2 Upon the expiration of this Franchise Agreement, unless you are signing this Franchise Agreement under a successor franchise agreement for an existing Center, (in which case your renewal term will be governed by the term of your original franchise agreement), you will have the option to acquire one additional fifteen (15) year term ("**Successor Term**") subject to the following terms and conditions:

2.2.1 You must give us written notice of your election to operate your Center for a Successor Term no fewer than six (6) months, and not more than twelve (12) months, prior to the end of the then-current term;

2.2.2 You must make such reasonable repairs or renovations to your Center, including remodeling your Center, if we deem necessary, to reflect our then-current standards and image of the System;

2.2.3 You must not be in default of any provision of this Franchise Agreement, or any other agreement between you and us (including any agreement between you and our affiliates), or of any standards set forth in the Manual and you must have complied with all such agreements and the Manual since the Effective Date;

2.2.4 You must be current with respect to your obligations to your lessor, suppliers, and any others with whom you do business;

2.2.5 You must execute the then-current form of franchise agreement ("**Successor Franchise Agreement**") and all other agreements, legal instruments and documents then customarily used by us in the execution of Successor Franchise Agreements. The Successor Franchise Agreement and these other agreements, legal instruments and documents may vary materially from those agreements, legal instruments and documents currently in use by us, including the payment of higher fees, except you are not obligated to pay our then-current initial franchise fee;

2.2.6 Subject to state law, you and us will execute a general release, in a form prescribed by us, of any and all claims which each may have against the other and their affiliates (except as to amounts then due to us for royalties, advertising contributions, materials, and the like), and their respective shareholders, directors, employees, and agents in their corporate and individual capacities. Unless otherwise prevented by state law, we will consider your failure to sign the release and to deliver it to us for acceptance and execution within thirty (30) days after it is delivered to you to be an election not to acquire a successor franchise; and

2.2.7 You will pay us a successor franchise fee of twenty five percent (25%) of the then-current initial franchise fee.

3. **FEES**

3.1 You will pay us an initial franchise fee of Thirty-Five Thousand Dollars ($35,000), as follows:

3.1.1 Upon execution of this Franchise Agreement, Twenty Thousand Dollars ($20,000); and

3.1.2 Upon execution of the lease agreement for your Center premises, or at the time that we approve a location under Section 1.2 that will not be leased, Fifteen Thousand Dollars ($15,000).

Each payment under this Section 3.1 is fully earned and non-refundable when paid to us, in consideration of our administrative and other expenses incurred in entering into this Franchise Agreement with you, and for our lost or deferred opportunity to enter into this Franchise Agreement with others.

3.2 During the term of this Franchise Agreement, you will pay us a continuing monthly royalty fee in an amount equal to five percent (5%) of the Gross Sales for your Center. We reserve the right to require these payments on a weekly, instead of monthly, basis as specified in the Manual. "**Gross Sales**" means revenue from the sale of all products and/or services, revenue generated by your use of your Center's products or services for businesses unrelated to your Center, and all other income or consideration of every kind and nature, received by your Center, whether for cash, barter, or credit, and regardless of collection in the case of credit. Gross Sales also includes: (1) at least seventy percent (70%) of the full retail value of any product and/or service used by Franchisee, or its officers or owners, for personal use; (2) at least seventy percent (70%) of the full retail value of any product and/or service provided by Franchisee to another individual and/or entity, which has been discounted over thirty percent (30%) off of the full retail price; (3) at least seventy percent (70%) of the full retail value of any gift certificate or coupon sold for use at your Center discounted over thirty percent (30%) off of the retail prices (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from this calculation); and (4) at least seventy percent (70%) of the full retail value of any product and/or service provided by Franchisee to another individual and/or entity in exchange for barter services such as advertising or marketing benefits to Franchisee. Gross Sales does not include any sales taxes or other taxes collected by you from your customers and thereafter paid directly to the appropriate taxing authority.

3.3 You will make monthly contributions to advertising and promotion as specified in Section 9.1 of this Franchise Agreement. We reserve the right to require this contribution on a weekly, instead of monthly, basis as specified in the Manual.

3.4 You will pay us a development fee of Eighty-Nine Thousand Nine Hundred Dollars ($89,900) ("**Center Development Fee**") plus, if applicable, an amount determined by us, in our sole discretion, required to cover all sales and/or use taxes imposed by state and local taxing authorities on the equipment and other items we supply to you as part of your Center Development Package (as defined in Section 4.3). You may be responsible for any additional development expenses related to the size of your Center premises or sign. You will pay us the Center Development Fee at the later of (i) the day you sign a lease for your Center premises; or (ii) 90 days before our projected opening date of your Center.

3.5 Unless we specify otherwise, you must make all payments to us under Sections 3.2, 3.3, 3.8, and 3.9 on the fifth day of the month on Gross Sales for the preceding month unless the fifth day of the month is Saturday or Sunday, in which case payment will be made on the following Monday. Any payment under Sections 3.2, 3.3, 3.8, and 3.9 not made by the due date will be deemed overdue. In the event of any overdue amounts, you will pay us, besides the overdue amounts, interest on such amounts from the date such amounts were due until paid, at eighteen percent (18%) per annum or the maximum rate permitted by law, whichever is less, calculated daily. Such interest will be in addition to any other remedies we may have under law or equity. Unless we permit otherwise in writing, all payments required or amounts owed under this Franchise Agreement will be made by electronic fund transfer to an account specified by us. You will furnish us, and/or our payee, with such information and authorizations as may be necessary to permit such persons to make withdrawals by electronic fund transfer (See Exhibit H of the Franchise Disclosure Document). You agree to bear all expenses associated with such authorizations and payments. We have the right to periodically specify (in the Manuals or otherwise in writing) different payees and/or payment methods, such as, but not limited to, weekly payment, payment by auto-draft, credit card and payment by check. If you make any payment to us by credit card for any fee required, we may charge a service charge of up to four percent (4%) of the total charge.

3.6 Despite any designation you make, we may apply your payments to your past due indebtedness to us. We may set off any amounts you and/or your guarantors, if applicable, owe us against any amounts we owe you and, at our option, we may pay your trade creditors out of any sum otherwise due to you. You may not withhold payment of any amounts you owe us due to our alleged nonperformance of any obligations under this Franchise Agreement. No endorsement or statement on any check or payment of any sum less than the full sum due to us will be construed as acknowledging payment in full or an accord and satisfaction, and we may accept and cash such check or payment without prejudice to our right to recover the balance due or pursue any other remedy provided to us by this Franchise Agreement or by law or in equity.

3.7 You agree to pay us, within fifteen days of any written request we make to you that is accompanied by reasonable substantiating material, any monies which we have paid, or have paid on your behalf, for goods, services, fees, permits, taxes as provided in Section 6.1, or any other monies you owe to us for the development or operation of your Center and as required under this Franchise Agreement.

3.8 If applicable, you will pay us a Default Fee (as described in Section 13.6) and pay to the Fund any fee for unauthorized local advertising (as described in Section 9.4).

3.9 You must utilize our proprietary software for the operation of your PostNet Center. You will be required to pay a monthly fee which is currently one hundred dollars ($100) per month. This fee covers the use of the proprietary software, website and email hosting, and other fees. We reserve the right to increase this fee in the event we offer updated or additional software or technology for use in the PostNet Center.

3.10 If any check or electronic fund transfer payment from you to us does not successfully convey funds due to insufficient funds, stop payment instructions, or any similar event, you shall pay, upon demand, an insufficient funds fee of one hundred dollars ($100) per incidence.

4. CENTER DEVELOPMENT AND ONGOING SUPPORT

4.1 We will offer assistance to you, as we deem reasonable and necessary, in helping you select a site for the Approved Location and in advising you in negotiating an acceptable lease agreement for your Center premises. Our advice will be regarding the business terms of your lease only and not to any legal terms. You acknowledge and agree that our approval of a site for your Center is not, and must not be construed as, a guarantee or assurance that your Center will be profitable or successful. You must open your Center for business within one year after the Effective Date.

4.2 Subject to Section 11.9 below, we will loan you, or otherwise make available to you, one copy of our confidential operations manual (the "**Manual**"), which may exist in various parts, locations, and formats and may, in our sole discretion, include a combination of audio, video, written material, electronic media, website content, and/or software components.

4.3 We will provide a Center Development Package for your Center as described in Attachment B.

4.4 We will provide, at no charge to you, proposed plans (in the form of "blue-line drawings") and specifications for the interior design and layout of your Center.

4.5 You must attend, a classroom training program at the times and places we designate ("**Classroom Training**"). Classroom Training will comprise approximately a minimum of eight and a maximum of twelve calendar days. You and, if applicable, the Designated Manager (as defined in Section 5.17), must attend and complete Classroom Training to our satisfaction prior to your Center opening for business ("**Classroom Training Deadline**"), unless you purchase an existing PostNet Center under this Franchise Agreement, in which case the Classroom Training Deadline will be the first Classroom Training session immediately following the Effective Date. Any new Designated Manger must also complete, within ninety days of his or her approval by us, Classroom Training to our satisfaction. You will pay us a meal fee of Five Hundred Dollars ($500) for every one of your attendees. You agree to pay for any and all of the travel, living, or other expenses you and your attendees incur. If your attendees cannot, or do not, complete Classroom Training to our satisfaction, we may, in addition to any other remedies available to us, terminate this Franchise Agreement.

4.6 You, and if applicable, your Designated Manager, are required, at your expense, to complete an initial onsite training program at your Center and at the times we designate ("**Initial Onsite Training**"). Initial Onsite Training will comprise approximately a minimum of four and maximum of six calendar days, at our discretion. We will provide the instructor and training materials. Initial Onsite Training will take place immediately prior to, and subsequent to, the commencement of business at your Center unless you purchase an existing PostNet Center under this Franchise Agreement, in which case Initial Onsite Training will take place within sixty (60) calendar days following the Effective Date.

4.7 Unless you purchase an existing PostNet Center under this Franchise Agreement, you, and if applicable, your Designated Manager, are required, at your expense, to complete a follow-up training program at your Center and at the times we designate ("**Follow-Up Training**"). We will provide the instructor and training materials. Follow-Up Training will comprise a minimum of one and a maximum of three calendar days, at our discretion. Follow-Up Training will take place approximately thirty to sixty calendar days following the opening of your Center.

4.8 We will furnish to you, prior to the opening of your Center, an initial set of personalized forms, stationery, marketing materials and PostNet logo apparel.

4.9 Prior to the opening of your Center, we will inspect your Center's premises. You will not open your Center for business without our written authorization, which may be conditioned upon your strict compliance with the specifications of the approved final plans, completing your pre-opening responsibilities, using only approved equipment, the System, and any pre-opening training we require.

4.10 We will provide such initial and continuing advice and assistance to you in the operation of your Center as we deem appropriate.

4.11 You agree to spend a minimum of One Thousand Five Hundred Dollars ($1,500) and up to Three Thousand Dollars ($3,000) or more on a grand opening advertising and promotional program for the Franchise, and use any particular media and advertising agencies we may designate in connection with such program within eight (8) weeks after the opening. We agree to furnish you with such advice and guidance as we deem appropriate regarding your grand opening advertising and promotional program.

4.12 We may periodically require that you (including, if applicable, your Designated Manager, staff, and employees) attend additional training programs we offer and designate in the Manual, or otherwise in writing, and at the times and places we designate ("**Additional Training**"). Attendance at Additional Training will be at your sole expense, which we estimate to be Three Hundred Fifty Dollars ($350) per day plus expenses to cover travel, living expenses, and wages with attending Additional Training.

4.13 You acknowledge and agree that we have the right to delegate to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted (1) the performance of any portion or all of our obligations under this Franchise Agreement, and (2) any right that we have under this Agreement.

5. YOUR RESPONSIBILITIES

5.1 You understand and acknowledge that every detail of the System and the operation of your Center is essential to you, us, and other PostNet franchisees in order to: (i) develop and maintain quality operating standards; (ii) increase the demand for the products and services sold by all franchisees operating under the System; and (iii) protect our reputation and goodwill. You will maintain our high standards with respect to facilities, services, products, and operations.

5.2 You will use and occupy your Center premises solely for the operation of the Franchised Business and, unless we otherwise approve in writing, you will refrain from using or permitting the use of the premises for any other purpose or activity. You will keep your Center open and in normal operation for at least such minimum hours and days as we specify in the Manual or otherwise in writing, and as may be required by the lease for your Center premises.

5.3 To ensure the highest degree of quality and service is maintained, you will operate your Center in strict conformity with such methods, standards, and specifications as we may from time to time prescribe in the Manual or otherwise in writing. You will refrain from: (a) deviating from such standards, specifications, and procedures without our prior written consent; and (b) otherwise operating in any manner which adversely reflects on the Proprietary Marks and/or the System.

5.3.1 You will purchase and install, at your expense, (except for those items described in this paragraph which are presently installed or in use at the premises of you who convert an existing business to a PostNet Center) and will maintain in sufficient supply and use at all times, only such fixtures, furnishings, equipment, signs, and supplies which conform to our standards and specifications as set forth in the Manual or otherwise by us in writing; and will refrain from using non-conforming items.

5.3.2 You will sell or offer for sale those products and services we have expressly approved for sale in the Manual or otherwise in writing, and will discontinue selling any products or services which we, in our sole discretion, determine may adversely affect the System or are no longer appropriately part of the System; and will refrain from offering any unapproved products or services.

5.3.3 You acknowledge and agree that we may periodically in our sole discretion, revise the Manual to incorporate System changes. You will implement any System changes upon receiving notice from us of such changes and will complete their implementation within such time as we may reasonably specify.

5.4 You will purchase all products, equipment, supplies, and materials used or sold by your Center solely from suppliers (including manufacturers, wholesalers and distributors) who demonstrate, to our continuing reasonable satisfaction, the ability to meet our reasonable standards and specifications for such items; who possess adequate quality controls and capacity to supply your needs promptly and reliably; whose approval would enable the System, in our sole opinion, to take advantage of marketplace efficiencies; and who have been approved by us in the Manual or otherwise in writing and not thereafter disapproved. If you want to make purchases from a supplier who has not been approved, you will submit a written request to us to approve the proposed supplier with evidence of conformity to our specifications as we may reasonably require. We may revoke approval of any supplier at any time if we determine, in our sole discretion, that the supplier no longer meets our standards. Upon receipt of written notice of such revocation, you will cease purchasing from any disapproved supplier and cease selling such supplier’s disapproved products and/or services.

5.5 You will maintain your Center (including adjacent public areas) in a clean, orderly condition and in excellent repair; and, at your expense and in a timely manner, perform any required maintenance or repairs, as we may reasonably direct by written notice to you. No alcohol, drugs, or pets (other than animals required for the health of your customers or employees or as otherwise required by law, i.e. Seeing Eye dogs) are permitted at your Center, and the Approved Location will not be used for child care, babysitting, or similar activities.

5.6 We will conduct, when and as frequently as we deem advisable, inspections of your business premises and evaluations of your Center’s management and operations, to assist you and to maintain the System’s standards of quality, appearance, and service. We are not required to provide you any notice prior to conducting such inspections or evaluations. You will cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request; and, upon written notice from us and/or our agents and without limiting our other rights under this Franchise Agreement, will promptly correct any deficiencies discovered during any such inspection.

5.7 You and if applicable, the Designated Manager, and other employees or owners of you we designate, must attend our annual national convention of franchisees ("**Convention**"). You will pay a convention fee for each individual required to attend Convention, regardless of whether the individual attends or not. The convention fee is subject to change at any time in our sole discretion. For each individual required to attend the Convention who does not attend without our prior written approval, you will pay either (i) the maximum convention fee if you provide us with prior written notice of the individual's failure to attend (for purposes of this Section 5.7, failure to register constitutes prior written notice) or (ii) the maximum convention fee plus an absentee fee if you do not provide us with prior written notice of the individual's failure to attend. You are responsible for all travel, living expenses, and other costs in connection with attendance at Convention. You must also attend, at your sole expense, such additional meetings, seminars, workshops and regional conventions as we may reasonably periodically require at any time.

5.8 You will maintain a competent, conscientious, and trained staff and will take such steps as are necessary to ensure your employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as we may periodically establish in the Manual or otherwise in writing. You alone are responsible for all employment decisions and functions of your Center, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of employees, regardless of whether you have received advice from us on these subjects or not. We will have no liability for any action or settlement related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of employees and you agree to indemnify us for any liabilities we incur related to the aforementioned.

5.9 You will execute a lease or sublease for your Center premises and, at all times during the term of this Franchise Agreement, remain in a lease or sublease for your Center premises. We have the right to approve the terms of any lease for your Center premises before you sign it. You will comply with all terms of any lease for your Center premises and will refrain from any activity which may jeopardize your right to remain in possession of the premises and/or your Center. Our approval of any lease for your Center premises may be conditioned upon the inclusion of any one or more of the following terms and conditions:

5.9.1 That the initial term of the lease, or the initial term together with renewal terms, will be for at least ten years;

5.9.2 That the lessor consents to your use of such Proprietary Marks and signage as we may now or hereinafter prescribe for the Center;

5.9.3 That the use of the leased premises be restricted solely to the operation of the Center;

5.9.4 Except as otherwise approved by us in writing, that you be prohibited from subleasing or assigning all or any part of your occupancy rights or extending the term of or renewing the lease without our prior written consent;

5.9.5 That the lessor provide to us copies of any and all letters or notices of default given to you under the lease concurrently with providing them to you, and with at least 30 days within which to cure such default;

5.9.6 That we have the right to enter the Center premises to make reasonable modifications necessary to protect the Proprietary Marks and/or the System or to cure any default under this Franchise Agreement and/or under the lease;

5.9.7 That, if a default occurs, expiration, or termination of this Franchise Agreement or the lease, we (or our designee) will have the option, upon notice to the lessor, to assume all of your rights under the lease terms, including the right to assign or sublease; and

5.9.8 That no amendment will be made to the lease without our prior written consent, which consent will not be unreasonably withheld.

5.10 You will furnish us with a copy of any executed lease within ten days after execution.

5.11 You will furnish to us, within three days after receipt thereof, a copy of any notice alleging your default or failure to pay, on any loan, note, lease, or other instrument related to the operation of your Center or a copy of any notice alleging your failure to comply with any law, ordinance, or regulation. You also will notify us in writing within five days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of your Center.

5.12 You will, throughout the term of this Franchise Agreement, actively and regularly engage in local promotional activities designed to enhance your Center's reputation and goodwill, and to increase Gross Sales. You will collect, store, share with us, and use customer data in the form and manner we prescribe. We have the right to specify, in the Manual or otherwise in writing, the types and amounts of required promotional activities. We retain ownership of all customer data related to your Center.

5.13 You have the right to offer your goods and services at any prices. Any list or schedule of prices we may furnish to you will be deemed a suggestion only, and you will have the right, in your sole discretion, to accept or reject any such suggestion.

5.14 You will obtain all zoning classifications and clearances, permits, licenses, and certifications required for the lawful construction, occupancy, and operation of your Center, and will certify in writing to us that all such items have been obtained.

5.15 You will comply with all federal, state, and local laws, rules, and regulations, and will timely obtain any and all permits, certificates, or licenses necessary for the full and proper operation of your Center, including, without limitation, licenses to do business, fictitious name registrations, sales tax permits, and fire clearances.

5.16 You will, at our request, accept debit cards, credit cards, stored value gift cards, or other non-cash systems specified by us to enable customers to purchase the products and/or services offered by your Center and the System. You will comply with any compliance program or security standards implemented by the banking industry, credit card companies or other similar regulations as directed by us and you will bear all expenses associated with such programs and any liabilities that result from your failure to implement any such security standards or requirements. You will acquire, at your expense, all necessary hardware and/or software used with these non-cash systems.

5.17 Either you (if you are an individual), one of your principal owners, officers, or directors (if you are a legal entity), or an employee that meets our approval, will manage your Center on a full time basis and will be responsible for its efficient operation ("**Designated Manager**"). The Designated Manager must: (i) work an average of at least forty hours per week excluding holidays, sick days and up to two weeks for vacation, to supervise the day-to-day operations of your Center and continuously exert their best efforts to promote and enhance your Center; (ii) possess the ability to operate your Center professionally and in compliance with the System; (iii) interface as needed and be available to communicate during normal business hours; and (iv) be authorized by you and possess the ability to cure any default of this Franchise Agreement on your behalf, including the payment of overdue amounts. The Designated Manager, if not you or an owner of the Franchisee, must sign a written agreement, in the form prescribed in the Manual (the current form of which is attached to the Franchise Disclosure Document in Exhibit H), to agree to the covenants not to compete and to maintain confidential our confidential information, proprietary information, and trade secrets. You will not hire or replace any Designated Manager without our prior written approval of the potential replacement's qualifications.

5.18 You acknowledge and agree that exchanging information with us by e-mail is efficient and desirable for day-to-day communications and that we and you may utilize e-mail for such communications. You authorize the transmission of e-mail by us and our employees, vendors, and affiliates to you and any and all of your owners, officers, directors and employees. You (or, if you are a legal entity, any and all of your officers, directors, and shareholders) will contact us by telephone or e-mail as soon as possible following any request by us for such communication. You will make reasonable efforts to be available by phone, email or otherwise as communication with us is requested or required.

5.19 Because complete and detailed uniformity under many varying conditions may not be possible or practical, you acknowledge we specifically reserve the right and privilege, as we consider best, in our sole discretion, to modify the System for any particular franchise owner based upon circumstances we consider important to promote that franchise owner's successful operation. We may choose not to authorize similar variations or accommodations to you or other franchisees.

5.20 You acknowledge and authorize us to use your likeness in a photograph in any and all of our publications, including printed and digital publications and on websites. You agree and understand that any photograph using your likeness will become our property and will not be returned. You agree and irrevocably authorize us to edit, alter, copy, exhibit, publish or distribute any photograph of you for any lawful purpose. You agree and waive any rights to royalties or any other compensation related to our use of any photograph of you. You agree to hold harmless and forever discharge us from all claims, demands, and causes of action which you may have in connection with this authorization.

5.21 Retaining customers for your Center will require you to have a high level of customer service and adhere strictly to and maintain the System. We may contact any customer of a PostNet Center at any time, for any purpose. Also, if we are contacted by a client or other patron of a PostNet Center who wishes to lodge a complaint, we reserve the right to address the complaint in order to preserve goodwill and prevent damage to the brand. Our right to address complaints may include refunding money to the complaining person, in which case you agree to reimburse us for these amounts.

6. **TAXES**

6.1 We will not be liable for, and you will promptly pay to us an amount equal to, any and all taxes levied or assessed, including, but not limited to, unemployment taxes, sales taxes, use taxes, withholding taxes, excise taxes, personal property taxes, intangible property taxes, gross receipt taxes, taxes on royalties paid out of state, or any similar taxes or levies, imposed upon or required to be collected or paid by us by reason of:

6.1.1 us furnishing products, services, (including your Center Development Package) and/or intangible property (including trademarks and trade names) to you;

6.1.2 us purchasing, licensing, or leasing property or property rights provided by this Franchise Agreement for you; or

6.1.3 the operation of your Center.

6.2 In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness under the procedures of the taxing authority or applicable law. However, you will not permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against your Approved Location, or any improvements thereon.

7. **PROPRIETARY MARKS**

7.1 We represent with respect to the Proprietary Marks that:

7.1.1 We own the Proprietary Marks;

7.1.2 We will take action reasonably necessary to preserve and protect the validity of the Proprietary Marks; and

7.1.3 We will permit you to use the Proprietary Marks only in accordance with the System and the standards and specifications attendant thereto which underlie the goodwill associated with and symbolized by the Proprietary Marks.

7.2 With respect to your use of the Proprietary Marks, You agree that:

7.2.1 You will use only the Proprietary Marks we designate, and will use them only in the manner we authorize and permit;

7.2.2 You will use the Proprietary Marks only for the operation of your Center, and only at the Approved Location or in advertising for your Center we approve;

7.2.3 Unless otherwise authorized or required by us, you will operate and advertise your Center only under the name "PostNet," without prefix or suffix;

7.2.4 You will identify yourself as an independent franchisee-owner of your Center in conjunction with any use of the Proprietary Marks or the operation of your Center, and will place a written notice to such effect in a form we approve and in a conspicuous location on your Center premises;

7.2.5 Your right to use the Proprietary Marks is limited to such uses as authorized under this Franchise Agreement, and any unauthorized use will constitute an infringement;

7.2.6 You will not use the Proprietary Marks to incur any obligation or indebtedness on behalf of us;

7.2.7 You will execute any documents deemed necessary by us or our affiliates to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability;

7.2.8 You will promptly notify us of any suspected unauthorized use of, or any challenge to the validity or use of, the Proprietary Marks. You acknowledge we (or the owner of the Proprietary Marks) will have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. We will have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. We (or the owner of the Proprietary Marks) will defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks under this Franchise Agreement. If we, in our sole discretion, determine you have used the Proprietary Marks under this Franchise Agreement, we will pay for such defense, including the cost of any judgment or settlement. If we, in our sole discretion, determine you have not used the Proprietary Marks under this Franchise Agreement, you will pay for such defense, including the cost of any judgment or settlement. If any litigation occurs relating to your use of the Proprietary Marks, you will execute any and all documents and do such acts as may, in our opinion, be necessary to carry out such defense or prosecution including, but not limited to, becoming a nominal party to any legal action. Except if such litigation results from your use of the Proprietary Marks in a manner inconsistent with this Franchise Agreement, we agree to reimburse you for your out-of-pocket litigation costs in cooperating with us with respect to the litigation; and

7.2.9 You will not use the Proprietary Marks as part of your corporate or other legal name or as part of any Uniform Resource Locator (URL) or website.

7.3 You expressly understand and acknowledge that:

7.3.1 The Proprietary Marks are valid and identify the System and those who operate under the System;

7.3.2 During the term of this Franchise Agreement and after its expiration or termination, you will not directly or indirectly contest the validity or ownership of the Proprietary Marks, nor take any other action which may jeopardize our interest therein, or our right to use and to license others to use, the Proprietary Marks;

7.3.3 Your use of the Proprietary Marks does not give you any ownership interest or other interest in or to the Proprietary Marks, other than the license granted by this Franchise Agreement;

7.3.4 Any and all goodwill arising from your use of the Proprietary Marks will inure solely and exclusively to the benefit of us and our affiliates and, upon expiration or termination of this Franchise Agreement, no monetary amount will be assigned as attributable to any goodwill associated with your use of the System or the Proprietary Marks;

7.3.5 We and our affiliates will have and retain the rights, among others: (a) to use the Proprietary Marks for selling products and services; (b) to grant other licenses for the Proprietary Marks, in addition to those licenses already granted to existing franchisees; and (c) to develop and establish other systems using the Proprietary Marks, similar proprietary marks, or any other proprietary marks, and to grant licenses or franchises thereto without providing any rights therein to you; and

7.3.6 We reserve the right to substitute different proprietary marks for identifying the System and the Franchised Business if the Proprietary Marks no longer can be used or if we, in our sole discretion, determine that substitution of different proprietary marks will be beneficial to the System. In such circumstances, the use of the substituted proprietary marks will be governed by this Franchise Agreement, and we will not compensate you for such substitution, except that if we must discontinue use of a Proprietary Mark based upon a court ruling the Proprietary Mark infringes on another trademark then we will bear only the costs of modifying your signs and advertising materials to conform to our new proprietary marks. You will implement any such substitution promptly.

8. CONFIDENTIAL MANUALS AND INFORMATION

8.1 In order to protect PostNet's reputation and goodwill and to maintain high standards of operation under the Proprietary Marks and the System, you will operate the Franchised Business under the Manual and the System. You will treat the System, any information, written or verbal relating to the System, the Manual, Improvements (defined in Section 8.6), any communications between you and us or you and other PostNet franchisees, and customer information including details and lists of customers and their contact details (collectively, the "**Confidential Information**") as confidential, and will use all reasonable efforts to maintain such information as secret and confidential. You will not copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person. The Manual will, at all times, remain our sole property.

8.2 You will regularly and continuously review the Manual for updates to the System, standards, policy, and procedure. In the event of any dispute as to the contents of the Manual, the content of Manual maintained by us will be controlling.

8.3 You will not, during or after the term hereof, communicate, divulge, or use for the benefit of any other person, persons, partnership, association, or corporation, any Confidential Information, knowledge, or know-how concerning the methods of operation of your Center or the System which may be communicated to you or of which you may be apprised by your operation of the Franchised Business. You will divulge such confidential information only to those employees who must have access to it to perform their employment responsibilities. Any and all information, knowledge, know-how, and techniques which we designate as confidential will be deemed confidential for purposes hereof unless and until you demonstrate that the information has become public knowledge.

8.4 You acknowledge that any failure to comply with the requirements of this Section 8 will cause us irreparable injury for which no adequate remedy at law may be available, and you agree we may seek, and you agree to pay, all court costs and reasonable attorney fees incurred by us in obtaining, without posting a bond, an *ex parte* order for injunctive or other legal or equitable relief with respect to the requirements of this Section 8.

8.5 You will require anyone who may have access to Confidential Information to execute covenants (the current form of which is attached to the Franchise Disclosure Document in Exhibit H) that they will maintain the confidentiality of information they receive in connection with their association with you.

8.6 If you, during the term of this Franchise Agreement, or any Successor Term, conceive or develop any improvements or additions to the System, a website or any other documents or information pertaining to or relating to the System or your Center, or any new trade names, trade and service marks, logos, or commercial symbols related to your Center or any advertising and promotional ideas or inventions related to your Center (collectively, the "**Improvements**") you will fully disclose the Improvements to us, without disclosure of the Improvements to others, and will obtain our written approval prior to using such Improvements. Any such Improvement may be used by us and all other franchisees without any obligation to you for royalties or other fees. You will assign, and do hereby assign to us, all right, title and interest in and to the Improvements, including the right to grant sublicenses to any such Improvement, regardless of whether you notify us of such Improvements. We, at our discretion, may apply for and own copyrights, patents, trade names, trademarks and service marks relating to any such Improvement and you will cooperate with us in securing such rights. We may also consider such Improvements as our property and trade secrets. In return, we will authorize you to utilize any Improvement that may be developed by other franchisees and is authorized generally for use by other franchisees.

9. **ADVERTISING**

Recognizing the value of advertising and promotion, and the importance of the standardization of advertising and promotional programs to the furtherance of the goodwill and public image of the System, we agree that:

9.1 You will contribute, each month, unless otherwise specified by us, two percent (2%) of your Gross Sales to the system-wide fund described in Section 9.3 of this Franchise Agreement (the **"Fund"**), subject to any adjustment made under Section 9.6 of this Franchise Agreement.

9.2 Each PostNet Center owned by us or an affiliate of us will contribute, each month, unless otherwise specified by us, two percent (2%) of its Gross Sales to the Fund, subject to any adjustment made under Section 9.6 of this Franchise Agreement.

9.3 We have the right to maintain and administer the Fund, in our sole discretion. The following provisions apply to the Fund:

9.3.1 The Fund, all contributions thereto, and any earnings thereon, will be used exclusively to meet any and all costs of maintaining, administering, directing, conducting, and developing the preparation of advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which we believe will benefit the System, including, among other things, the costs of preparing and conducting advertising campaigns in various media; salaries and benefits for those persons in charge of administering and overseeing the Fund; preparation of direct mail advertising; market research; employing advertising and/or public relations agencies to assist therein; purchasing promotional items; conducting and administering in-store promotions; providing promotional and other marketing materials and services to the businesses operating under the System; various technologies related to customer retention and acquisition; web based local and national search and mapping; websites and social networking or media; point-of-purchase materials; and supporting authorized marketing cooperatives formed by franchisees in the same market area. The Fund is not a trust fund, and we owe no fiduciary duty to you with regard to the Fund's administration, activities, or expenditures;

9.3.2 We will direct all advertising and promotional programs, with sole discretion over the creative concepts, materials, and media used in such programs, and the placement and allocation thereof. You agree and acknowledge that among the Fund's objectives is to maximize general public recognition and acceptance of the Proprietary Marks for the benefit of the System; and that we are not obligated, in administering the Fund, to make expenditures for you which are equivalent or proportionate to your contribution, or to ensure that any particular franchisee or geographic region benefits directly or *pro rata* from the advertising or promotion conducted under the Fund;

9.3.3 All sums paid to the Fund will be maintained in an account separate from the other monies of ours and will not be used to defray our expenses, except for such reasonable costs and overhead, if any, as may be incurred in activities reasonably related to the administration or direction of the advertising programs and Fund, including, among other things, costs of personnel for planning and managing Fund activities, creating and implementing local, regional and national advertising, promotional, and marketing programs. The Fund and any earnings thereon will not otherwise inure to the benefit of us. We will maintain separate bookkeeping accounts for the Fund; and

9.3.4 A statement of the operations of the Fund as shown on the books of the Fund will be prepared annually by us and furnished to each franchisee upon written request.

9.4 In addition to required contributions to the Fund, you must spend the greater of either two percent (2%) of your total yearly Gross Sales based on the Gross Sales you generated in the previous twelve months or Six Thousand Dollars ($6,000) per year ("**Individual Advertising Expense**") on local advertising and marketing beginning during the first month of operation of your PostNet Center. The Individual Advertising Expense will be used to advertise and promote your Center. Any advertising and promotion by you, including any Website (defined in Section 11.2) you may wish to establish on the Internet, must be conducted in a dignified manner, conform to the System as specified in the Manual or otherwise in writing, and may not be used without our prior written approval. You will submit to us samples of all advertising and promotional plans and materials prior to their use, and you may commence use of such plans or materials seven days after our receipt unless prior to that time we furnish written notice to you prohibiting such use. This includes any advertisements on the Internet or social media websites. We also have the right, at any time after you commence use of such material, to prohibit further use, effective immediately upon receipt of our written notice by you. If you violate any provision of this Section, in addition to all other remedies available to us, you will pay an unauthorized advertising fee of Five Hundred Dollars ($500) per occurrence to the Fund to offset the damage caused by your breach.

9.5 You will, at your expense and in accordance with any standards established in the Manual, in addition to the requirement of Sections 9.1 and 9.4 of this Franchise Agreement, obtain advertisements and listings in the white and yellow pages of the Bell (utility) telephone directory ("**Directory**") and equivalent online directories and search advertising linked to a Website we approve ("**Online Listings**") serving the market in which your Center is located. In the event that more than one PostNet Center is located within the market served by the Directory or Online Listings then, in such event, you will join with the other PostNet Centers in the market (whether franchised or owned by us or an affiliate) to purchase a shared advertisement that includes all of the applicable PostNet Centers, and pay the *pro rata* share of the cost of such advertising. If two PostNet Centers are involved, then the franchisees will mutually agree on the features of the advertisement(s); if more than two PostNet Centers are involved, the features of the advertisement(s) will be determined by a plurality of the applicable franchisees. If the franchisees are unable to agree about the advertisement(s), then we will make the final determination of the features of the advertisement(s). Any and all Directory and/or Online Listings are subject to our standards as set forth in the Manual or otherwise in writing. You will not permit the publisher of the Directory or Online Listings to establish a Website related to your Center without our prior written approval.

9.6 You agree that PostNet franchisees have the right to periodically adjust the required contribution to the Fund, subject to the following conditions: (i) any adjustment must be approved by at least (a) a majority of the franchisees in the System; and (b) 2/3 (two-thirds) of the franchisees who vote on the adjustment; (ii) each franchisee will have one vote for each of its open and operating Centers; (iii) the required Fund contribution will never be less than two percent (2%); (iv) each adjustment will be for a period of not less than one year; and (v) the mechanisms and procedures for recommending, considering, and voting on any adjustment will be developed and implemented by us. If the Fund contribution is increased under this Section you agree to contribute the increased amount.

10. **INSURANCE**

10.1 You will procure, prior to constructing any leasehold improvements to, or the opening of your Center, and will maintain in full force and effect at all times during the term of this Franchise Agreement, at your expense, an insurance policy or policies protecting you, us and our affiliates, and our respective shareholders, directors, employees, and agents against any demand or claim with respect to personal and bodily injury, death, or property damage, or any loss, liability, or expense arising or occurring at or in connection with the construction and/or operation of your Center. Such policy or policies will: (i) be written by insurer(s) acceptable to us; (ii) name us and our shareholders, directors, employees, and agents, as additional insureds with primary non-contributory coverage; (iii) comply with the requirements prescribed by us when such policies are obtained; (iv) provide at least the types and minimum amounts of coverage specified in the Manual; and (v) contain a waiver by you and your insurers of their subrogation rights against us and our affiliates, and our respective shareholders, directors, employees and agents.

10.2 All public liability and property damage policies will contain a provision that we, although named as an additional insured, will nevertheless be entitled to recover under such policies on any loss occasioned to us or our shareholders, directors, employees, and agents by your negligence.

10.3 At least ten days before any insurance is first required to be carried by you, and thereafter at least thirty days prior to the expiration of any policy, you will deliver to us Certificates of Insurance evidencing the proper types and minimum amounts of coverage. All Certificates will expressly provide that no less than thirty days' prior written notice will be given to us in the event of material alteration to or cancellation or non-renewal of the coverages evidenced by such Certificates. Certificates evidencing the insurance required by this Section will name us and our affiliates, and our respective shareholders, directors, employees, and agents, as additional insureds, and will expressly provide that any interest of each will not be affected by any breach by you of any policy provisions for which such Certificates evidence coverage.

11. **TECHNOLOGY, RECORDS, AND REPORTING**

11.1 You are required, at your expense, to purchase or lease, and thereafter maintain and use, only such computer(s), hardware (including, without limitation, laptops), software (including, without limitation, point-of-sale software), firmware, web technologies or applications, required dedicated internet access and power lines, modem(s), printer(s), and other related accessories or peripheral equipment, and methods of operation, as we specify in the Manual or otherwise in writing (collectively the "**Computer System**"). The Computer System will have the capacity to electronically exchange information, messages, and other data with other computers, by such means (including, but not limited to, the Internet), and using such protocols as we may reasonably prescribe in the Manual or otherwise in writing. You will keep your Computer System in good maintenance and repair and, at your expense, promptly make any and all additions, changes, modifications, substitutions, and/or replacements to your Computer System as we direct. You will pay any and all, annual or otherwise, software fees, or other fees, as required by our approved suppliers in order to maintain your Computer System. You acknowledge and agree that our suppliers have the right to increase or decrease the software fees at any time, in their sole discretion, upon written notice to you. You further acknowledge and agree that we reserve the right to change our approved suppliers, including any software suppliers, at any time and in our sole discretion. You may not alter your Computer System, or use alternative software or suppliers of technology, without our prior written approval. If you are in default of any obligations under this Franchise Agreement, we may, in addition to any other remedy we may have under this Franchise Agreement, temporarily inhibit your access to all or part of the Computer System, including point-of-sale software, until you have cured such default completely. Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date related problems and attacks by hackers and other unauthorized intruders ("**E-Problems**"). We have taken reasonable steps so E-Problems will not materially affect our business. We do not guarantee that information or communication systems we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify your suppliers, lenders, landlords, customers, and governmental agencies on which you rely, have reasonable protection from E-problems. This may include trying to secure your Computer Systems (including firewalls, password protection, and anti-virus systems), and to provide backup systems.

11.2 You will not establish or use any electronic document, design, page, webpage, post, blog, or other communication on the Internet, the World Wide Web, or on social media platforms such as, but not limited to, Groupon, Facebook, Twitter, LinkedIn, Google+, and YouTube, which relates in any manner to your Center, (a "**Website**"; collectively, "**Websites**"), without our prior written approval. Any Website must comply with standards specified in our Manual or otherwise by us in writing. You agree and acknowledge that we may review and monitor all content on any Website to ensure that you are complying with the System and this Franchise Agreement. You agree to abandon, remove, delete, or modify a Website immediately upon our written notice to you. You further agree and acknowledge that we may prohibit use of the Proprietary Marks on any Website and may prohibit you from engaging in social media related to your Center. We reserve the right to require you to use only a Website owned and controlled by us and we reserve the right to require that you use only a Website that is part of the "postnet.com" Internet domain name or any other domain name we specify.

11.3 Unless otherwise authorized by us, you will only use an e-mail address, related to or associated with the operation of your Center, which is a part of the "postnet.com" Internet domain name or other domain as authorized by the Manual. All email communication must comply with standards specified in the Manual or otherwise by us in writing.

11.4 You will prepare, during the term of this Franchise Agreement, and will preserve for at least five years following the expiration or termination of this Franchise Agreement, complete and accurate books, records, and accounts related to your Center that are (i) in accordance with generally accepted accounting principles and (i) in the form and manner prescribed by us in the Manual or otherwise in writing, which form and manner may be electronic or online. You will also, at your expense and upon our request, provide us with a copy of your financial statements showing the results of operations of your Center for each fiscal year during the term of this Franchise Agreement. Your financial statements will include a statement of income, balance sheet, and a statement of cash flows, accompanied by a review report, prepared by an independent accountant using generally accepted accounting principles. If you fail to maintain accurate and up-to-date books and records under this Section 11.4, we have the right to require you to, at your expense, hire a certified public accountant to generate the books and records in the manner we, in our sole discretion, prescribe.

11.5 You will use and maintain, at your expense, a specific system and/or process of accounting ("**Accounting System**"). The Accounting System may involve, at our discretion, a third party, subscription fees, the purchase of software and updates, storing and/or transferring information electronically, and your active and continual participation in entering data and information needed to ensure the accuracy of the Accounting System. We, at all times, have the right to access the information and data related to the Accounting System. We will also, at all times, have the right to modify, change, or replace the Accounting System, at which time you will be required to, at your expense, comply with such modification, change, or replacement.

11.6 You will, at all times, provide us with electronic access to all information stored in the Computer System. We have the right to retrieve and store any and all data, including the financial information of your Center, and information from the Computer System and use it for any purpose both during and after the term of this Franchise Agreement. We also have the right, at all reasonable times, to access the Computer System by way of virtual network computing, or any similar method, to obtain data and make any necessary modifications to the Computer System including, without limitation, installing new or updated software. You also will, at your expense and upon written request from us, provide us, in the manner prescribed by us, any other information regarding the operation of your Center as we may reasonably request, including information concerning local promotional activities required by Section 5.12.

11.7 You will provide to us, for review or auditing, such other information as we may reasonably request, on the forms and in the manner we designate, including but not limited to any financial information, customer information, or information required by our accountants for the preparation of our financial statements.

11.8 We and/or our designated agents have the right at all reasonable times to examine and copy, at our expense, the books, records, accounts, and business tax returns related to the operation of your Center. We also have the right, at any time, to have an independent audit made of the books and records of your Center and/or to require you to participate in a mail-in audit or any other form of audit in accordance with the Manual. If an inspection or audit reveals that any payments due to us has been understated in any report to us, then you will immediately pay us the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of eighteen percent per annum calculated monthly, or the maximum rate permitted by law, whichever is less. If an inspection or audit discloses an understatement in any report of two percent (2%) or more, you will, in addition to repayment of monies owed with interest, reimburse us for any and all costs and expenses connected with the inspection (including, without limitation, travel, lodging and wage expenses, and reasonable accounting and legal costs). The foregoing remedies will be in addition to any other remedies we may have because of such underreporting.

11.9 We have established a website to advertise, market, and promote PostNet Centers and the services and products that PostNet Centers offer and sell (the "**System Website**"). We have also established a store management portal that provides you and other PostNet franchisees with electronic access to certain amenities including, without limitation, the Manual, marketing materials, financial dashboards, forums, and System data ("**ipostnet**"). We have the right, but not the obligation, to reference your Center on the System Website and to provide you with access to ipostnet. If you are in default of any obligations under this Franchise Agreement, we may, in addition to our other remedies, temporarily remove reference to your Center from the System Website, and/or discontinue your access to ipostnet, until such defaults are cured to our satisfaction. We may, at our option, discontinue, replace, and/or modify the System Website and/or ipostnet at any time and in our sole discretion. Nothing in this Section shall limit our right to maintain websites other than the System Website or to maintain other store management portals other than ipostnet.

12. **TRANSFER OF INTEREST**

12.1 We have the right to transfer or assign all or any part of our rights or obligations under this Franchise Agreement to any person or legal entity. With respect to any assignment which results in the subsequent performance by the assignee of all of our obligations under this Franchise Agreement, the assignee will expressly assume and agree to perform such obligations, and will become solely responsible for all of our obligations under this Franchise Agreement from the date of assignment. In addition, and without limitation to the foregoing, you expressly affirm and agree that we may sell our assets, the Proprietary Marks, or the System; may sell our securities in a public offering or in a private placement; may permit and participate in any transfer or distribution of our securities in connection with a spin-off; may merge, acquire other corporations, or be acquired by another corporation; and may undertake a financing, recapitalization, leveraged buy-out, or other economic or financial reorganization or restructuring.

12.2 You understand and acknowledge your rights and duties are personal and that we have granted this franchise in reliance on your or your owner(s)' business skills, financial capacity, and personal character. Accordingly, neither you nor any immediate or remote successor to any part of your interest in this Franchise Agreement, nor any individual, partnership, corporation, or other legal entity which directly or indirectly owns any interest in you will, without our prior written consent, sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber: (i) any direct or indirect interest in the rights granted in this Franchise Agreement; (ii) any direct or indirect interest which would effect a change of control, if you are a corporation or partnership; or (iii) all or substantially all of the assets of your Center. Any assignment or transfer, whether purported or actual, by operation of law or otherwise, not having our written consent, as required by this Section 12.2, will be null and void and will constitute a material breach of this Franchise Agreement, for which we may then terminate without an opportunity to cure pursuant to Section 13.2.3.

12.2.1 We will not unreasonably withhold our consent to a transfer when required under Section 12.2 provided, however, that we will have the right to require any or all of the following as conditions of our consent:

12.2.1.1 All of your accrued monetary obligations and all other outstanding obligations to us and our affiliates, and to all of your suppliers and vendors, must be satisfied;

12.2.1.2 You and we execute a release, in a form prescribed by us, of any and all claims which you may have against us and our affiliates, and any respective shareholders, directors, employees, and agents in their corporate and individual capacities;

12.2.1.3 The transferee will attend an in-person evaluation at our corporate headquarters or another location we designate;

12.2.1.4 The transferee will execute our standard form franchise agreement (and individual guarantees) then being offered to new franchisees, which agreement will supersede this Franchise Agreement in all respects and the terms of which agreement may differ materially from this Franchise Agreement and may be less favorable to the transferee, provided, however, that the transferee will not be required to pay an initial franchise fee (and, if the transferee is other than an individual, all principals and their spouses of the transferee shall execute a personal guaranty);

12.2.1.5 The transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as we may request) will demonstrate to our satisfaction that the transferee meets our educational, managerial, and business standards; possesses (or, if applicable, its principals possess) a good moral character, business reputation, and credit rating; has the aptitude and ability to operate the Center, as may be evidenced by prior related business experience or otherwise; and has adequate financial resources and capital to operate the Center;

12.2.1.6 The transferee, at its expense, will, within the time we specify, upgrade, modify, renovate, and/or remodel the Center premises to conform to the then-current standards and specifications of the System;

12.2.1.7 The transferee and/or its Designated Manager, will attend Classroom Training;

12.2.1.8 You will reimburse us for our reasonable legal, accounting, management, training, and incidental expenses (not to exceed fifty percent (50%) of the then-current initial franchise fee but in no event less than an administrative fee of Ten Thousand Dollars ($10,000) incurred in reviewing and approving the transfer, facilitating the transfer process, and providing such training to the transferee as we deem necessary ("**Transfer Fee**"). A One Thousand Dollar ($1,000) non-refundable deposit will be due at the time that the transfer application is submitted and the remaining balance of fee at time of approved transfer. In addition to the Transfer Fee, you will pay us either (i) Ten Thousand Dollars $10,000 if, prior to serious negotiations with you or one of your owners, the transferee had contact with us or a PostNet area franchisee, or (ii) Fifteen Thousand Dollars ($15,000) if, prior to serious negotiations with you or one of your owners, the transferee had contact with a third party broker with whom we have a referral agreement. You will not be required to pay us a Transfer Fee for transfers to a corporation formed for the convenience of ownership, where the ownership of such corporation is in the same proportion as your ownership before such transfer.

12.2.1.9 You will not be in default of any provision of this Franchise Agreement or any other agreement between you and us or our affiliates.

12.2.2 You will, at our request, prepare and furnish to the transferee and/or us such financial reports and other data relating to your Center and its operations as we deem reasonably necessary or appropriate for the transferee and/or us to evaluate your Center and the proposed transfer. You authorize us to confer with a proposed transferee and furnish the proposed transferee with information concerning your Center and the terms and conditions of the proposed transfer, and we may do so without any liability, except for intentional misstatements made to a transferee.

12.2.3 You will not grant a security interest in the assets of your Center unless the secured party agrees that if any default occurs by you under any documents related to the security interest, we will have the right and option to be substituted as obligor to the secured party and to cure any default of you, except any acceleration of indebtedness due to your default will be void.

12.3 Except as otherwise required by Section 12.2, you will have the right to effect transfers without our consent; provided, however, that you furnish written notice of such transfer to us at least seven days prior to the date of the transfer. Transfers made absent such notice will be null and void, and will constitute a material breach of this Franchise Agreement, for which we may then terminate this Franchise Agreement without affording you an opportunity to cure under Section 13.2.3.

12.4 Upon your death or mental incapacity (or, if you are an entity, upon the death or mental incapacity of one of your owners with a controlling interest in you and/or this Franchise Agreement), the executor or administrator of the estate of such person, or the personal representative of such person, will transfer, within six months after such death or mental incapacity, such interest to a third party approved by us. Such transfers, including, without limitation, transfers by devise or inheritance, will be subject to the same conditions for transfer as provided in Sections 12.2 or 12.3, as the case may be. However, with a transfer by devise or inheritance governed by Section 12.2, if the heirs or beneficiaries cannot meet the conditions in Section 12.2, the executor or administrator of the deceased will have a reasonable time to dispose of the deceased's interest in the Center, which disposition will be subject to all the terms and conditions for transfers contained in this Franchise Agreement. If the interest is not disposed of within a reasonable time, we may terminate this Franchise Agreement under Section 13.2.6. We will waive the Transfer Fee for purposes of this Section 12.4 but we will not waive any additional fee that may be payable under Section 12.2.1.8.

12.5 Our consent to a transfer which is the subject of this Section 12 will not constitute a waiver of any claims we may have against you, nor will it be deemed a waiver of our right to demand exact compliance with any of the terms hereof by the transferee.

12.6 If, for any reason, this Franchise Agreement is not terminated under Section 13.1 and this Franchise Agreement is assumed or assignment of the same to any person or entity who has made a bona fide offer to accept an assignment of this Franchise Agreement is contemplated, under the United States Bankruptcy Code, then notice of such proposed assignment or assumption, setting forth: (a) the name and address of the proposed assignee; and (b) all of the terms and conditions of the proposed assignment and assumption; will be given to us within twenty days after receipt of such proposed assignee's offer to accept assignment of this Franchise Agreement, and, in any event, within ten days prior to the date the application is made to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption. We will have the prior right and option, to be exercised by notice given at any time prior to the effective date of such proposed assignment and assumption, to accept an assignment of this Franchise Agreement to us, upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by you out of the consideration to be paid by such assignee for the assignment of this Franchise Agreement.

13. **DEFAULT AND TERMINATION**

13.1 You will be deemed in default of this Franchise Agreement, and all rights granted herein will automatically terminate without notice to you, if you become insolvent or make a general assignment for the benefit of creditors; or, if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; or, if you are adjudicated as bankrupt or insolvent; or, if a bill in equity or other proceeding to appoint a receiver of you or other custodian for your business or assets is filed and consented to by you; or, if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or, if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; or, if a final judgment remains unsatisfied or of record for thirty days or longer (unless a supersedeas bond is filed); or, if you are dissolved; or, if execution is levied against your business or property; or, if the real or personal property of your Center will be sold after levy thereupon by any sheriff, marshal, or constable.

13.2 Upon the occurrence of any of the following events, you will be deemed in default of this Franchise Agreement and we may, at our option, terminate this Franchise Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, effective immediately upon the provision of notice to you (in the manner set forth under Section 19 hereof):

13.2.1 If you at any time cease to operate, or abandon, your Center for a period of seven consecutive days without receiving our prior express written consent, or otherwise forfeit the right to do or transact business in the jurisdiction where your Center is located; provided, however, that if through no fault of your own, the premises are damaged or destroyed, then you will have thirty days to request our approval to relocate or reconstruct the premises, which approval will not be unreasonably withheld;

13.2.2 If you, or any officer, director, or partner of you, is convicted of a felony, a crime or offense involving moral turpitude, or engage in conduct that, in our reasonable judgment, is morally offensive to community standards and is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or our interest therein;

13.2.3 If you or any partner or shareholder in you purports to transfer any rights or obligations under this Franchise Agreement, or any interest in you or the assets of your Center to any third party without our prior written consent or notice, contrary to the terms of Section 12;

13.2.4 If you fail to comply with the covenants in Section 15.2 or fail to deliver to us executed covenants required under Section 15.9;

13.2.5 If, contrary to the terms of Section 8, you or any principal of you discloses or divulges any contents of the Manual or any Confidential Information;

13.2.6 If an approved transfer is not effected following death or mental incapacity as described in Section 12.4;

13.2.7 If you knowingly maintain false books or records, or knowingly submit any false reports to us;

13.2.8 If, without our prior express written consent, the lease for your Approved Location expires without being renewed, the lease for your Approved Location is terminated for any reason, or you otherwise fail maintain and/or control a lease for your Approved Location;

13.2.9 If you, within two years after curing a default under Section 13.3, commit a similar or different default, whether or not cured after notice;

13.2.10 If you do not pay any monies owing to us, our affiliates, or your suppliers, when payment is required;

13.2.11 If you or any principal of you has made any material misrepresentation in connection with your application to us for the franchise granted under this Franchise Agreement;

13.2.12 If you understate any payment to us by five percent or more, or understate any payment to us in any amount twice in any two year period;

13.2.13 If you fail to obtain or maintain required insurance coverage;

13.2.14 If you permit alcohol, drugs, or pets (other than pets required for the health of your customers or employees or as otherwise required by law, i.e. seeing eye dogs) on your Center premises, or your Center premises is used for any activities prohibited by Section 5.5;

13.2.15 If you, without receiving our prior express written consent, fail to attend and successfully complete any required training as specified in Section 4 or fail to attend our annual convention for franchisees as specified in Section 5.7;

13.2.16 If you, or any affiliate, commit any act of default under any agreement with us for which such agreement is terminated, except this provision will not apply to a default by you, or any affiliate, under any development agreement;

13.2.17 If your assets, property, or interests are "blocked" under any Anti-Terrorism Law or if you are otherwise in violation of any such law;

13.2.18 If you establish, or use, a Website, as defined in Section 11.2, without our prior written approval; or

13.2.19 If you fail to open your Center within one year after the Effective Date.

13.3 Except as provided in Sections 13.1 and 13.2, you will have thirty days after we provide written notice of default (in the manner specified in Section 19) to remedy the default and to provide us with evidence of such remedy. If any such default is not cured within such time, or such longer period as applicable law may require, we may terminate this agreement effective immediately upon our notice to you. You will be in default of this Franchise Agreement for any failure substantially to comply with any of the requirements imposed by this Franchise Agreement, including requirements set forth in the Manual, as they may from time to time be supplemented in writing, or to carry out the terms of this Franchise Agreement in good faith. If you are in default of any provisions of this Franchise Agreement, in addition to the rights listed in Section 13, we may, at our option, suspend any and all of our obligations under this Franchise Agreement until such defaults have been cured or until the Franchise Agreement has been terminated.

13.4 Subject to the terms of this Franchise Agreement, you will open your Center for business within twelve (12) months from the Effective Date unless you obtain our express written permission otherwise, which permission may be granted or denied in our sole discretion. Any failure to meet this deadline will be a default of this Franchise Agreement.

13.5 No endorsement or statement on any check or payment of any sum less than the full sum due to us will be construed as an acknowledgment of payment in full or an accord and satisfaction, and we may accept and cash such check or payment without prejudice to our right to recover the balance due or pursue any other remedy in this Franchise Agreement or by law. We may apply any payments made by you against any past due indebtedness of you as we may see fit. We may set off any amounts owed by you to us against any payment due to you under this Franchise Agreement and may, at our option, pay your trade creditors out of any sum otherwise due to you.

13.6 Upon the occurrence of each and any of the events of default by you listed in this Section 13.6, in addition to all other rights granted to us under Section 13, we will have the right, upon written notice to you, to impose a separate default fee equal to three percent (3%) (for each occurrence up to a cumulative twelve percent (12%) of Gross Sale of your Center ("**Default Fee**"). Each Default Fee is in addition to any other rights and/or remedies we may have including, without limitation, any termination rights. Each Default Fee will be paid in addition to, in the same manner, and at the same time as the monthly royalty fee of Section 3.2. Each Default Fee will continue until the default that triggered the particular Default Fee is cured by you or until the Franchise Agreement is terminated. We and you agree and acknowledge that such the Default Fee shall not be construed as a penalty, as such fee is a reasonable, good faith representation of the actual damages sustained by us upon the occurrence of any of the defaults listed in this Section.

13.6.1 You fail to submit all materials and/or information required by us, or our designated agents, to complete any audit pursuant to Section 11.8 within thirty calendar days after receiving notice of the audit;

13.6.2 You fail follow and/or comply with the Accounting System pursuant to Section 11.5;

13.6.3 You establish or use a Website, as defined in Section 11.2, without our prior written approval; and

13.6.4 You fail to complete Classroom Training by the Classroom Training Deadline.

14. **OBLIGATIONS UPON TERMINATION OR EXPIRATION**

Upon termination or expiration of this Franchise Agreement, all rights granted to you under this Franchise Agreement will immediately terminate and:

14.1 You will immediately cease to operate your Center, and will not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former PostNet franchisee.

14.2 You will immediately and permanently cease to use, in any manner whatsoever, any confidential methods, procedures, and techniques associated with the System; the Proprietary Marks; and all other proprietary marks and distinctive forms, slogans, signs, symbols, and devices associated with the System. You also will, at your expense, immediately remove all signs, slogans, symbols, distinctive forms, devices, and trade dress associated with the System, which are located at your Center. If you fail to remove all signs, slogans, symbols, distinctive forms, devices, and trade dress associated with the System within a reasonable amount of time following termination, and we are forced to remove these items, you will reimburse us for the cost of removal. You agree not to sell, assign, transfer, convey, or give away any signs, slogans, symbols, distinctive forms, devices, trade dress, or other fixtures associated with the System without our prior written consent.

14.3 You will take such action as may be necessary to cancel any assumed name or equivalent registration which contains the Proprietary Marks and you will furnish us with evidence satisfactory to us of compliance with this obligation within thirty days after termination or expiration of this Franchise Agreement.

14.4 You will, at our option, immediately assign to us any interest which you have in the then-current lease for your Center premises. If we do not elect to exercise our option to acquire the lease for your Center premises, then, to the extent, if any, that you are permitted to conduct any business at the Approved Location under Section 15.3, and acknowledging the distinctiveness of our interior design and décor, you will make such modifications or alterations to the premises (including, at our option, the assignment of any of your Center's telephone numbers, facsimile numbers, social media websites and Internet addresses to us in accordance with Section 14.5) immediately upon termination or expiration of this Franchise Agreement to distinguish the appearance of such premises from that of other PostNet Centers operating under the System and Proprietary Marks, and will make such specific additional changes thereto as we may reasonably request for that purpose. If you fail or refuse to comply with the requirements of this Section 14.4, we will have the right to enter the Center premises without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at your expense, which expense you agree to pay us upon demand.

14.5 You acknowledge that all telephone numbers, facsimile numbers, social media websites, Internet addresses and e-mail addresses (collectively "**Identifiers**") used in the operation of your Center constitute our assets, and upon termination or expiration of this Franchise Agreement, you will take such action within five days to cancel or assign to us or our designee as determined by us, all of your right, title and interest in and to such Identifiers and will notify the telephone company and all listing agencies of the termination or expiration of your right to use any Identifiers, and any regular, classified or other telephone directory listing associated with the Identifiers and to authorize a transfer of the same to, or at our direction. You agree to take all action required cancel all assumed name or equivalent registrations related to your use of the Proprietary Marks. You acknowledge that, we have the sole rights to, and interest in, all Identifiers used by you to promote your Center and/or associated with the Proprietary Marks. You hereby irrevocably appoint us, with full power of substitution, as your true and lawful attorney-in-fact, which appointment is coupled with an interest, to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. You further appoint us to direct the telephone company, postal service, registrar, Internet Service Provider, listing agency, website operator, or any other third party to transfer such Identifiers to us or our designee. The telephone company, postal service, registrar, Internet Service Provider, listing agency, website operator, or any other third party may accept such direction by us pursuant to this Franchise Agreement as conclusive evidence of Franchisor's rights to the Identifiers and our authority to direct their transfer.

14.6 You agree, in the event you continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit copy, or colorable imitation of the Proprietary Marks or our trade dress, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake, or deception, or which is likely to dilute our rights in and to the Proprietary Marks, and further agree not to use any designation of origin, description, representation, trademark, or trade name which suggests or represents a past or present association or connection with us, the System, or the Proprietary Marks.

14.7 You will promptly pay all sums owed to us and our affiliates. In the event of termination for any default by you, such sums will include all damages, costs, and expenses, including reasonable attorney fees, incurred by us as a result of your default, which obligation will give rise to and remain, until paid in full, a lien in favor of us against any and all of your personal property, furnishings, equipment, signs, and fixtures, at your Approved Location at the time of default.

14.8 You will pay us any and all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us subsequent to the termination or expiration of this Franchise Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Section 14.8.

14.9 You will immediately return to us or, if in electronic format, permanently delete and/or destroy, all Confidential Information and proprietary information you have in your possession, including the Manual and any copies that may have been made by you, within five business days of the termination or expiration of this Franchise Agreement. You will provide us proof of such deletion upon written request.

14.10 We will have the option, to be exercised within thirty days after termination or expiration of this Franchise Agreement, to purchase from you any or all of the furnishings, equipment, signs, fixtures, assets, and supplies related to the operation of your Center, at their book value as represented by your last tax return and as adjusted for the depreciation up until the time of the exercise of our option. If we elect to exercise any option to purchase herein provided, the closing will take place within 15 days after the purchase price will have been established. We will have the right to set off all amounts due from you, if any, against the payment price of such items. We have the right to set off any payments you owe us against the purchase price.

14.11 All of your covenants, obligations, and agreements which by their terms or by reasonable implication are to be performed, in whole or in part, after the termination or expiration of this Franchise Agreement, will survive such termination or expiration.

14.12 You will comply with the covenants contained in Section 15.3.

15. **COVENANTS**

15.1 You covenant that during the term of this Franchise Agreement, except as otherwise approved in writing by us, you (or if you are a corporation or partnership, a principal of you) or your Designated Manager will devote full time and best efforts to the management and operation of your Center.

15.2 You acknowledge you will receive valuable specialized training and confidential information, including, without limitation, information regarding the operational, sales, promotional, and marketing methods and techniques from us. You covenant that during the term of this Franchise Agreement you will not, either directly or indirectly, except as otherwise approved in writing by us, for yourself, or through, on behalf of, or in conjunction with, any person, persons, or legal entity:

15.2.1 Directly or indirectly (including through an act of omission), divert or attempt to divert any business or customer of your Center to any competitor by inducement or otherwise, or do or perform any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System; and

15.2.2 Own, maintain, advise, operate, engage in, be employed by, make loans to, have any interest in or relationship or association with, a business which offers the same or similar products or services as those offered by your Center or the System.

15.3 You covenant that you will not, without our prior written consent, for a continuous, uninterrupted one year period commencing upon the date of: (a) a transfer permitted under Section 12 of this Franchise Agreement; (b) expiration of this Franchise Agreement; (c) termination of this Franchise Agreement (regardless of the cause for termination); or (d) a final decision of an arbitrator or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of this Section 15.3; either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons, or legal entity (including legal entities which own, are owned by, or are under common ownership with you), own, maintain, advise, operate, engage in, lease to, be employed by, make loans to, or have any interest in or relationship or association with a business which offers the same or similar products or services as those offered by your Center or the System, and which is located: (i) at the Approved Location; (ii) within ten miles of the Approved Location; or (iii) within ten miles of any PostNet Center open or under construction on the Effective Date of this Franchise Agreement.

15.4 Sections 15.2 and 15.3 will not apply to the ownership of other PostNet Centers or the beneficial ownership by you of less than a five percent of the outstanding equity securities of any company registered under the Securities Act of 1933 or the Securities Exchange Act of 1934.

15.5 The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Franchise Agreement. If all or any portion of a covenant in this Section 15 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, You expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 15.

15.6 You agree and acknowledge that we have the right, in our sole discretion, to reduce the scope of any covenant or any portion thereof set forth in Sections 15.2 and 15.3, without your consent, effective immediately upon receipt by you of written notice of such reduction; and you agree that you will comply immediately with any covenant as so modified, which will be fully enforceable notwithstanding the provisions of Section 21.

15.7 You expressly agree that the existence of any claims you may have against us, whether or not arising under this Franchise Agreement, will not constitute a defense to the enforcement by us of the covenants in this Section 15.

15.8 You acknowledge that your violation of the terms of this Section 15 would result in irreparable injury to us for which no adequate remedy at law may be available, and agree to pay all court costs and reasonable attorney fees incurred by us in obtaining any injunctive or other equitable or legal relief with respect to such conduct or action.

15.9 You will obtain execution of covenants similar to those set forth in this Section 15 (including covenants applicable upon the termination of a person's relationship with you and covenants incorporating the terms of Section 14 of this Franchise Agreement, as modified to apply to an individual), from the following persons:

15.9.1 If you are one or more natural persons: (1) each and every employee of yours who has received training from us; (2) each and every one of your spouses and each and every one of your children over the age of 18 who has involvement in the operation of your Center.

15.9.2 If you are a partnership: (1) each and every partner (including each and every shareholder, member, officer, and/or director of each and every corporation and limited liability company that owns an interest of five percent or more in one or more of your partners); (2) each and every one of your employees who has received training from us; (3) each any every partner's spouse and each and every partner's child over the age of 18 who has involvement in the operation of your Center.

15.9.3 If you are a limited liability company: (1) each and every member (including the shareholders, members, officers, and/or directors of each and every corporation and limited liability company that hold an interest of five percent or more in you or a member); (2) each and every one of your employees who has received training from us; (3) each and every member's spouse and each and every member's child over the age of 18 who has involvement in the operation of your Center.

15.9.4 If you are a corporation: (1) each and every shareholder (including the shareholders, members, officers, and/or directors of each and every corporation and limited liability company that hold an interest of five percent or more in you or a member); (2) each and every one of your employees who has received training from us; (3) each and every shareholder's spouse and each and every shareholder's child over the age of 18 who has involvement in the operation of your Center.

Every covenant required by this Section 15.9 and its subsections will be in a form approved by us, including, without limitation, specific identification of us as a third party beneficiary of such covenants with the independent right to enforce them.

16. **YOU AS A CORPORATION, PARTNERSHIP, OR LIMITED LIABILITY COMPANY**

16.1 Except as otherwise approved in writing by us, if you are a corporation, you will: (i) confine your activities, and your governing documents will at all times provide your activities are confined, exclusively to operating your Center; (ii) maintain stop transfer instructions on your records (unless you are publicly held) against the transfer of any equity securities and will only issue securities upon the face of which a legend, in a form satisfactory to us, appears which references the transfer restrictions imposed by this Franchise Agreement; and (iii) maintain a current list of all owners of record, all beneficial owners of any class of voting stock of you, and all officers and directors, and furnish the list, and current contact information of each individual on the list, to us upon request.

16.2 If you are a partnership you will (i) furnish us with your partnership agreement as well as such other documents as we may reasonably request, and any amendments thereto; and (ii) prepare and furnish to us, upon request, a current list of all general and limited partners in you and each partner's personal contact information.

16.3 If you are a limited liability company or corporation, you will: (i) confine your activities exclusively to operating your Center; (ii) furnish us with your articles of organization/articles of incorporation and operating agreement/bylaws/shareholders agreement, and such other documents as we may reasonably request and any amendments thereto; (iii) prepare and furnish to us, upon request, a current list of all members and managers in you, along with each member's and manager's personal contact information or list of shareholders, officers and board of directors; and (iv) maintain stop transfer instructions on your records against the transfer of any equity securities and will only issue securities which bear a legend, in a form satisfactory to us, referencing the transfer restrictions imposed by this Franchise Agreement.

16.4 Each present and future shareholder or member, and each present and future general and limited partner, of you will jointly and severally guarantee your performance of each and every provision of this Franchise Agreement, by executing the Personal Guarantee and Covenants in the form attached hereto as Attachment C.

17. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

17.1 It is understood and agreed by the parties that this Franchise Agreement does not create a fiduciary relationship between them; that you will be an independent contractor; and, that nothing in this Franchise Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, employer, joint employer, enterprise, or servant of the other for any purpose whatsoever.

17.2 During the term of this Franchise Agreement, you will hold yourself out to the public as an independent contractor operating the business pursuant to a franchise from us. You agree to take such action as may be necessary to do so, including, as set forth in Section 7.2.4, exhibiting a notice of that fact in a conspicuous place at your Approved Location. You further agree to state in all your advertisements and promotional materials (including business cards, order forms, and letterhead) that your PostNet Center is independently owned and operated, using language that we may specify from time to time.

17.3 You acknowledge and agree that you are not authorized to make any contract, agreement, warranty, or representation on our behalf, or to incur any debt or other obligation in our name; and that we will in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor will we be liable by reason of any act or omission of you in your conduct of your Center or for any claim or judgment arising therefrom against you or us.

17.4 Franchisee shall, during the Term and any Successor Terms and after the termination or expiration of this Franchise Agreement, indemnify, defend, and hold harmless Franchisor, its affiliates, and their respective shareholders, directors, officers, employees, agents, successors, and assignees (the "**Indemnified Parties**") against, and to reimburse any one or more Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of the Franchised Business operation, the business you conduct under this Franchise Agreement, or your breach of this Franchise Agreement. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorney, and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it and agree to settlements or take any other remedial, corrective, or other actions and such actions will affect your obligation to indemnify pursuant to this Section. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim for indemnity under this Section. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover under this Section.

17.5 Franchisee shall also pay all costs and expenses (including reasonable fees of attorneys and other engaged professionals) incurred by Franchisor in successfully enforcing, issuing notices of default, or obtaining any remedy arising from the breach of this Franchise Agreement. The existence of any claims, demands or actions which Franchisee may have against Franchisor, whether arising from this Franchise Agreement or otherwise, shall not constitute a defense to Franchisor's enforcement of Franchisee's or any its owners representations, warranties, covenants, agreements or obligations herein.

18. **<u>APPROVALS AND WAIVERS</u>**

18.1 We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you, by providing any waiver, approval, consent, or suggestion to you in connection with this Franchise Agreement, or by reason of any neglect, delay, or denial of any request related to this Franchise Agreement. No delay, waiver, omission, or forbearance on the part of us to exercise any right, option, duty, or power arising out of this Franchise Agreement against you, or any other franchisee, or any breach or default by you, or by any other franchisee, of any of the terms, provisions, or covenants of this Franchise Agreement, and no custom or practice by the parties at variance with the terms hereof, will constitute a waiver by us to enforce any such right, option, or power as against you, or as to a subsequent breach or default by you. Subsequent acceptance by us of any payments due to us under this Franchise Agreement will not be deemed to be a waiver by us of any preceding or succeeding breach by, or obligations of, you of any terms, covenants, or conditions of this Franchise Agreement.

19. **<u>NOTICES</u>**

All written notices, reports, and payments permitted or required to be delivered by this Franchise Agreement or the Manual will be deemed delivered:

(1) at the time delivered by hand;

(2) at the time delivered via computer transmission provided that the recipient acknowledges receipt of such computer transmission, and, in the case of your royalty payments and contributions of the Fund, at the time we actually receive payment;

(3) one business day after transmission by facsimile or other electronic system if the sender has confirmation of successful transmission;

(4) one business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or

(5) three business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid.

Any notice to us must be sent to the address specified on the signature page of this Franchise Agreement, although we may change this address for notice by giving you notice of the new address. Any written notice we send to you may be sent only to the Designated Manager at your Center. You may change the person and/or address for notice only by giving us thirty (30) days' prior written notice by any of the means specified in subparagraphs (1) through (5) of this Section 19.

Any required payment or report which Franchisor does not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two days before the date due) will be deemed delinquent.

20. **ENTIRE AGREEMENT**

This Franchise Agreement, together with the Manual, any written related agreements, any State Addenda attached to the Franchise Disclosure Document, and any attachments hereto, constitute the entire and complete agreement between you and us concerning the subject matter hereof, and supersede any and all prior agreements. However, nothing in this Franchise Agreement or any related agreement is intended to disclaim our representations made in the Franchise Disclosure Document. Except for those permitted by this Franchise Agreement to be made unilaterally by us, including our right to modify the Confidential Operations Manual and System, no amendment, change, or variance from this Franchise Agreement will be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

21. **SEVERABILITY AND CONSTRUCTION**

21.1 Except as expressly provided to the contrary herein, each portion, section, part, term, and/or provision of this Franchise Agreement will be considered severable; and if, for any reason, any portion, section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such will not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions hereof as may remain otherwise intelligible; and the latter will continue to be given full force and effect and bind the parties hereto; and the invalid portions, sections, parts, terms, and/or provisions will be deemed not to be a part hereof.

21.2 You expressly agree to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part hereof, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such court order.

21.3 Any provision or covenant of this Franchise Agreement which expressly or by its nature imposes obligations beyond the expiration or termination of this Franchise Agreement will survive such expiration or termination.

21.4 You acknowledge and agree that we have the right to enter into agreements with other franchisees that may contain provisions, conditions, and obligations that differ from those contained in this Franchise Agreement. The existence of different forms of agreements and the fact that existing or future franchisees may have different rights and obligations will not in any manner eliminate, modify, or affect the duties of the parties to this Franchise Agreement to comply with the terms of this Franchise Agreement.

22. **DISPUTE RESOLUTION**

22.1 Any claim or controversy arising out of or related to this Franchise Agreement, or the making, performance, breach, interpretation, or termination thereof, will be interpreted and construed exclusively under the laws of the State of Colorado. In the event of any conflict of law, the laws of Colorado will prevail, without regard to the application of Colorado conflict of law rules. If, however, any provision of this Franchise Agreement would not be enforceable under the laws of Colorado, and if your Center is located outside of Colorado and such provision would be enforceable under the laws of the state in which your Center is located, then such provision will be interpreted and construed under the laws of that state. Nothing in this Section 22.1 is intended by the parties to subject this Franchise Agreement to any franchise or similar law, rule, or regulation of the State of Colorado to which it would not otherwise be subject.

22.2 Except as otherwise provided in this Franchise Agreement, any claim or controversy arising out of, or related to, this Franchise Agreement, or the making, performance, breach, interpretation, or termination thereof, except for any actions brought with respect to: (i) the Proprietary Marks or (ii) securing injunctive relief or specific performance under this Franchise Agreement will first be subject to non-binding mediation in Denver, Colorado, or, if our principal place of business has changed when mediation is sought, in the city of our then principal place of business. Mediation will not defer or suspend our right to exercise any of our termination rights under Section 13.

22.3 No arbitration or litigation may be commenced on any claim which is subject to mediation under Section 22.2 prior to the Mediation Termination Date (as defined in Section 22.3.3), whether or not the mediation has commenced. Mediation under this Section 22 is not intended to alter or suspend the rights or obligations of the parties under this Franchise Agreement or to determine the validity or effect of any provision of this Franchise Agreement, but is intended to furnish the parties an opportunity to resolve disputes amicably, expeditiously and in a cost-effective manner on mutually acceptable terms.

22.3.1 The non-binding mediation provided for under this Franchise Agreement will be commenced by the party requesting mediation giving written notice of the request for mediation to the party with whom mediation is sought. The request will specify with reasonable particularity the matters for which non-binding mediation is sought.

22.3.2 Non-binding mediation hereunder will be conducted by a mediator or mediation program located in Denver, Colorado designated by us in writing. We will make the designation within a reasonable time after issuance of the request for mediation.

22.3.3 Non-binding mediation hereunder will be concluded within 60 days of the issuance of the request for mediation, or such longer period as may be agreed upon by the parties in writing (**"Mediation Termination Date"**). All aspects of the mediation process will be treated as confidential, will not be disclosed to others, and will not be offered or admissible in any other proceeding or legal action whatsoever. The parties will each bear their own costs of mediation, and will share equally in the cost of the mediator or mediation service.

22.4 Except for any actions brought with respect to: (i) the Proprietary Marks or (ii) securing injunctive relief or specific performance under this Franchise Agreement, any claim or controversy arising out of or related to this Franchise Agreement, or the making, performance, breach, interpretation, or termination thereof, including any claim or controversy involving any and all of our shareholders, officers, and directors in their individual capacity, will be finally settled by arbitration to be conducted in accordance with this Franchise Agreement. We and you waive, to the fullest extent permitted by law, any right or claim to any punitive or exemplary damages against the other, and agree that any award will be limited to the recovery of any actual damages sustained by them. Each party will bear one-half of the arbitrator's and administration expenses incurred during the arbitration process; provided, however, that the prevailing party will be entitled to recover its expenses, including reasonable attorneys' fees, accounting fees and arbitrator and administrative expenses, in addition to any other relief to which it is found entitled. All arbitration proceedings will take place in Denver, Colorado, or, if our principal place of business has changed at the time that arbitration is sought, in the city of our then principal place of business. The arbitration award will be binding upon the parties and may be entered and enforced in any court of competent jurisdiction. Any arbitration proceeding will be limited to controversies between we and you and will not be expanded to include any other franchisee as a party, or include the adjudication of class action claims.

22.5 If a judicial action is expressly permitted by Sections 22.2 and 22.4 of this Franchise Agreement, any such action brought by you against us will be brought exclusively, and any such action brought by us against you may be brought, in the federal district court covering the location of our principal place of business when the action is commenced; provided, however, that if the federal court would not have subject matter jurisdiction had the action been commenced in such court, then, in such event, the action will (with respect to actions commenced by you), and may (with respect to actions commenced by us), be brought in the state court within the judicial district covering the location of our principal place of business at the time the action is commenced. The parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

22.6 No right or remedy conferred upon or reserved to us or you hereby is intended to be, nor will be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each will be cumulative of every other right or remedy.

22.7 Nothing in this Franchise Agreement will bar either party's right to seek injunctive relief without the posting of any bond or security to obtain the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Franchise Agreement. Either party also will be able to seek injunctive relief to prohibit any act or omission by the other party or its employees that constitutes a violation of any applicable law, is dishonest or misleading to your customers or to the public, or which may impair the goodwill associated with the Proprietary Marks. The prevailing party will be entitled to recover its costs and reasonable attorney fees incurred by it in obtaining such relief.

22.8 Any claim or controversy arising out of or related to this agreement, or the making, performance, breach, interpretation, or termination thereof, brought by any party hereto against the other, will be commenced within one year from the occurrence of the facts giving rise to such claim or action, or such claim or action will be barred. THE PARTIES TO THIS FRANCHISE AGREEMENT HEREBY WAIVE IN ANY ARBITRATION OR JUDICIAL ACTION, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, EACH WILL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.

23. **ACKNOWLEDGMENTS**

23.1 You acknowledge you have conducted an independent investigation of the rights granted by this Franchise Agreement, you recognize that the business venture contemplated herein involves business risks, and your success will be largely dependent upon your ability as an independent businessperson. We expressly disclaim the making of, and you acknowledge you have not received, any representation, express or implied from any of our agents or employees, as to the prior, current, or potential sales, income, profits, or success of the business venture contemplated by this Franchise Agreement or of any other PostNet Center.

23.2 You acknowledge you received a copy of the complete PostNet International Franchise Corporation Franchise Agreement, and the attachments relating thereto, if any, at least fourteen calendar days prior to the Effective Date. You further acknowledge you received our uniform franchise disclosure document at least fourteen calendar days prior to the Effective Date. You acknowledge you have read and understand this Franchise Agreement, the attachments hereto, if any, and that we have accorded you ample time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Franchise Agreement.

(*Signatures on following page*)

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Franchise Agreement on the day and year written below.

Address For Notices Pursuant to Section 19 of this Franchise Agreement	Signatures
Our Address	**POSTNET INTERNATIONAL FRANCHISE CORPORATION**
1819 Wazee Street Denver, Colorado 80202 Attn: President/COO Date: ______________________	By: ____________________________ Title: ____________________________
Your Address ____________________________ ____________________________ ____________________________ ____________________________	**"FRANCHISE OWNER":** ____________________________ [*Print Your Name*]
Date: ______________________	____________________________ Individually ____________________________ [*Print Your Name*]
Date: ______________________	____________________________ Individually
	OR: (if a corporation, partnership or limited liability company) ____________________________ Company Name
Date: ______________________	By: ____________________________ Title: ____________________________
Date: ______________________	By: ____________________________ Title: ____________________________

ATTACHMENT A
TO THE FRANCHISE AGEEMENT

EFFECTIVE DATE, PROTECTED TERRITORY AND APPROVED LOCATION

1. The "**Effective Date**" of this Franchise Agreement is:____________________________

2. Protected Territory:

   The Protected Territory set forth in Section 1.3 of the Franchise Agreement will be the area as shown on the map or described below;

   ____
   ____
   ____

3. Approved Location:

   The address of the Approved Location set forth in Section 1.2 of the Franchise Agreement will be:

   ____

(***Signatures on following page)***

The parties hereby agree that the information contained in Attachment A to the Franchise Agreement is accurate and complete.

Signatures

POSTNET INTERNATIONAL FRANCHISE CORPORATION

Date:____________________________ By: ________________________________

Title: ______________________________

FRANCHISE OWNER:

____
[*Print Your Name*]

Date: __________________________ ________________________________
Individually

____
[*Print Your Name*]

Date: __________________________ ________________________________
Individually

OR:
(if a corporation, partnership or limited liability company)

____
Company Name

Date: __________________________ By: ________________________________

Title: ________________________________

Date: __________________________ By: ________________________________

Title: ________________________________

ATTACHMENT B
TO THE FRANCHISE AGREEMENT

CENTER DEVELOPMENT PACKAGE PROVIDED BY POSTNET

Note: Materials, equipment, and/or performance identified in this Attachment B may be substituted with materials, equipment, or performance of equal or greater value at our sole and absolute discretion.

ITEMS WE WILL PROVIDE:

Customer Service Counter
Customer service counter and workspace will include built in store spaces and a compartment for POS CPU. All main service counter modules are finished to match interior décor. One of the main service modules is designated for ADA use, where required.

Modular Work Stations
Modular work stations designed to provide flexible worktop space and storage.

Computer Desk
Fixture that accommodates computer services station, flat screen monitor and keyboard and is finished to match interior décor.

Interior Signs and Branding (Trade Dress)
Proprietary informational signs and graphics to promote the PostNet brand and services.

Flooring (Trade Dress)
Commercial grade designer carpet is installed in the main retail area. PostNet at its discretion may use an industrial grade laminate or equivalent surface in non-retail areas. All flooring varies per plan.

Graphics Lighting
Lighting system to highlight the interior signs and/or graphics of the store.

Window Graphics
Window graphics package for storefront windows display. Size and quantity will be determined by specific location requirements.

Exterior Sign
The PostNet proprietary trademark exterior illuminated sign (if permitted), manufactured and installed to specifications of client's selected location, up to 24 inches in height.

Door Logo & ID Signage
The PostNet proprietary trademark and store hours on a self-adhesive decal for the front door and related interior ID signage.

Slatwall Display
Slat wall display boards to hold signs and merchandise.

Slatwall Hardware
Sufficient hardware to accommodate the retail plan-o-grams: to include peg hooks, shelves, acrylic paper display shelves and other basket shelves.

Packing Peanut Dispenser
Gravity feed flowable dispenser will hold expanded polystyrene loose fill.

Center Management Software

- **Point of Sale System**
  This module allows full control for customer transactions with full integration with other areas of the management system including the database, accounts receivable, and inventory. Reports include sales summary, cash reports, sales by clerk, sales by item, sales by category, sales by hour, sales by payment type, sales audit, and full archive reporting

- **Manifest System**
  This full feature module fully supports UPS, DHL, U.S. Postal, and FedEx rates. Features include shopping screens, dim weight calculation, special service rating, and complete reporting capabilities.

- **Customer Database Management System**
  The database includes a comprehensive section on customers and the customer's consignees. Complete sorting capabilities are also included as well as list printing and customer label printing.

- **Inventory/Bar Coding**
  Full inventory control and sales/profitability tracking is achieved easily with use of the inventory section. Integration allows for deletion of inventory items as they are sold at the point of sale. Reports include information on pricing, availability, physical inventory, and activity.

- **Accounts Receivable**
  Track commercial accounts and customer purchases with ease. Features include monthly statements, payment processing, and automatic aging.

- **Print Estimator**
  Provides the ability to produce and store organized, professional and consistent quotes for in-house and outsourced print jobs.

Center Management Computer Hardware and Other Software

- Hardware
  - CPU – DELL Optiplex i5 tower, 500 GIG HD, 8 GIG RAM, DVDR drive, 8 USB ports, Network Enabled, Optical Mouse
  - 15” LCD Integrated Touch screen Monitor with Credit Card Reader
  - 104 Key Enhanced Keyboard

  - Surge Protector
  - Thermal Receipt Printer
  - Postage Label Printer
  - Electronic Steel Cash Drawer
  - 150# Electronic Scale w/ Postal Upgrade
  - Barcode Scanner
  - All necessary cables
  - 5 Rolls Thermal Receipt Paper

- Software
  - Windows 7 Professional
  - ReSource / PostNet POS
  - UPS WorldShip
  - Anti-virus Protection (including 1 year of updates)
  - Remote Data Backup (including 1 year of service by RDB)
  - POS Based postage printing (with 60 days of service from Endicia)
  - ReSource Web Assist Technical Support
  - Credit Card Processing Software (single user)

Graphics Station Computer Hardware and Software

- Hardware
  - CPU – DELL Optiplex i5 Tower, 500 GIG HD, 8 GIG RAM, DVDR drive, 8 USB ports, Network Enabled, Speakers, Optical Mouse
  - 20" LCD DELL Flat Panel Monitor
  - 104 Key Enhanced Keyboard
  - Power Strip
  - External Digital Card Reader

- Software
  - Windows 7 Professional
  - Microsoft Office Professional
  - Anti-virus Protection (including 1 year of updates)

Center Network

- Network Security Firewall Router: 4 port with DMZ
- 4 port Expansion Switch
- (2) 15 ft network patch cables to go from each computer to wall jack.
- (2) 25 ft network patch cables to go from each copier
- ReSource Multi–machine License
- Complete setup and testing

Plain Paper Fax Machine
33.6K bps SuperG3 Modem; 8MB/500 page memory; 30 page document feeder; 250 Sheet Paper Tray capacity; 132 Speed-Dialing Codes; 182 Max Numbers Stored; USB and parallel interfaces and software for Windows; print resolution 600 dpi.

Laminator & Starter Package
A desktop pouch laminator, to include an assortment of laminating pouches.

Comb Binder & Starter Package
Desktop comb binder with capacity to bind documents up to 2" thick. Binder comes with an assortment of covers and binding combs.

Coil Binding System & Starter Package
Desktop coil binder with capacity to bind documents up to 1 1/16" thick. Coil binder comes with an assortment of coils & coil crimper.

Folding Machine
This high-speed machine automatically feeds and folds a stack of documents at a variable speed up to 140 sheets per minute. There is a precision skew adjustment. This folder creates six different folds: Single, Double, Half Accordion, Letter, Accordion, Brochure, and Special Right-Angle. Handles sheet sizes from 5" x 7" to 11" x 17," 13 to 80 lb. bond. Stack capacity is 500 sheets.

Padding Press
Sturdy metal construction with wing screws tightens by hand – no tools necessary. Padding capacity is 5.75" high and 17.75" wide. Tip-back design insures that stock is always square.

Semi-Automatic Cutter w/ Digital Display
Cuts a stack of paper up to 18 1/8" wide & 3" thick. Bright, LED optical cutting line to indicate where cut will be made, electric blade drive, manual spindle clamp is guided on both sides to apply even pressure along the entire cutting width, dual side guides on front and rear tables, spindle-guided back gauge with calibrated crank, narrow separations and plastic guiders. Soligen steel bade with solid steel blade carrier and adjustable blade guides. All-metal construction. Stand with storage shelf is also included.

Retail Merchandising Program
This fully integrated program includes the most popular SKUs in the office product and packaging product lines. It has been engineered to maximize retail sales in these categories. Includes reorder tags, pricing labels, and plan-o-grams.

Packaging and Shipping Supplies
Assorted shipping boxes, tape, cushion mailers, bubble wrap for packaging services and retail sales.

Start-up Paper Inventory
Initial inventory of production copy paper, flyer paper, and premium resume paper.

Specialty Packaging Trade Equipment and Supplies

Specialty packaging equipment includes commercial-grade hot glue gun, scoring tool, box sizing tool, hot knife, related tape dispensers and box cutters.

Store Opening Supplies & Start Up Kit

An initial inventory of business cards, stationery, envelopes, brochures, inserts, aprons, and retail bags.

Graphic and Web Design Marketing Services

75 hours of graphic and web design services to be used within the first 90 days of the Center's Opening Date. Each additional hour of service after the initial 75 hours will be billed to you at forty dollars ($40) per hour, with a twenty dollar ($20) minimum.

DELIVERY OF THE PREMISES:

Your unit is to be delivered by you to us in "vanilla shell" condition. For the purpose of this Attachment B, "vanilla shell" is defined as follows:

- Finished interior walls ready for paint.
- Finished ceiling
- Finished floor (ready for floor covering)

Restroom facilities, renovation in the storage or receiving area, electrical outlets, telephone or computer wiring, HVAC, lighting and/or sprinkler systems are not within the scope of our responsibilities.

OUR RESPONSIBILITIES IN BUILDING OUT THE CENTER:

Interior Painting

We will paint walls per our specifications. We do not paint existing offices, storage areas, or restrooms.

Carpeting and Base Molding

We will provide flooring and installation of the floor and base molding throughout the space. We do not install flooring in existing offices or restrooms. All carpeted areas will be finished with vinyl base molding.

Installation

Services include the installation of slatwall, customer service counter, modular work stations, computer desk, window signage, customer interior signs and branding, and hanging the peanut dispenser as called for in the plan.

Assignment of Warranties

We will assign to you any warranties on equipment included as part of the leasehold improvements provided by us that may be provided by the equipment manufacturer or vendor.

YOUR RESPONSIBILITIES IN BUILDING OUT THE CENTER:

Your obligations:

- Compliance with all State, County, and Municipal business licenses and applicable taxes and/or fees.
- Compliance with all State, County, and Municipal sales and/or use tax licenses and payments. In cases where we pay these fees on your behalf you will be required to reimburse us.
- Purchase of business liability and premises insurance.
- Obtaining all building inspections and approvals, occupancy and/or construction permits, and architectural drawings, if required in Franchisee's locale.
- Applicable sign permit costs and final electrical connection of exterior sign. If we or a sign vendor we select obtains the sign permit on your behalf you will be required to reimburse us all cost associated with permitting.
- Installation and wiring/connection of all interior lighting in compliance with local codes.
- Any electrical work per the plans including low voltage such as CAT5 and telephone. This includes trenching the floor and running electrical / data for the main service counter per the plan.

Large Center Expenses
A build out is customarily performed in a space no larger than 1,200 square feet. If the space you have selected is larger than 1,200 square feet, you may incur additional expenses associated with the build out of the Center.

Our Initials: _____
Your Initials: ____

ATTACHMENT C
TO THE FRANCHISE AGREEMENT

PERSONAL GUARANTEE AND COVENANTS

As an inducement to POSTNET INTERNATIONAL FRANCHISE CORPORATION ("**we**", "**us**", "**our**", "**Franchisor**") to execute that certain franchise agreement dated ___________________________ (the "**Franchise Agreement**") with ___________________________ ("**Franchisee**") Guarantors jointly and severally agree as follows:

A. GUARANTEE

1. Guarantors will pay, or cause to be paid, to us all monies payable by Franchisee under the Franchise Agreement on the date and in the manner required for payment.

2. Guarantors unconditionally guarantee full performance and discharge by Franchisee of all the obligations of Franchisee under the Franchise Agreement on the date and times and in the manner required.

3. Guarantors will indemnify, defend, and save harmless us and our affiliates, and our respective shareholders, directors, employees, and agents, against and from all losses, damages, costs, and expenses which we and our affiliates may sustain, incur, or become liable for by reason of:

a. Franchisee's failure to pay the monies payable pursuant to the Franchise Agreement or to do and perform any other act, matter, or thing required by the Franchise Agreement; or

b. any action by us to collect money from, or obtain performance by, Franchisee of any act, matter, or thing required by the Franchise Agreement.

4. Guarantors acknowledge that we are not obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of the Guarantors herein set out, and the enforcement of such obligations may take place before, after, or contemporaneously with, enforcement of any debt or obligation of Franchisee under the Franchise Agreement.

5. Without affecting the Guarantors' obligations under this Personal Guarantee and Covenants, we, without notice to the Guarantors, may extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee. Guarantors waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

6. Guarantors' obligations under this Personal Guarantee and Covenants will remain in full force and effect, and will be unaffected by: (i) the unenforceability of the Franchise

Agreement against Franchisee; (ii) the termination of any obligations of Franchisee under the Franchise Agreement by operation of law or otherwise; (iii) the bankruptcy, insolvency, dissolution, or other liquidation of Franchisee, including, without limitation, any surrender or disclaimer of the Franchise Agreement by the trustee in bankruptcy of franchisee; (iv) Franchisee's consent or acquiescence to any bankruptcy, receivership, insolvency, or any other creditor's proceedings of or against Franchisee, or by the winding-up or dissolution of Franchisee, or any other event or occurrence which would have the effect at law of terminating the existence of Franchisee's obligations prior to the termination of the Franchise Agreement; or (v) by any other agreements or other dealings between us and Franchisee having the effect of amending or altering the Franchise Agreement or Franchisee's obligations under the Franchise Agreement, or by any want of notice by us to Franchisee of any default of Franchisee or by any other matter, thing, act, or omission of Franchisee whatsoever.

B. CONFIDENTIALITY COVENANT

7. Guarantors will not communicate, divulge, or use for the benefit of anyone else, any confidential information, knowledge, or know-how concerning the methods of operation of either our or Franchisee's business which may be communicated to Guarantors, or which Guarantors may learn during their association with Franchisee. Guarantors agree that of our or Franchisee's Manuals, and any and all matters, information, knowledge, know-how, and techniques which we or Franchisee designate as confidential, will be deemed confidential for purposes of this Personal Guarantee and Covenants, unless and until Guarantors demonstrate that such information has become public knowledge.

C. NON-COMPETITION COVENANT

8. Guarantors will not, except as otherwise approved in writing by us, either directly or indirectly, for themselves, or through, on behalf of, or in conjunction with, any person, persons, or legal entity:

a. During any period that Guarantors are officers, directors, employees of Franchisee, or owners of a legal or equitable interest in Franchisee, while, in either circumstance, the Franchise Agreement is in effect; (i) divert or attempt to divert any business or customer of Franchisee's PostNet Center to any competitor by inducement or otherwise, or do or perform any other act injurious or prejudicial to the goodwill associated with our trademarks or either our or Franchisee's business; or (ii) own, maintain, advise, operate, engage in, be employed by, make loans to, have any interest in or relationship or association with, a business which offers the same or similar products or services as those offered by PostNet Centers.

b. For a continuous, uninterrupted one-year period commencing upon the earlier of the date that (i) Guarantors' association with or ownership interest in Franchisee terminates, or (ii) Franchisee's post-term non-competition covenant under the Franchise Agreement terminates, either directly or indirectly, for him/herself, or through, on behalf of, or in conjunction with any person, persons, or legal entity (including legal entities which own, are owned by, or are under common ownership with Franchisee), own, maintain, advise, operate, engage in, lease to, be employed by, make loans to, or have any interest in or relationship or association with a business which offers the same or similar products or services as those offered by PostNet Centers, and which are located in or within a ten-mile radius of the Protected Territory granted to Franchisee under the Franchise Agreement.

9. Sections 7 and 8 will not apply to the ownership by Guarantors of less than five percent of the outstanding equity securities of any company registered under the Securities Act of 1933 or the Securities Exchange Act of 1934.

10. Guarantors' obligations under Sections 7 and 8 of this Agreement will be subject to the following provisions:

a. If all or any portion of either Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, Guarantors will be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

b. We have the right, in our sole discretion, to reduce the scope of any covenant or any portion thereof set forth in either Section, without Guarantors' consent, effective immediately upon receipt by Guarantors of written notice thereof; and Guarantors agree that they will comply forthwith with any covenant as so modified.

c. The existence of any claims which Guarantors may have against us or Franchisee will not constitute a defense to the enforcement by us or Franchisee of the provisions of this Personal Guarantee and Covenants.

10. Guarantors understand and acknowledge that any failure to comply with the confidentiality and non-competition covenants of this Personal Guarantee and Covenants will result in irreparable injury to us for which no adequate remedy at law may be available, and Guarantors consent to the issuance of, and agree to pay, all court costs and reasonable attorney fees incurred by us in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal and/or equitable relief with respect to the requirements of these covenants.

11. In the event that a dispute evolves regarding any interpretation or enforcement of this Personal Guarantee and Covenants such dispute will be resolved solely in accordance with the provisions of Section 22 of the Franchise Agreement. The provisions of Section 19 of the Franchise Agreement will apply to any notice to either party, except that notice to Guarantors will be sent to the address(es) set forth below beneath each Guarantor's signature.

[Signatures on following page.]

IN WITNESS WHEREOF, each of the undersigned has signed this Personal Guarantee and Covenants as of the date of the Franchise Agreement.

GUARANTOR:	GUARANTOR:
______________________	______________________
Signature	Signature
______________________	______________________
Printed Name	Printed Name
______________________	______________________
Street Address	Street Address
______________________	______________________
City and State	City and State

Countersigned:

POSTNET INTERNATIONAL FRANCHISE CORPORATION

By: ______________________________

Title:______________________________

ATTACHMENT D
TO THE FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP

Franchisee: ____

Trade Name (if different from above): ____

Form of Ownership
(Check One)

____ Individual ____ Partnership ____ Corporation ____ Limited Liability Company

If a Partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a Corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a Limited Liability Company, give the state and date of formation, the name of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.

State and Date of Formation:____

Management (managers, officers, board of directors, etc.):

Name	Title

Members, Stockholders, Partners

Name	Address	Percentage Owned

Franchise Owner acknowledges that this Statement of Ownership applies to your Center authorized under the Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information must be reported to us in writing.

Signatures

FRANCHISE OWNER:

____
[*Print Your Name*]

Date: ______________________ ______________________________
Individually

____
[*Print Your Name*]

Date: ______________________ ______________________________
Individually

OR:
(if a corporation, partnership or limited liability company)

____
Company Name

By: ___________________________

Date: ______________________ Title: ___________________________

By: ___________________________

Date: ______________________ Title: ___________________________

[Print Your Name]

Date: ____________________________

____
Individually

____
[Print Your Name]

Date: ____________________________

____
Individually

OR:
(if a corporation, partnership or limited liability company)

____
Company Name

By: ________________________________

Date: ____________________________ Title: ______________________________

By: ________________________________

Date: ____________________________ Title: ______________________________

____
[Print Your Name]

Date: ____________________________

____
Individually

____
[Print Your Name]

Date: ______________________

____
Individually

EXHIBIT B
TO FRANCHISE
DISCLOSURE DOCUMENT

LISTS OF CURRENT AND FORMER FRANCHISEES AND AREA FRANCHISEES

1. List of Franchisees.

2. List of Area Franchisees

3. List of Franchisees who have left the System during 2013.

* Denotes Franchisees that are not yet operational as of December 31, 2013.

In 2003, we implemented a new PostNet Center design called GenNext which enabled franchises to offer expanded services and business to businesses. All PostNet Centers opened since then have been opened under the GenNext design. Those Franchisees below that have a "**" next to their name are operating under an older format and not the GenNext design.

\- We previously offered, but currently do not offer, Area Franchises.

Note: If you buy this Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

POSTNET FRANCHISEES

Alabama			
	PostNet 60 Chelsea Corners Chelsea, Alabama 35043	Business: 205-678-0123 Fax: 205-678-0126 Email: al106@postnet.com	Thomas, Gene & Diane LAB-TOT, LLC
	PostNet 10 North Section Street Fairhope, Alabama 36532	Business: 251-928-1999 Fax: 251-928-1977 Email: al108@postnet.com	Ghio, James
	PostNet 3331 Rainbow Drive Suite E Rainbow City, Alabama 35906	Business: 256-442-0333 Fax: 256-442-0303 Email: al105@postnet.com	Gray, Donald & Janie J & D Services, LLC
Arizona			
	PostNet 3655 W. Anthem Way Suite A-109 Anthem, Arizona 85086	Business: 623-551-1305 Fax: 623-551-1306 Email: az115@postnet.com	Nelson, Lanny
	PostNet 1300 S. Watson Road Suite A114 Buckeye, Arizona 85326	Business: 623-691-6544 Fax: 623-474-6032 Email: az138@postnet.com	Walker, David & Debra D.D Walker Enterprises, Inc.
	PostNet 6554 E. Cave Creek Road Cave Creek, Arizona 85331	Business: 480-595-7400 Fax: 480-595-7405 Email: az155@postnet.com	Dobben, Jon & Tom JT&T Concepts, LLC
	PostNet 29834 N. Cave Creek Road Suite118 Cave Creek, Arizona 85331	Business: 480-419-6999 Fax: 480-419-9233 Email: az111@postnet.com	Patel, Priti Subi Investments, LLC
	PostNet 3165 South Alma School Road No. 29 Chandler, Arizona 85248	Business: 480-917-2468 Fax: 480-917-2430 Email: az109@postnet.com	Zapata, Fred & Karin Kokopeli Ventures, Inc.
	PostNet 1909 E. Ray Road Suite 9 Chandler, Arizona 85225	Business: 480-855-0280 Fax: 480-855-0298 Email: az146@postnet.com	Dobben, Timothy
	PostNet 2925 East Riggs Road Suite 8 Chandler, Arizona 85249	Business: 480-895-7611 Fax: 480-895-1374 Email: az134@postnet.com	Oh, Bongsu
	PostNet 8490 S. Power Road Suite 105 Gilbert, Arizona 85297	Business: 480-988-5005 Fax: 480-988-4166 Email: az132@postnet.com	Kuklinski, Shirley MOM Enterprises, LLC

	PostNet 6740 W Deer Valley Rd Suite D-107 Glendale, Arizona 85310	Business: 623-572-7556 Fax: 623-572-8510 Email: az110@postnet.com	Young, Walter
	PostNet 4920 W. Baseline Road Suite C105 Laveen, Arizona 85339	Business: 602-237-0232 Fax: 602-237-0507 Email: az136@postnet.com	McCartney, Edward Mc Express, LLC
	PostNet 1000 N Beeline Highway Payson, Arizona 85541	Business: 928-472-4355 Fax: 928-472-4353 Email: az112@postnet.com	Enos, Edward & Diane Forest View, Inc.
	PostNet 4757 E. Greenway Road Suite 107 B Phoenix, Arizona 85032	Business: 602-493-7678 Fax: 602-493-9934 Email: az102@postnet.com	Wistrom, Rodney & Deborah Wistrom, Inc.
	PostNet 3298 N. Glassford Hills Road Suite C Prescott Valley, Arizona 86314	Business: 928-759-3700 Fax: 928-759-3702 Email: az141@postnet.com	Teletbaum, Barry
	PostNet 15990 S. Rancho Sahuarita Blvd. Suite 150 Sahuarita, Arizona 85629	Business: 520-300-5404 Fax: 520-300-5415 Email: az148@postnet.com	Cambron, Conrad & Fahy, Dan ConDan Enterprises LLC
	PostNet 20343 N. Hayden Road Suite 105 Scottsdale, Arizona 85255	Business: 480-419-2599 Fax: 480-419-2675 Email: az149@postnet.com	Nelson, Steven Nelson Family Business Center, LLC
	PostNet 10869 N Scottsdale Road Suite 103 Scottsdale, Arizona 85254	Business: 480-348-1015 Fax: 480-348-1017 Email: az127@postnet.com	Levens, Barbara Scottsdale Postal & Business Services Inc.
	PostNet 32531 N. Scottsdale Road Scottsdale, Arizona 85262	Business: 480-488-9972 Fax: 480-488-9839 Email: az135@postnet.com	Dobben, Jon & Tom
	PostNet 8902 E. Via Linda Suite 110 Scottsdale, Arizona 85258	Business: 480-314-3000 Fax: 480-314-3469 Email: az151@postnet.com	Nelson, Steven
	PostNet 14537 W. Grand Ave Suite 140 Surprise, Arizona 85374	Business: 623-537-5298 Fax: 623-537-5299 Email: az144@postnet.com	Mckeever, Sean & Pamela Kiegan Express, LLC
	PostNet 2700 W. Baseline Road Suite 133 Tempe, Arizona 85282	Business: 602-437-8100 Fax: 602-437-8101 Email: az154@postnet.com	Lovely, Mitchell Lovely Unique Enterprises, LLC
	PostNet 2954 North Campbell Tucson, Arizona 85719	Business: 520-325-4273 Fax: 520-325-6086 Email: az106@postnet.com	Moore, Douglas & Jill

	PostNet 4951 E. Grant Road No. 105 Tucson, Arizona 85712	Business: 520-881-5445 Fax: 520-881-4994 Email: az101@postnet.com	Belin, Jack & Dianne Avatar Ventures, LLC
	PostNet 8110 S. Houghton Road Suite 158 Tucson, Arizona 85747	Business: 520-574-7875 Fax: 520-574-7460 Email: az142@postnet.com	Geerdes, David & Mary Lou Windmill II, LLC
	PostNet 7049 E. Tanque Verde Tucson, Arizona 85715	Business: 520-733-9700 Fax: 520-733-9701 Email: az119@postnet.com	Franks, Larry & Max Morning Singer, L.L.C: Frank's Ventures, LLC
Arkansas			
	PostNet 1401 South Walton Boulevard Suite 9 Bentonville, Arkansas 72712	Business: 479-254-8600 Fax: 479-254-3887 Email: ar109@postnet.com	Cogan, Joan & Dennis Paragon Business Services Inc.
	PostNet 40 Plaza Way No. 8 Mtn. Home, Arkansas 72653	Business: 870-492-7876 Fax: 870-492-7879 Email: ar105@postnet.com	Shannon, William One Stop Business Services, LLC
	PostNet 2500 W. Kings Highway Suite 2 Paragould, Arkansas 72450	Business: 870-240-0569 Fax: 870-240-0639 Email: ar113@postnet.com	Murphy-Hatosy, Becky
	PostNet 2605 West Pleasant Grove Road Suite 202 Rogers, Arkansas 72758	Business: 479-254-8600 Fax: 479-633-8788 Email: ar115@postnet.com	Cogan, Joan & Dennis
	PostNet 5204 Village Parkway Suite 11 Rogers, Arkansas 72758	Business: 479-271-2494 Fax: 479-271-2402 Email: ar107@postnet.com	Seidle, Neal "Todd" RTTF ENTERPRISES LLC
	PostNet* COMING SOON COMING SOON, Arkansas 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: ar114@postnet.com	Murphy, Becky
California			
	PostNet 6077 Coffee Road No. 4 Bakersfield, California 93308	Business: 661-588-7770 Fax: 661-589-3214 Email: ca187@postnet.com	Sandhu, Amrit (Amy)
	PostNet 3400 Panama Lane Suite F Bakersfield, California 93313	Business: 661-827-9281 Fax: 661-827-9283 Email: ca133@postnet.com	Brar, Manny

	PostNet 13061 Rosedale Highway Suite G Bakersfield, California 93314	Business: 661-587-7678 Fax: 661-587-7698 Email: ca135@postnet.com	Lin, Fanny California Blackstone Group Inc.
	PostNet 9909 Topanga Canyon Blvd. Chatsworth, California 91311	Business: 818-349-1099 Fax: 818-349-2027 Email: ca117@postnet.com	Kaminsky, Alan
	PostNet 1710 High Street Delano, California 93215	Business: 661-725-4908 Fax: 661-725-5319 Email: ca255@postnet.com	Birk, Sirdip
	PostNet 324 S. Diamond Bar Blvd. Diamond Bar, California 91765	Business: 909-860-1490 Fax: 909-860-8758 Email: ca129@postnet.com	Lew, Vince & Frank1
	PostNet 17328 Ventura Boulevard Encino, California 91316	Business: 818-789-6500 Fax: 818-789-6200 Email: ca116@postnet.com	Afram, Nader
	PostNet 5178 Mowry Avenue Fremont, California 94538	Business: 510-791-3030 Fax: 510-791-5702 Email: ca144@postnet.com	Gebre, Abraham
	PostNet 10400 Twin Cities Road Suite 20 Galt, California 95632	Business: 209-744-9003 Fax: 209-744-9043 Email: ca180@postnet.com	Venegas, Mark & Joanne
	PostNet 578 Sutton Way Grass Valley, California 95945	Business: 530-274-7678 Fax: 530-274-3756 Email: ca113@postnet.com	Bergthold, Dona & Roger
	PostNet 207 W. Los Angeles Avenue Moorpark, California 93021	Business: 805-523-8950 Fax: 805-523-8958 Email: ca110@postnet.com	Wu, James
	PostNet 4263 Oceanside Boulevard Unit-106 Oceanside, California 92056	Business: 760-758-2223 Fax: 760-758-2237 Email: ca137@postnet.com	Daniels, Curtis & Barbara
	PostNet 74930 Country Club Drive Suite 540 Palm Desert, California 92260	Business: 760-776-1922 Fax: 760-776-9695 Email: ca126@postnet.com	Bardsnes, Mal &Shirley
	PostNet 6038 Clark Road Unit A Paradise, California 95969	Business: 530-872-8554 Fax: 530-872-8773 Email: ca225@postnet.com	Connor, Kelly & Craft, Taylor
	PostNet 2843 Hopyard Road Pleasanton, California 94588	Business: 925-461-9838 Fax: 925-461-9045 Email: ca112@postnet.com	Neidle, Craig Sarah Lynn Enterprises, Inc.
	PostNet 72-877 Dinah Shore Drive No. 103 Rancho Mirage, California 92270	Business: 760-202-4777 Fax: 760-202-4641 Email: ca164@postnet.com	Kallmann, Jeff

	PostNet 217 Palos Verdes Boulevard Redondo Beach, California 90277	Business: 310-791-0360 Fax: 310-791-0356 Email: ca206@postnet.com	Suntonvipart, Marvin Futuretech Business Centers
	PostNet 4660 Natomas Boulevard No. 120 Sacramento, California 95835	Business: 916-419-6155 Fax: 916-419-6255 Email: ca157@postnet.com	Lal, Akash
	PostNet 234 Broadway San Diego, California 92101	Business: 619-238-9403 Fax: 619-238-9406 Email: ca256@postnet.com	Lewis, Joseph & JJ's Shipping & Mailing Services, Inc.
	PostNet 6977 Navajo Road San Diego, California 92119	Business: 619-461-3887 Fax: 619-461-3882 Email: ca152@postnet.com	Lewis, Joseph
	PostNet 142 E. Bonita Avenue San Dimas, California 91773	Business: 909-592-5860 Fax: 909-592-5863 Email: ca195@postnet.com	Jimenez, Marie & Carlos
	PostNet 3931 Alemany Boulevard Suite 2002 San Francisco, California 94132	Business: 650-756-8500 Fax: 650-756-0800 Email: ca161@postnet.com	Joaquin, Jose
	PostNet 6950 Almaden Expressway San Jose, California 95120	Business: 408-997-0944 Fax: 408-997-0954 Email: ca166@postnet.com	Habteyes, Amha
	PostNet 5205 Prospect Road No. 135 San Jose, California 95129	Business: 408-366-9700 Fax: 408-366-9701 Email: ca169@postnet.com	Arguelles, Fred & Russien, Nichelle
	PostNet 773 E El Camino Real Sunnyvale, California 94087	Business: 408-736-5838 Fax: 408-736-5839 Email: ca259@postnet.com	Del Frate, Pier
	PostNet 1710 N. Moorpark Road Thousand Oaks, California 91360	Business: 805-777-8866 Fax: 805-777-8868 Email: ca162@postnet.com	Husain, Zeeshan
	PostNet 20058 Ventura Boulevard Woodland Hills, California 91364	Business: 818-703-9844 Fax: 818-703-9944 Email: ca217@postnet.com	Kosari, Mehran RK Ventures Inc.
Cayman Islands			
	PostNet P.O. Box 10190 638 West Bay Road, Unit 13 Grand Cayman, Cayman Islands KY1-1002	Business: 345-945-7678 Fax: 345-949-7678 Email: ci101@postnet.com	Dinner, David & Justine

Colorado			
	PostNet 15400 West 64th Avenue Suite E-9 Arvada, Colorado 80007	Business: 303-422-8100 Fax: 303-422-8105 Email: co141@postnet.com	Griss, Robert Arvada Business Services, LLC
	PostNet 18121 E. Hampden Avenue Unit C Aurora, Colorado 80013	Business: 303-699-9600 Fax: 303-699-9777 Email: co112@postnet.com	Wachter, Keith K. Wachter Inc.
	PostNet 1312 17th Street Denver, Colorado 80202	Business: 303-595-0500 Fax: 303-648-5056 Email: co149@postnet.com	Dematteo, Rich
	PostNet 1112 Oakridge Drive Suite 104 Fort Collins, Colorado 80525	Business: 970-223-5916 Fax: 970-223-0999 Email: co104@postnet.com	Cox, Larry
	PostNet 2770 Arapahoe Road Suite 132 Lafayette, Colorado 80026	Business: 303-665-8068 Fax: 303-665-8868 Email: co111@postnet.com	Bushman, Jason & Melodie
	PostNet 1067 S. Hover Street Unit E Longmont, Colorado 80501	Business: 303-651-9893 Fax: 303-651-7929 Email: co139@postnet.com	Lozinski, Harold & Roberta Doors Opened, Inc.
	PostNet 1021 Market Plaza North Suite 107 Pueblo West, Colorado 81007	Business: 719-547-3493 Fax: 719-547-2438 Email: co120@postnet.com	Turner, Trent &Rachelle TRT Enterprises, Inc.
	PostNet 1625 Mid Valley Drive Suite 1 Steamboat Springs, Colorado 80487	Business: 970-871-9000 Fax: 970-871-9001 Email: kathy.stokes@postnet.com	Stokes, Kathy &Terry TJ & K Adventures, Inc.
	PostNet 13762 Colorado Boulevard Suite 124 Thornton, Colorado 80602	Business: 303-450- post Fax: 303-450-7670 Email: co138@postnet.com	Myong, Intae Myong, Inc.
	PostNet 4385 Wadsworth Blvd Wheat Ridge, Colorado 80033	Business: 303-650-0233 Fax: 303-487-6479 Email: co150@postnet.com	Cox, Larry
Delaware			
	PostNet 26 Fox Hunt Drive Bear, Delaware 19701	Business: 302-836-9766 Fax: 302-836-9774 Email: de101@postnet.com	Wilson, Kenneth JAV, Inc.
	PostNet 406 Suburban Drive Newark, Delaware 19711	Business: 302-224-5670 Fax: 302-224-5672 Email: de104@postnet.com	Raab, Jim & Jason RFB Corp.

Florida			
	PostNet 6094 14th Street West Bradenton, Florida 34207	Business: 941-753-2262 Fax: 941-753-2522 Email: fl117@postnet.com	Kennedy, Roland Rolaur Entrepreneurial Enterprises, Inc.
	PostNet 8202 Wiles Road Coral Springs, Florida 33067	Business: 954-752-4055 Fax: 954-752-4072 Email: fl154@postnet.com	Mercader, Jose A&M Biz Center LLC
	PostNet 88005 Overseas Highway No. 10 Islamorada, Florida 33036	Business: 305-853-1101 Fax: 305-853-1181 Email: fl105@postnet.com	Gallo, Karen
	PostNet 11161 E State Road 70 Suite 110 Lakewood Ranch, Florida 34202	Business: 941-755-7447 Fax: 941-755-7443 Email: fl171@postnet.com	Cranston, Bradley & Shawna Baystar Service Group Inc.
	PostNet 3830 South Highway A1A Suite 4 Melbourne Beach, Florida 32951	Business: 321-726-1667 Fax: 321-726-1668 Email: fl124@postnet.com	Woodie, Freddie, Doris & Gwen
	PostNet 13550 SW 120 Street Suite 406-A Miami, Florida 33186	Business: 786-293-9804 Fax: 786-293-9803 Email: fl170@postnet.com	Gelves, Magda & Eufracio Magda Investments, LLC
	PostNet 1121 West Price Boulevard North Port, Florida 34288	Business: 941-423-6644 Fax: 941-423-4077 Email: fl169@postnet.com	Klingle, Joyce
	PostNet 7557 West Sand Lake Road Orlando, Florida 32819	Business: 407-363-1488 Fax: 407-363-1490 Email: fl153@postnet.com	Ong, Chung OCSL, LLC.
	PostNet 11208 Hutchison Boulevard Panama City Beach, Florida 32407	Business: 850-235-3777 Fax: 850-235-1020 Email: fl102@postnet.com	Tragesser, Rick
	PostNet 1940 Kings Highway Suite 4 Port Charlotte, Florida 33980	Business: 941-743-2204 Fax: 941-743-2209 Email: fl120@postnet.com	Howerton, Lloyd &Donna LDH Business Services, Inc.
	PostNet 4025 Cattlemen Road Sarasota, Florida 34233	Business: 941-379-4559 Fax: 941-379-0938 Email: fl127@postnet.com	Kerwin, Reginald
	PostNet 5342 Clark Road Sarasota, Florida 34233	Business: 941-924-2215 Fax: 941-924-2558 Email: fl135@postnet.com	Dowling, John Solo Enterprises of Southwest Florida, Inc.
	PostNet 27251 SR 54 Suite B-14 Wesley Chapel, Florida 33544	Business: 813-994-1171 Fax: 813-994-1770 Email: fl125@postnet.com	Dalsaniya, Amit SUN HILL, LLC

	PostNet* COMING SOON COMING SOON, FLORIDA 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: fl174@postnet.com	Funka, Tom & Mary
Georgia			
	PostNet 11950 Jones Bridge Road No. 115 Alpharetta, Georgia 30005	Business: 770-667-8999 Fax: 770-667-3849 Email: ga105@postnet.com	Novo, Douglas
	PostNet 2274 Salem Road Suite 106 Conyers, Georgia 30013	Business: 770-761-8499 Fax: 770-761-8495 Email: ga106@postnet.com	Dial, Paula PC Enterprises, Inc.
	PostNet 512 S. Peterson Ave. Douglas, Georgia 31533	Business: 912-384-9567 Fax: 912-383-6675 Email: ga102@postnet.com	Morrell, Jennifer Jennifer R. Morrell
	PostNet 6350 Lake Oconee Parkway Suite 102 Greensboro, Georgia 30642	Business: 706-453-4901 Fax: 706-453-4909 Email: ga123@postnet.com	Wallace, Jimmy & Debora Oconee Business Solutions, LLC
Guam			
	PostNet 1270 N. Marine Drive Tamuning, Guam 96913	Business: 671-649-2917 Fax: 671-649-2919 Email: gu101@postnet.com	Rhee, AeHee Postal Express
Idaho			
	PostNet 3327 North Eagle Road Suite 110 Meridian, Idaho 83646	Business: 208-888-9738 Fax: 208-8889762 Email: id103@postnet.com	Millick, Ron & Rhonda ERRO Inc.
Illinois			
	PostNet 26 Carlyle Plaza Belleville, Illinois 62220	Business: 618-277-5910 Fax: 618-277-5950 Email: il113@postnet.com	Babinsky, Andrew
	PostNet 80 Burr Ridge Parkway Burr Ridge, Illinois 60527	Business: 630-325-6245 Fax: 630-325-6281 Email: il111@postnet.com	Shenouda, Ibrahim Ava Mina Corporation
	PostNet 1803 West 95th Street Chicago, Illinois 60643	Business: 773-298-0671 Fax: 773-298-0673 Email: il121@postnet.com	Lundin, Roberta R.Lundin, Inc.
	PostNet 1593 Milwaukee Avenue Glenview, Illinois 60025	Business: 847-813-9667 Fax: 847-813-6298 Email: il139@postnet.com	Olson, Greg & Wendy Cainpactil Corp.

	PostNet 825 South Waukegan Road Suite A8 Lake Forest, Illinois 60045	Business: 847-234-9422 Fax: 847-234-9510 Email: il106@postnet.com	Kahn, David & Jerry Postal Express Center, Inc.
	PostNet 1147 Brook Forest Avenue Shorewood, Illinois 60431	Business: 815-230-2222 Fax: 815-230-2223 Email: il131@postnet.com	Divecchio, Andrea & John & Matay, Kathleen & Michael
	PostNet* 735 N. Milwaukee Avenue Wheeling, Illinois 60090	Business: 224-588-8666 Fax: 224-588-9818 Email: il140@postnet.com	Looby, Michael
Indiana			
	PostNet 346 North Grandstaff Drive Auburn, Indiana 46706	Business: 260-925-6511 Fax: 260-925-8006 Email: in102@postnet.com	Groves, Rick Future.net of Indiana Inc.
	PostNet 1278 North State Street No. 112 Greenfield, Indiana 46140	Business: 317-462-7118 Fax: 317-462-7307 Email: in105@postnet.com	Fiano, Joe & Louise L & J Holdings, Inc.
	PostNet 8437 Bell Oaks Drive Newburgh, Indiana 47630	Business: 812-853-6462 Fax: 812-853-6733 Email: in109@postnet.com	Malhotra, Amanda JAI LLC
Iowa			
	PostNet 451 Indianhead Drive Suite 115 Mason City, Iowa 50401	Business: 641-423-1980 Fax: 641-423-0115 Email: ia103@postnet.com	Hanson, Dean & Luann P.N.B.C., Inc.
	PostNet 4949 Westown Parkway Suite 165 West Des Moines, Iowa 50266	Business: 515-225-6299 Fax: 515-225-9844 Email: ia102@postnet.com	Davis, Allison
Kansas			
	PostNet 11310 East 21st Street N Suite G Wichita, Kansas 67206	Business: 316-636-9300 Fax: 316-636-9353 Email: ks104@postnet.com	Anderson, James & Elizabeth James Anderson, LLC
	PostNet 13303 West Maple Street Suite 139 Wichita, Kansas 67235	Business: 316-440-4212 Fax: 316-440-4255 Email: ks105@postnet.com	Fehr, Ron & Bonnie BR Enterprises, Inc.

Kentucky			
	PostNet 18 Martha Layne Collins Blvd. Cold Spring, Kentucky 41076	Business: 859-442-7447 Fax: 859-442-0100 Email: ky109@postnet.com	Picone, Jeffrey; Strulistov, Alexey AMP International, LLC
	PostNet 3489 Valley Plaza Parkway, Fort Wright, Kentucky 41017	Business: 859-426-7447 Fax: 859-426-7700 Email: ky110@postnet.com	Picone, Jeffrey AMP International, LLC
	PostNet 312 Pinecrest Road Morehead, Kentucky 40351	Business: 606-780-0014 Fax: 606-780-0019 Email: ky106@postnet.com	Keadle, Mark & Amy
Louisiana			
	PostNet 17188 Airline Highway Suite M Prairieville, Louisiana 70769	Business: 225-677-7522 Fax: 225-677-7129 Email: la101@postnet.com	Melancon, Melissa R&M Melancon, LLC
Maryland			
	PostNet 2542 Quarry Lake Drive Baltimore, Maryland 21209	Business: 410-580-9080 Fax: 410-580-9081 Email: md114@postnet.com	Gibson, Bruce & Stacey
	PostNet 5576 Norbeck Road Suite A Rockville, Maryland 20853	Business: 301-460-7678 Fax: 301-460-7682 Email: md112@postnet.com	Lonergan, Brian
	PostNet 22 W Allegheny Avenue Suite 204 Towson, Maryland 21204	Business: 443-767-8638 Fax: 443-740-9209 Email: md115@postnet.com	Ovad, David
	PostNet* COMING SOON COMING SOON, Maryland 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: md116@postnet.com	Ijiti, Femi
Massachusetts			
	PostNet* COMING SOON COMING SOON, Massachusetts 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: ma101@postnet.com	Kaplan, Matt

Michigan			
	PostNet 8225 Allen Road Allen Park, Michigan 48101	Business: 313-441-6600 Fax: 313-441-1600 Email: mi109@postnet.com	Garrett, Ted & Suzanne
	PostNet 23309 Ford Road Dearborn, Michigan 48128	Business: 313-791-8494 Fax: 313-791-8496 Email: mi107@postnet.com	Killion, Lynne &Donald
	PostNet 3520 Okemos Road No. 6 Okemos, Michigan 48864	Business: 517-349-7100 Fax: 517-349-7186 Email: mi103@postnet.com	Clark, Jim B&J Clark Enterprises, Inc.
	PostNet 971 S. Centerville Road Sturgis, Michigan 49091	Business: 269-651-2670 Fax: 269-659-0942 Email: mi104@postnet.com	Martindale, William Networking Concepts, Inc.
Minnesota			
	PostNet 4335 Pheasant Ridge Dr. NE Suite 224 Blaine, Minnesota 55449	Business: 763-717-0100 Fax: 763-717-7269 Email: mn102@postnet.com	Jordet, Joel & Michele M & J Solutions, Inc.
	PostNet 150 Pioneer Trail Chaska, Minnesota 55318	Business: 952-448-9878 Fax: 952-448-9970 Email: mn109@postnet.com	Little, Jerry BrandCentric, Inc.
	PostNet 111 South 8th Street Lake City, Minnesota 55041	Business: 651-345-4567 Fax: 651-345-4712 Email: mn107@postnet.com	Thoreson, Dan Hialt, LLC
	PostNet 3208 West Lake Street Minneapolis, Minnesota 55416	Business: 612-253-0500 Fax: 612-253-0502 Email: mn104@postnet.com	Lovich, Diane & Lubov, Janet Kumbaya, LLC
	PostNet 2136 Ford Parkway St. Paul, Minnesota 55116	Business: 651-698-0878 Fax: 651-690-2824 Email: mn114@postnet.com	DeLuca, John & Lynnette Prius Services, Inc.
	PostNet 779 Bielenberg Drive Suite 107 Woodbury, Minnesota 55125	Business: 651-731-4100 Fax: 651-332-5330 Email: mn112@postnet.com	Rigsbee, Peter
	PostNet* COMING SOON COMING SOON, Minnesota 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: mn115@postnet.com	Thorsen, David
Missouri			
	PostNet 215 Gage Drive Suite J Hollister, Missouri 65672	Business: 417-239-1624 Fax: 417-239-1629 Email: mo113@postnet.com	Boes, John & Shirley

	PostNet 233 SW Greenwich Drive Lee's Summit, Missouri 64082	Business: 816-537-5559 Fax: 816-537-8605 Email: mo111@postnet.com	Englesby, Susan Sm Englesby, Inc.
	PostNet 7253 Watson Road St. Louis, Missouri 63119	Business: 314-395-8422 Fax: 314-395-8433 Email: mo114@postnet.com	Clauss, Luther & Susan PN STL INC
	PostNet 2039 E. Independence Street Suite B Springfield, Missouri 65804	Business: 417-890-0030 Fax: 417-890-0051 Email: mo112@postnet.com	Shields, Stephen SRDS Enterprises, LLC
Montana			
	PostNet 3031 Grand Avenue Suite 100 Billings, Montana 59102	Business: 406-294-7447 Fax: 406-294-7450 Email: mt105@postnet.com	Ruff, William Ontra Inc.
	PostNet 2905 North Montana Avenue Helena, Montana 59601	Business: 406-449-0940 Fax: 406-449-0929 Email: mt101@postnet.com	Brookie, Robert & Susan
	PostNet 3275 N. Reserve Street Suite D Missoula, Montana 59808	Business: 406-543-4445 Fax: 406-543-4478 Email: mt106@postnet.com	Newman, Chad CSS&Q, Inc.
Nevada			
	PostNet 1022 Nevada Highway Boulder City, Nevada 89005	Business: 702-293-7043 Fax: 702-293-4531 Email: nv166@postnet.com	Ismert, James
	PostNet 2880 Bicentennial Parkway Suite 100 Henderson, Nevada 89044	Business: 702-558-7678 Fax: 702-558-3697 Email: nv175@postnet.com	Bawany, Josephine ADAZI BIZ1, LLC
	PostNet 2654 W. Horizon Parkway Suite B5 Henderson, Nevada 89052	Business: 702-614-5166 Fax: 702-614-5167 Email: nv141@postnet.com	Fenolio, Irene & Ronald
	PostNet 35 East Horizon Ridge Parkway,#110 Henderson, Nevada 89002	Business: 702-369-5596 Fax: 702-368-5596 Email: nv180@postnet.com	Toussimehr, Homer & Holly PNNV180, Inc.
	PostNet 209 Stephanie Street Suite B Henderson, Nevada 89012	Business: 702-269-4800 Fax: 702-269-5545 Email: nv159@postnet.com	Emanuel, Thomas &Jill
	PostNet 10300 West Charleston Blvd. Suite 13 Las Vegas, Nevada 89135	Business: 702-243-0308 Fax: 702-243-2840 Email: nv186@postnet.com	Aslam, Mohammad Global Business Solutions, LLC

	PostNet 7121 W. Craig Road Suite 113 Las Vegas, Nevada 89129	Business: 702-515-0601 Fax: 702-515-0602 Email: nv129@postnet.com	Lindberg, David SHL, Inc.
	PostNet 7345 S. Durango Drive Building B, Suite 107 Las Vegas, Nevada 89113	Business: 702-736-3332 Fax: 702-736-2329 Email: nv160@postnet.com	Ovakimian, Gratchia Hovak, Inc.
	PostNet 7231 S. Eastern Avenue Suite B Las Vegas, Nevada 89119	Business: 702-260-4000 Fax: 702-260-4427 Email: nv120@postnet.com	Sigler, Robert
	PostNet 10120 West Flamingo Road Suite 4 Las Vegas, Nevada 89147	Business: 702-304-2670 Fax: 702-304-2672 Email: nv168@postnet.com	Aberman, Michael Misty May Enterprises, LLC
	PostNet 1421 North Jones Boulevard Las Vegas, Nevada 89108	Business: 702-259-7678 Fax: 702-258-3007 Email: nv112@postnet.com	Param, Aru Arumugam Ent., Corp.
	PostNet 6895 E. Lake Mead Boulevard Suite 6 Las Vegas, Nevada 89156	Business: 702-453-6924 Fax: 702-453-9782 Email: nv143@postnet.com	Ahmed, Sikander
	PostNet 2540 South Maryland Pkwy. Las Vegas, Nevada 89109	Business: 702-791-2333 Fax: 702-791-5951 Email: nv107@postnet.com	Scully, Daniel Scully Enterprises, Inc.
	PostNet 4012 South Rainbow Boulevard Suite K Las Vegas, Nevada 89103	Business: 702-876-8858 Fax: 702-876-9573 Email: nv136@postnet.com	Mullane, Mark & Marsha Mr. Dudes LLC
	PostNet 7320 South Rainbow Boulevard Suite 102 Las Vegas, Nevada 89139	Business: 702-262-9338 Fax: 702-262-9336 Email: nv164@postnet.com	Liaos, Jim & Katherine
	PostNet 9101 W. Sahara Avenue Suite 105 Las Vegas, Nevada 89117	Business: 702-869-8869 Fax: 702-869-8870 Email: nv119@postnet.com	Aslam, Mohammad MPA Enterprises Inc.
	PostNet 6130 West Tropicana Avenue Las Vegas, Nevada 89103	Business: 702-248-1900 Fax: 702-248-1901 Email: nv111@postnet.com	Miner, John & Deborah
New Jersey			
	PostNet 377 1/2 Valley Road Clifton, New Jersey 07013	Business: 973-542-8071 Fax: 973-542-8073 Email: nj127@postnet.com	Friedman, Todd
	PostNet 123 East Main Street Suite 2 Denville, New Jersey 07834	Business: 973-664-1012 Fax: 973-664-1014 Email: nj119@postnet.com	Vasquez, William & Madeleine B& M Postal & Shipping, Inc.

	PostNet 344 Grove Street Jersey City, New Jersey 07302	Business: 201-332-8828 Fax: 201-332-4484 Email: nj122@postnet.com	Mendez, Richard 344 Grove LLC & Melbel Corp
	PostNet 5 Bowling Green Parkway Suite 13 Lake Hopatcong, New Jersey 07849	Business: 973-810-2536 Fax: 973-234-5940 Email: nj129@postnet.com	Thomas, Daniel
	PostNet 26 Chestnut Ridge Road Montvale, New Jersey 07645	Business: 201-307-1033 Fax: 201-307-1039 Email: nj124@postnet.com	Daniels, Lee Kalems Business Services, Inc.
	PostNet 12 Route 50 Seaville, New Jersey 08230	Business: 609-624-8750 Fax: 609-624-8636 Email: nj109@postnet.com	Patel, Hardik
	PostNet 415 Egg Harbor Road Suite 15 Sewell, New Jersey 08080	Business: 856-582-0018 Fax: 856-582-0151 Email: nj123@postnet.com	Fletcher, Thomas & Michele 21st Century Enterprises Group, Inc.
	PostNet 521 Berlin-Cross Keys Road Sicklerville, New Jersey 08081	Business: 856-740-0445 Fax: 856-740-0454 Email: nj121@postnet.com	Lorenzo, John Lorenzo Printing LLC
	PostNet 281 Bloomfield Avenue Verona, New Jersey 07044	Business: 973-239-0525 Fax: 973-571-2420 Email: nj128@postnet.com	Harrington, Edward & Scott E&N Enterprises, LLC
New Mexico			
	PostNet 1704-B Llano Street Santa Fe, New Mexico 87505	Business: 505-474-4477 Fax: 505-474-2886 Email: nm101@postnet.com	Vigil, Robert & Lisa
New York			
	PostNet 80 Route 6 Unit #504 Baldwin Place, New York 10505	Business: 914-519-6066 Fax: 914-519-6068 Email: ny132@postnet.com	Fisher, Keith KGAS Enterprises, LLC
	PostNet 557 Grand Concourse Suite 3 Bronx, New York 10451	Business: 718-292-4077 Fax: 718-292-4277 Email: ny133@postnet.com	Thomas, Calvin Post Sector Inc.
	PostNet 61 Elmwood Avenue Gloversville, New York 12078	Business: 518-725-2401 Fax: 518-725-2435 Email: ny115@postnet.com	Ryan, Karen
	PostNet 3 Rye Ridge Plaza Rye Brook, New York 10573	Business: 914-935-9200 Fax: 914-935-9201 Email: ny108@postnet.com	Lanza, Richard & Rick JJLAN Corp.
	PostNet 4123 West Genessee Street, Syracuse, New York 13219	Business: 315-218-7296 Fax: 315-218-5855 Email: ny136@postnet.com	Creamer, Gail

	PostNet 2363 James Street Syracuse, New York 13206	Business: 315-218-6223 Fax: 315-299-5135 Email: ny135@postnet.com	Pomfrey, Kellie & Robert Business Center Enterprises, LLC
North Carolina			
	PostNet 1775 West Williams Street Apex, North Carolina 27523	Business: 919-303-0141 Fax: 919-303-1042 Email: nc120@postnet.com	Liegeot, Allen Liegeots, Inc.
	PostNet 129 Bleachery Boulevard Suite B Asheville, North Carolina 28805	Business: 828-298-1211 Fax: 828-298-9211 Email: nc117@postnet.com	Bradley II, Ronald E. Bradley Enterprises Inc.
	PostNet 1831 Hendersonville Road Suite 2-110 Asheville, North Carolina 28803	Business: 828-239-2972 Fax: 828-239-2974 Email: nc141@postnet.com	Merwitzer, William
	PostNet 1939 High House Road Cary, North Carolina 27513	Business: 919-461-3747 Fax: 919-461-3703 Email: nc103@postnet.com	Patel, Jayesmkumar PKS Patel LLC
	PostNet 3434 Kildaire Farm Road Suite 135 Cary, North Carolina 27518	Business: 919-362-5678 Fax: 919-362-1450 Email: nc126@postnet.com	Patel, Mukesh & Nina
	PostNet 5806 Prosperity Church Road Suite A2 Charlotte, North Carolina 28269	Business: 704-948-1796 Fax: 704-948-7623 Email: nc124@postnet.com	Ferretti, Michael MAFCO
	PostNet 11508 Providence Road Suite H Charlotte, North Carolina 28277	Business: 704-849-7026 Fax: 704-849-7062 Email: nc133@postnet.com	Ferretti, Michael RJS, Inc.
	PostNet 9716-B Rea Road Charlotte, North Carolina 28277	Business: 704-542-7722 Fax: 704-542-7694 Email: nc137@postnet.com	Dee, Rich & Christi 3Dee Enterprises, INC .
	PostNet 366 George W. Liles Parkway NW Concord, North Carolina 28027	Business: 704-784-1100 Fax: 704-784-1102 Email: nc134@postnet.com	Ross, Jeff & Cathy Ross Support Services, LLC
	PostNet 610 Jetton Street Suite 120 Davidson, North Carolina 28036	Business: 704-892-5656 Fax: (704) 892-5708 Email: nc139@postnet.com	Rodes, Kenneth & Kimberly Southern Custom Services, Inc.
	PostNet 1335-E Western Boulevard Jacksonville, North Carolina 28546	Business: 910-937-0520 Fax: 910-937-0500 Email: nc128@postnet.com	Lingle, Cheryl & Lisa Lingle Family Enterprises, Inc.
	PostNet 2914 North Elm Street Lumberton, North Carolina 28358	Business: 910-618-1224 Fax: 910-618-1247 Email: nc104@postnet.com	Elks, Allen Elks Enterprises of Lumberton, Inc.

	PostNet 125 Trade Court Suite F Mooresville, North Carolina 28117	Business: 704-660-1511 Fax: 704-660-1512 Email: nc116@postnet.com	Ferretti, Mike
	PostNet 5922 Weddington Monroe Road, Suite A5 Wesley Chapel, North Carolina 28104	Business: 704-776-4874 Fax: 704-776-4875 Email: nc142@postnet.com	Hess, Todd & Patricia Hess Business Products and Services, LLC
Ohio			
	PostNet 1668 Merriman Road Akron, Ohio 44313	Business: 330-869-6222 Fax: 330-869-5210 Email: oh112@postnet.com	Goeldi, Rudi Shipping Connection
	PostNet 1409 East State Street Fremont, Ohio 43420	Business: 419-334-7447 Fax: 419-334-6086 Email: oh124@postnet.com	Wildermuth, Troy Barbtroy Ventures LLC
	PostNet 89 First Street Hudson, Ohio 44236	Business: 330-655-2555 Fax: 330-655-2552 Email: oh122@postnet.com	Barron, Mitchell & Erika
	PostNet 8917 South Old State Road Lewis Center, Ohio 43035	Business: 614-430-3667 Fax: 614-430-3669 Email: oh116@postnet.com	Cummings, John &Sue Polaris Business & Communications Services, Inc.
	PostNet 8210 Macedonia Commons Blvd. No. 68 Macedonia, Ohio 44056	Business: 330-468-0029 Fax: 330-468-1433 Email: oh111@postnet.com	Centa, Rick Rearch, Inc.
	PostNet 7385 North State Route 3 Westerville, Ohio 43082	Business: 614-794-1500 Fax: 614-794-2605 Email: oh120@postnet.com	Gardner, Tom Gardner Business Services, LLC
	PostNet 343 W. Milltown Road Suite A Wooster, Ohio 44691	Business: 330-345-7447 Fax: 330-345-7678 Email: oh103@postnet.com	Cicconetti, Nina
Oklahoma			
	PostNet 520 South Main Street Grove, Oklahoma 74344	Business: 918-786-3441 Fax: 918-786-5406 Email: ok102@postnet.com	Brogdon, Robert and Geneva
	PostNet 133 24th Avenue NW Norman, Oklahoma 73069	Business: 405-364-5005 Fax: 405-447-4006 Email: ok105@postnet.com	Cleveland, Bobby Rhino Capital Group, LLC
	PostNet 7109-G West Hefner Road Oklahoma City, Oklahoma 73162	Business: 405-721-3030 Fax: 405-721-3031 Email: ok110@postnet.com	Halli, Jay & Anu

	PostNet 9101 S. Western Avenue No. 118 Oklahoma City, Oklahoma 73139	Business: 405-759-2996 Fax: 405-759-2410 Email: ok111@postnet.com	Gervacio, Lindsey & Tony Gervacio Enterprises, LLC
Oregon			
	PostNet 4736 Royal Avenue Eugene, Oregon 97402	Business: 541-461-9500 Fax: 541-461-9400 Email: or109@postnet.com	Malone, Joyce & Gary Asia Sun USA Inc.
	PostNet 11575 SW Pacific Highway Tigard, Oregon 97223	Business: 503-684-3209 Fax: 503-684-3952 Email: or102@postnet.com	Dayal, Lalita 2SINJ, LLC
Pennsylvania			
	PostNet 3330 West 26th Street Suite 4 Erie, Pennsylvania 16506	Business: 814-838-3165 Fax: 814-838-3291 Email: pa129@postnet.com	Dolan, Thomas Dolan Investments
	PostNet 372 Center Avenue Schuylkill Haven, Pennsylvania 17972	Business: 570-385-5382 Fax: 570-385-5362 Email: pa121@postnet.com	Fuller, Dan Blue Mountain Investment Realty Group, LLC
	PostNet* COMING SOON COMING SOON, Pennsylvania 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: pa130@postnet.com	Lenci, Marisa
South Carolina			
	PostNet 2245-C Ashley Crossing Drive Charleston, South Carolina 29414	Business: 843-769-5121 Fax: 843-769-5165 Email: sc112@postnet.com	Foster, R.C. & Sharon Melmir, Inc.
	PostNet 1646 West Highway 160 Suite 105 Fort Mill, South Carolina 29708	Business: 803-548-2831 Fax: 803-548-3854 Email: sc110@postnet.com	Ghodasara, Haresh Arjung, Inc.
	PostNet 1985 Riviera Drive Suite 103 Mt Pleasant, South Carolina 29464	Business: 843-849-0515 Fax: 843-849-0517 Email: sc114@postnet.com	Bastian, Stephanie R S Bastian Inc.
Tennessee			
	PostNet 3101 West Market Street Suite 109 Johnson City, Tennessee 37604	Business: 423-926-9995 Fax: 423-926-9996 Email: tn109@postnet.com	Bobalik, Robert Bobalik Inc.

	PostNet 1059 N. Cedar Bluff Road Knoxville, Tennessee 37923	Business: 865-560-8828 Fax: 865-560-8824 Email: tn108@postnet.com	Boling, Greg & Donna JDG Ventures, Inc.
	PostNet* COMING SOON COMING SOON, Tennessee 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: tn111@postnet.com	Boling, Greg
	PostNet* COMING SOON COMING SOON, Tennessee 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: tn110@postnet.com	Vibber, Greg
Texas			
	PostNet 10601 FM 2222 Suite R Austin, Texas 78730	Business: 512-340-0202 Fax: 512-340-0203 Email: tx176@postnet.com	Stewart, Paul & Legaspy, Roma P & R Enterprises, Inc.
	PostNet 3571 Far West Boulevard Austin, Texas 78731	Business: 512-231-1321 Fax: 512-231-9851 Email: tx157@postnet.com	Petty, Jim & David
	PostNet 6425 South IH-35 Suite 105 Austin, Texas 78744	Business: 512-707-2202 Fax: 512-707-9171 Email: tx145@postnet.com	Hammond, Jr, Kerman
	PostNet 12400 State Hwy 71 West Suite 350 Austin, Texas 78738	Business: 512-263-8688 Fax: 512-263-7042 Email: tx144@postnet.com	Caccamisi, Russ Caccamisi Family Business Services, LLC
	PostNet 3827 Phelan Boulevard Beaumont, Texas 77707	Business: 409-838-5100 Fax: 409-838-0022 Email: tx154@postnet.com	Musaddaq, Mohammad AM&D Enterprises LLC
	PostNet 2301 S. Lakeline Boulevard Suite 800 Cedar Park, Texas 78613	Business: 512-520-8011 Fax: 512-520-8319 Email: tx220@postnet.com	Rodocker, Mike & Sabine
	PostNet 2800 E. Whitestone Boulevard Suite 120 Cedar Park, Texas 78613	Business: 512-260-5757 Fax: 512-260-5777 Email: tx177@postnet.com	Patel, Paresh
	PostNet 110 W. Sandy Lake Road No. 102 Coppell, Texas 75019	Business: 972-304-9449 Fax: 972-393-5451 Email: tx137@postnet.com	Sonnier, Thomas TOMMEL Inc.
	PostNet 1817 South Alameda Street Corpus Christi, Texas 78404	Business: 361-882-5575 Fax: 361-882-5579 Email: tx209@postnet.com	Hatch, Charlie Reliant Storage Soultions Ltd.
	PostNet 12320 Barker Cypress Road Suite 600 Cypress, Texas 77429	Business: 281-225-3555 Fax: 281-225-3553 Email: tx156@postnet.com	Kubosh, Glenda

	PostNet 11816 Inwood Road Dallas, Texas 75244	Business: 972-239-2112 Fax: 972-239-2126 Email: tx221@postnet.com	Kalik, Andrew
	PostNet 1221 Flower Mound Road Building 3, Suite 320 Flower Mound, Texas 75028	Business: 214-513-7711 Fax: 214-513-7755 Email: tx198@postnet.com	Dixon, Steve Wisdom Creek Holdings, LLC
	PostNet 6101 Long Prairie Road Suite 744 Flower Mound, Texas 75028	Business: 972-355-2626 Fax: 972-724-8181 Email: tx171@postnet.com	Stewart, Lori
	PostNet 2726 Bissonnet Street Suite 240 Houston, Texas 77005	Business: 713-526-8890 Fax: 713-526-8898 Email: tx185@postnet.com	Cantu, Christina & Jorge Kopanidis, LLC
	PostNet 12680 W Lake Houston Pkwy Suite 510 Houston, Texas 77044	Business: 281-454-7455 Fax: 281-454-7513 Email: tx219@postnet.com	Howard, Greg & Renee
	PostNet 14620 Memorial Drive Houston, Texas 77079	Business: 281-293-7444 Fax: 281-293-7447 Email: tx213@postnet.com	Nguyen, Loan
	PostNet 134 Vintage Park Boulevard Suite A Houston, Texas 77070	Business: 832-717-5655 Fax: 832-717-5663 Email: tx208@postnet.com	Barger, Monica I AM HIS One Stop Business, Inc.
	PostNet 5773 Woodway Drive Houston, Texas 77057	Business: 713-780-9188 Fax: 713-780-2988 Email: tx116@postnet.com	Wang, Jack
	PostNet 4830 Wilson Road Suite 300 Humble, Texas 77396	Business: 281-441-7638 Fax: 281-441-7678 Email: tx203@postnet.com	Howard, Gregory & Renee
	PostNet 4321 Kingwood Drive Kingwood, Texas 77339	Business: 713-589-2151 Fax: 281-360-2402 Email: tx194@postnet.com	Taphorn, Mary JMJR, LLC
	PostNet 651 North Highway 183 Suite 335 Leander, Texas 78641	Business: 512-637-6080 Fax: 512-637-6082 Email: tx202@postnet.com	Yore, Alan 1318, Inc.
	PostNet 2010 Hwy 190 West Livingston, Texas 77351	Business: 936-328-8720 Fax: 936-328-8721 Email: tx142@postnet.com	Hightower, Charles C&C Hightower Enterprises LLC
	PostNet 18535 FM 1488 Suite 230 Magnolia, Texas 77354	Business: 832-934-2100 Fax: 832-934-2108 Email: tx215@postnet.com	Payne, Greg & Diane

	PostNet 601 Trenton Road Suite D McAllen, Texas 78504	Business: 956-668-9222 Fax: 956-668-9224 Email: tx201@postnet.com	Freed, Jack & Paula Freed Enterprises, Inc.
	PostNet 1616 E. Griffin Parkway Mission, Texas 78572	Business: 956-583-6440 Fax: 956-583-6670 Email: tx143@postnet.com	Chavez-Alvarado, Annette Annette Chavez-Alvarado
	PostNet 6140 Highway 6 South Missouri City, Texas 77459	Business: 281-261-9566 Fax: 281-261-9577 Email: tx139@postnet.com	Moellering, William & Monica MICTAR, Inc.
	PostNet 10330 Highway 6 Suite D Missouri City, Texas 77459	Business: 281-431-7748 Fax: 281-431-7768 Email: tx210@postnet.com	Rotondo, Tony & Jeff
	PostNet 1605 Highway 181 Portland, Texas 78374	Business: 361-777-0437 Fax: 361-777-1712 Email: tx162@postnet.com	Hatch, Charlie Reliant Storage Solutions, LTD
	PostNet 1224 N. Highway 377 Suite 303 Roanoke, Texas 76262	Business: 817-567-8023 Fax: 817-567-8024 Email: tx193@postnet.com	Whelan, Kyle
	PostNet 2931 Ridge Road Suite 101 Rockwall, Texas 75032	Business: 972-772-5444 Fax: 972-722-8786 Email: tx199@postnet.com	Lands, Robert & Jan Lands Family Business dba Rockwell PostNet
	PostNet 3720 Gattis School Road Suite 800 Round Rock, Texas 78664	Business: 512-248-1161 Fax: 512-248-1172 Email: tx166@postnet.com	Claiborne, Greg Claiborne Enterprises, Inc.
	PostNet 603 Louis Henna Boulevard No. 197 Round Rock, Texas 78664	Business: 512-238-0064 Fax: 512-238-0991 Email: tx214@postnet.com	Smith, Marietta
	PostNet 11600 Bandera Road Suite 102 San Antonio, Texas 78250	Business: 210-521-6005 Fax: 210-521-5384 Email: tx187@postnet.com	Thomas, Faye & Brad B&F Ventures II, Inc.
	PostNet 8503 NW Military Highway No. 105 San Antonio, Texas 78231	Business: 210-408-1301 Fax: 210-408-1399 Email: tx218@postnet.com	El Haber, Kristian
	PostNet 21019 U.S. Hwy 281 Suite 830 San Antonio, Texas 78258	Business: 210-494-7678 Fax: 210-404-2329 Email: tx211@postnet.com	Nasri, Saeed & Adrienne Irsan, LLC
	PostNet 2225 West Southlake Boulevard Suite 423 Southlake, Texas 76092	Business: 817-416-1616 Fax: 817-416-1648 Email: tx181@postnet.com	Raney, Bronson & Elleni

	PostNet 15814 Champion Forest Drive Spring, Texas 77379	Business: 281-379-4080 Fax: 281-379-4185 Email: tx121@postnet.com	Fain, John & Mildred MLC Investments, Inc.
	PostNet 13837-A SW Freeway Sugar Land, Texas 77478	Business: 281-650-7403 Fax: 281-980-0911 Email: tx212@postnet.com	Abou Adas, Moe
	PostNet 4771 Sweetwater Boulevard Sugar Land, Texas 77479	Business: 281-265-2224 Fax: 281-265-2228 Email: tx127@postnet.com	Chedraoui, Jair MM & JD, Inc.
	PostNet 4775 W. Panther Creek Drive No. 440 The Woodlands, Texas 77381	Business: 281-419-0440 Fax: 281-419-4740 Email: tx217@postnet.com	Schott, Whitney WRS Ventures, LLC
	PostNet* COMING SOON COMING SOON, Texas 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: tx225@postnet.com	Elkins, Matt & Breese
	PostNet* COMING SOON COMING SOON, Texas 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: tx223@postnet.com	Kellermuyer, Keith & Clary, Suzanne
Utah			
	PostNet 138 East 12300 South Suite C Draper, Utah 84020	Business: 801-495-9270 Fax: 801-495-9274 Email: ut113@postnet.com	Schiele, Linda SSG Business Group, LLC
	PostNet 78 S. Fairfield Road No. 101 Layton, Utah 84041	Business: 801-546-7040 Fax: 801-546-7441 Email: ut107@postnet.com	Schiele, Linda & Paul SSG Business Group LLC
	PostNet 189 North Highway 89 Suite C North Salt Lake City, Utah 84054	Business: 801-951-0333 Fax: 801-951-0334 Email: ut119@postnet.com	Pond, Ralph
	PostNet 1304 North Redwood Road Saratoga Springs, Utah 84043	Business: 801-766-3302 Fax: 801-766-3306 Email: ut116@postnet.com	Hansen, Conway C K Hansen LLC
	PostNet 3556 South 5600 West Unit 1 West Valley City, Utah 84120	Business: 801-965-9814 Fax: 801-965-0359 Email: ut115@postnet.com	Finch, Leisa & Michael
Virginia			
	PostNet 12841 Braemar Village Plaza Bristow, Virginia 20136	Business: 703-396-8811 Fax: 703-396-7595 Email: va117@postnet.com	Ryan, Julie ARRIS Management, Inc.

	PostNet 1508 Sam's Circle Suite 102 Chesapeake, Virginia 23320	Business: 757-549-9000 Fax: 757-549-9090 Email: va124@postnet.com	Curry, Hank & Vivian Indications, LLC
	PostNet 4491 Cheshire Station Plaza Dale City, Virginia 22193	Business: 703-730-4831 Fax: 703-730-4832 Email: va112@postnet.com	Hasan, Syed Uttara Business Service Inc.
	PostNet 560 Celebrate Virginia Parkway Suite 103 Fredericksburg, Virginia 22406	Business: 540-752-1900 Fax: 540-752-5600 Email: va122@postnet.com	Woodson, Shawn S&R PALS ENTERPRISES LLC
	PostNet 11357 Nuckols Road Glen Allen, Virginia 23059	Business: 804-762-7300 Fax: 804-762-7390 Email: va103@postnet.com	Park, Junho JUNHO CORPORATION
	PostNet 13926 Hull Street Road Midlothian, Virginia 23112	Business: 804-739-8828 Fax: 804-739-8839 Email: va125@postnet.com	Armstrong, Crista WINGED WARRIOR, LLC
	PostNet 175 West Ocean View Avenue Norfolk, Virginia 23503	Business: 757-271-3892 Fax: 757-271-3895 Email: va127@postnet.com	Crow, Amanda Jeranda Enterprises LLC
	PostNet 42020 Village Center Plaza Suite 120 Stone Ridge, Virginia 20105	Business: 703-327-5570 Fax: 703-880-4672 Email: va120@postnet.com	Kim, Young Soon
	PostNet 320 Maple Avenue West Vienna, Virginia 22180	Business: 703-261-6300 Fax: 703-261-6616 Email: va128@postnet.com	Cudney, James
	PostNet 5020 Ferrell Parkway Suite 205 Virginia Beach, Virginia 23464	Business: 757-216-7000 Fax: 757-216-7001 Email: va115@postnet.com	Crow, Amanda Swift Smith Printing, LLC
Virgin Islands			
	PostNet 5000 Estate Enighed St. John, Virgin Islands 00830	Business: 340-714-7250 Fax: 340-714-7270 Email: vi101@postnet.com	Adams, Trevor
Washington			
	PostNet 677 120th Avenue NE Suite 2A Bellevue, Washington 98005	Business: 425-637-9496 Fax: 425-637-9583 Email: wa109@postnet.com	Glynn, Sean Sunmark Properties, LLC
	PostNet 1121 Harrison Avenue Centralia, Washington 98531	Business: 360-807-8941 Fax: 360-807-8938 Email: wa119@postnet.com	Browning, Tim A.

	PostNet 127 Mashell Avenue North Suite 100 Eatonville, Washington 98328	Business: 360-832-1140 Fax: 360-832-1142 Email: wa130@postnet.com	Wisley, Diane
	PostNet 4570 Avery Lane SE, Suite C Lacey, Washington 98503	Business: 360-459-8981 Fax: 360-459-4496 Email: wa106@postnet.com	Ruff, Christopher Ontra DBA Postnet WA106
	PostNet 303 91st. Ave. NE Suite E502 Lake Stevens, Washington 98258	Business: 425-397-9770 Fax: 425-397-9771 Email: wa115@postnet.com	Kim, Harold DLORAH INC
	PostNet 13300 Bothell Everett Highway No. 303 Mill Creek, Washington 98012	Business: 425-357-6245 Fax: 425-316-0608 Email: wa111@postnet.com	Bockkyun Na, Brian Jason and Bill LLC
	PostNet 11700 Mukilteo Speedway Suite 201 Mukilteo, Washington 98275	Business: 425-315-9444 Fax: 425-315-8835 Email: wa120@postnet.com	Sohn, Jeongsik (Chris) & Soyoung
	PostNet 5025 Road 68 Suite G Pasco, Washington 99301	Business: 509-545-1807 Fax: 509-545-4404 Email: wa129@postnet.com	Walker, Charlene Char and Andy Walker LLC.
	PostNet 17404 Meridian E. Suite F Puyallup, Washington 98375	Business: 253-841-8848 Fax: 253-841-8915 Email: wa113@postnet.com	Mack II, Jerold Griffin Services Inc.
	PostNet 2801 Bickford Avenue No. 103 Snohomish, Washington 98290	Business: 360-862-9050 Fax: 360-563-1391 Email: wa128@postnet.com	Jennings, Rex &Teri
	PostNet 12128 N. Division Street Spokane, Washington 99218	Business: 509-465-0166 Fax: 509-465-0231 Email: wa116@postnet.com	Gallagher, John & Leanne
West Virginia			
	PostNet 1111 Fledderjohn Road Charleston, West Virginia 25314	Business: 304-344-8108 Fax: 304-344-9192 Email: wv101@postnet.com	Miller, Grover MilePost LLC
	PostNet 840 N. Jefferson Street Lewisburg, West Virginia 24901	Business: 304-793-6300 Fax: 304-793-6301 Email: wv102@postnet.com	Carson, D. Allen Carson and Criddle, LLC
Wisconsin			
	PostNet 3825 E. Calumet Street Suite 400 Appleton, Wisconsin 54915	Business: 920-991-1362 Fax: 920-991-1364 Email: wi109@postnet.com	Van Beek, Richard & Carlene

	PostNet 361 Falls Road Grafton, Wisconsin 53024	Business: 262-377-6405 Fax: 262-377-6407 Email: wi104@postnet.com	Nowak, Laura Nowak Headquarters LLC
	PostNet 6079 W. Mequon Road Mequon, Wisconsin 53092	Business: 262-242-3665 Fax: 262-242-6166 Email: wi116@postnet.com	Bertrand, Ryan RYMAE, LLC

The following franchisees, which are included in the list above (noted as “COMING SOON”), were not yet operational as of December, 31, 2013.

	PostNet* COMING SOON Paragould, Arkansas 72450	Business: 000-000-0000 Fax: 000-000-0000 Email: ar114@postnet.com	Murphy, Becky
	PostNet* COMING SOON COMING SOON, Florida 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: fl174@postnet.com	Funka, Tom & Mary
	PostNet* 735 N. Milwaukee Avenue Wheeling, Illinois 60090	Business: 224-588-8666 Fax: 224-588-9818 Email: il140@postnet.com	Looby, Michael
	PostNet* COMING SOON COMING SOON, Maryland 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: md116@postnet.com	Ijiti, Femi
	PostNet* COMING SOON COMING SOON, Massachusetts 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: ma101@postnet.com	Kaplan, Matt
	PostNet* COMING SOON COMING SOON, Minnesota 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: mn115@postnet.com	Thorsen, David
	PostNet* COMING SOON COMING SOON, Pennsylvania 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: pa130@postnet.com	Lenci, Marisa
	PostNet* COMING SOON COMING SOON, Tennessee 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: tn111@postnet.com	Boling, Greg
	PostNet* COMING SOON COMING SOON, Tennessee 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: tn110@postnet.com	Vibber, Greg
	PostNet* COMING SOON COMING SOON, Texas 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: tx225@postnet.com	Elkins, Matt & Breese
	PostNet* COMING SOON COMING SOON, Texas 00000	Business: 000-000-0000 Fax: 000-000-0000 Email: tx223@postnet.com	Kellermuyer, Keith & Clary, Suzanne

POSTNET AREA FRANCHISEES

Mark & Sarah King
7402 E. Sand Hills Road
Scottsdale, AZ 85255
Maricopa County Arizona
P) 480-236-1031 (office)
F) 480-488-0304 (office)
mark.king@postnet.com

Lee Daniels
PostNet NJ124
26 Chestnut Ridge Rd.
Montvale, NJ 07645
Northern New Jersey
P) 201-307-1033 (center)
F) 201-307-1039 (center)
lee.daniels@postnet.com

Julie & David Ryan
PostNet VA117
12841 Braemar Village Plaza
Bristow, VA 20136
Northern Central Virginia
P) 703-791-2566 (office)
F) 703-396-7595 (center)
P) 703-396-8811 (center)
david.ryan@postnet.com

Jim & David Petty
PostNet TX157
3571 Far West Blvd.
Austin, TX 78731
South Central Texas
P) 512-231-1321 (center)
F) 512-231-9851 (center)
jimpetty@postnet.com
davidpetty@postnet.com

Area Franchisee – Maricopa County, Arizona: Mark King

Mr. King has been our Maricopa County, Arizona Area Franchisee since May 1995.

Area Franchisee – Northern New Jersey: Lee Daniels, Kalems Development Corp.

Mr. Daniels, as owner of Kalems Development Corp. in Montvale, New Jersey has been our Northern New Jersey Area Franchisee since March 2005.

Area Franchisee – South Central Texas: Jim L. Petty, Gateway Franchise Development, LLC

Mr. Petty has served as a member of Gateway Franchise Development of Austin, Texas, our South Central Texas Area Franchisee, since October 2010. From March 2001 until September 2010, Mr. Petty served as President of JDP Business Services of Austin, Texas, which was our prior South Central Texas Area Franchisee.

Area Franchisee – South Central Texas: David Petty, Gateway Franchise Development, LLC

Mr. Petty has served as a member of Gateway Franchise Development of Austin, Texas, our South Central Texas Area Franchisee, since October 2010. From March 2001 until September 2010, Mr. Petty served as Vice President of JDP Business Services of Austin, Texas, which was our prior South Central Texas Area Franchisee.

Area Franchisee – North Central Virginia: David Ryan, JRR Enterprises

Mr. Ryan has served as President of JRR Enterprises in Brestow, Virginia, our North Central Virginia Area Franchisee since May 2005. From October 1978 to the present, Mr. Ryan has served as President of DBR Construction, Inc. in Manassas, Virginia.

Area Franchisee – North Central Virginia: Julie Ryan, JRR Enterprises

Ms. Ryan has served as Vice President with JRR Enterprises in Brestow, Virginia, our North Central Virginia Area Franchisee since May 2005. Since May 2005, Ms. Ryan has also served as President of Arris Management in Manassas, Virginia.

FORMER POSTNET FRANCHISEES

The name and last known address of every franchisee who had a Center transferred, terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during the period January 1, 2013 to December 31, 2013, or who has not communicated with us within ten (10) weeks of the Issuance Date of this Franchise Disclosure Document are listed below. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Jim & Donna Duffy 14752 Harper Street NE, Ham Lake, MN 55304 Phone: (651) 631-6199	Dennis & Donna Allard 4704 Haygood Pt. Rd., Virginia Beach, VA 23455 Phone: (757)216-7000	Jagdipik Rai 6447 Hyde Park Drive, Gilroy, CA 95020 Phone: (408)842-5577
Mandakini Pandya 2132 E. Danbury Road, Phoenix, AZ 85022 Phone: (480)290-5571	Scott & Sonya Shaw 2771 E. Ridgewood Street, Springfield, MO 65804 Phone: (417) 234-4381	Moshin Ahmad 16013 S. Desert Foothills Pkwy., Phoenix, AZ 85048 Phone: (301) 360-9842
Michael Boehme 17143 Southwest Pleasanton Ln., Beaverton, OR 97006 (503) 684-3209	Joel & Cheryl Adams 354 Bayside Drive, Saratoga Springs, UT 84045 Phone: (801)495-9270	Jason Joseph 4339 Roundtree Lane, Missouri City, TX 77459 Phone: (281)948-8552
Eric & Michelle Diaz 9151 Blanco Drive, Lantana, TX 76226 (214)513-7711	John P. Wiles 104 Bramblewood Drive, Statesville, NC 28625 (704)660-1511	Steven Davis 174 Lakeview Drive, Apt. 201, Eatonton, GA 31024 Phone: (770)365-9407
Kush Mainali 26105 Rachel Hill Drive, Chantilly, VA 20152 Phone: (703)327-7454	John & Sandra Yovetich 2105 Humble Road, Missoula, MT 59804 Phone: (406)543-6027	Aleta Stearns 1225 Winthrope Chase Dr., Alpharetta, GA 30009 Phone: (678) 779-1072
Nasrin Vosogh-Sangary 3472 Wordsworth Street, Las Vegas, NV 89129 Phone: (702)951-1862	Theirry Simon 3300 S. Tamarac Drive, Denver, CO 80231 Phone: (720) 530-8287	Rocio & Paulo Nieto 321 Central Ave., Harrison, NJ 07029 Phone: (201) 407-8026
Gerald & Rose Selva 22343 Northwood Trail, Strongsville, OH 44149	Charlie Hatch 3042 Santa Fe Street, Corpus Christi, TX 78404	Michael Watson 22218 Celestial Lane, Santa Clarita, CA 91390

Phone: (440)823-9291	Phone: (361) 777-0437	Phone: (206) 992-0552
Ken & Vernell Faris 3700 Legacy Drive, #14203, Frisco, TX 75034 Phone: (972) 762-6011	Kurt & Carla Nagel 151 Cramerton Court, Lewisville, NC 27023 Phone: (336) 588-8683	Fernando & Maria Otero 6787 SW 97th Terrace Road Ocala, FL 34481 Phone: (352) 620-4835
Abraham Gebre & Brikti Woldu 14798 Ruthelen Ct., San Leandro, CA 94578 Phone: (510)390-0462	Pierre Alexandre 113 Aurelia Court, Kissimmee, FL 34758 Phone: (321)402-4495	Jeff & Lora Picone 10874 Gristone Circle, Independence, KY 41051 Phone: (859)653-5349
Sharon Muzik 28224 Broken Meade Path, Wesley Chapel, FL 33543 Phone: (703) 850-5069	William & Kathy Skinner 2504 Alexander Drive, Box 247 Jonesboro, AR 72401	Justin Chatham & Alex Sanchez 9519 Champion Cove Drive, Spring, TX 77379
Dave Williams 139 S. 1150 W, Farmington, UT 84094	Vallinayagam Jeyakuman 20960 Sweetwood Circle, Porter, TX 77365 Phone: (713)397-8180	

EXHIBIT C
TO FRANCHISE
DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE

FINANCIAL REPORT

AS OF DECEMBER 31, 2013 AND 2012

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE

TABLE OF CONTENTS

GRABAU & COMPANY
Certified Public Accountants
A PROFESSIONAL CORPORATION
3570 East 12th Ave., Denver, CO 80206
(303) 861-0434
FAX (303) 863-1296
www.grabau.com

Independent Auditor's Report

To the Board of Directors
PostNet International Franchise Corporation and Affiliate
Denver Colorado

We have audited the accompanying balance sheets of PostNet International Franchise Corporation and Affiliate as of December 31, 2013 and 2012, and the related consolidated statements of operations, changes in stockholders' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U. S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

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financial statements in order to design audit procedures that are appropriate in the circumstances but not for expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion the financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of PostNet International Franchise Corporation and Affiliate as of December 31, 2013 and 2012, and the results of its consolidated operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Denver, Colorado
January 27, 2014

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE
CONSOLIDATED BALANCE SHEETS

	AS OF DECEMBER 31, 2013	AS OF DECEMBER 31, 2012
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	$ 794,096	$ 856,419
Restricted cash, advertising fund	948,631	1,447,755
Accounts receivable, less allowance for uncollectible accounts of $0	1,672,838	1,357,169
Restricted accounts receivable, advertising fund	174,081	200,007
Prepaid expenses	21,015	13,732
Deferred franchise costs	165,642	44,177
TOTAL CURRENT ASSETS	3,776,303	3,919,259
PROPERTY AND EQUIPMENT, NET	4,114,540	4,190,670
OTHER ASSETS, NET	50,139	58,469
TOTAL ASSETS	$ 7,940,982	$ 8,168,398
LIABILITIES AND STOCKHOLDERS' EQUITY:		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 328,472	$ 232,831
Mortgage notes payable, current portion	107,598	112,487
Deferred revenue, conference attendance fees	3,790	13,750
Advertising fund payable, restricted funds	1,128,171	1,652,623
Deferred franchise revenue	1,181,373	754,556
TOTAL CURRENT LIABILITIES	2,749,404	2,766,247
LONG-TERM LIABILITIES		
Mortgage notes payable, less current portion	2,996,913	3,128,515
TOTAL LIABILITIES	5,746,317	5,894,762
STOCKHOLDERS' EQUITY		
Common stock, no par value, 2,500 shares authorized, 1,857 shares issued and outstanding	160,000	160,000
Retained earnings	2,034,665	2,113,636
TOTAL STOCKHOLDERS' EQUITY	2,194,665	2,273,636
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 7,940,982	$ 8,168,398

The accompanying notes are an integral part of these financial statements

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE
CONSOLIDATED STATEMENTS OF OPERATIONS

	FOR THE YEAR ENDED DECEMBER 31,		
	2013	2012	2011
REVENUES			
Master and area license fees	$ -	$ 50,000	$ -
Initial franchise fees	145,000	169,500	224,300
Continuing franchise and other fees	-	-	-
Development center fees	347,741	603,634	670,300
Royalty income	3,650,296	3,690,448	3,657,567
Other revenues	286,499	259,719	221,303
TOTAL REVENUES	4,429,536	4,773,301	4,773,470
COST OF REVENUES	742,054	844,007	887,710
GROSS PROFIT	3,687,482	3,929,294	3,885,760
OPERATING EXPENSES			
Payroll and related costs	1,904,087	1,996,387	2,078,390
General and administrative	1,127,233	1,106,017	1,128,423
Depreciation and amortization	156,246	163,730	160,679
TOTAL OPERATING EXPENSES	3,187,566	3,266,134	3,367,492
OPERATING INCOME	499,916	663,160	518,268
OTHER INCOME (EXPENSES)			
Interest income	628	1,722	594
Rent income	183,660	112,575	4,000
Other income	32,143	16,558	20,853
Other expense	(53,817)	(38,734)	(35,212)
Income tax expense	(17,312)	(59,745)	(16,805)
Interest expense	(127,041)	(197,198)	(219,145)
TOTAL OTHER INCOME (EXPENSES)	18,261	(164,822)	(245,715)
NET INCOME	$ 518,177	$ 498,338	$ 272,553

The accompanying notes are an integral part of these financial statements.

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Capital Shares	Stock Amount	Retained Earnings	Total
BALANCE DECEMBER 31, 2010	1,857	$ 160,000	$ 2,202,290	$ 2,362,290
Net income	-	-	272,553	272,553
Distributions	-	-	(508,252)	(508,252)
BALANCE DECEMBER 31, 2011	1,857	160,000	1,966,591	2,126,591
Net income	-	-	498,338	498,338
Distributions	-	-	(351,293)	(351,293)
BALANCE DECEMBER 31, 2012	1,857	160,000	2,113,636	2,273,636
Net income	-	-	518,177	518,177
Distributions	-	-	(597,148)	(597,148)
BALANCE DECEMBER 31, 2013	1,857	$ 160,000	$ 2,034,665	$ 2,194,665

The accompanying notes are an integral part of these financial statements.

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS

	FOR THE YEAR ENDED DECEMBER 31, 2013	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 518,177	$ 498,338	$ 272,553
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	156,246	163,730	160,679
(Increase) decrease in:			
Restricted cash	499,124	(10,343)	(411,043)
Accounts receivable	(315,669)	573,207	82,523
Accounts receivable, restricted funds	25,926	58,032	23,032
Due from related party	-	29,616	(8,736)
Deferred franchise costs	(121,465)	29,384	17,504
Prepaid expenses and other	1,047	38,372	(10,116)
Increase (decrease) in:			
Accounts payable and accrued expenses	95,641	50,737	(97,089)
Advertising fund payable	(524,452)	(73,009)	418,192
Deferred revenue, conference attendance fees	(9,960)	(200,334)	138,588
Deferred franchise revenues	426,817	(746,202)	99,600
Net cash provided by operating activities	751,432	411,528	685,687
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property & equipment	(80,116)	(30,926)	(16,025)
Net cash (used in) investing activities	(80,116)	(30,926)	(16,025)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments on mortgage notes payable	(136,491)	(105,954)	(95,064)
Distributions to stockholders	(497,148)	(291,293)	(408,252)
Distributions to members	(100,000)	(60,000)	(100,000)
Net cash (used in) financing activities	(733,639)	(457,247)	(603,316)
NET INCREASE (DECREASE) IN CASH	(62,323)	(76,645)	66,346
CASH, beginning of year	856,419	933,064	866,718
CASH, end of year	$ 794,096	$ 856,419	$ 933,064

The accompanying notes are an integral part of these financial statements.

-7-

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE

NOTES TO FINANCIAL STATEMENTS

NOTE 1- NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PostNet International Franchise Corporation ("PostNet" or "Company") is a wholly owned subsidiary of Global Franchise Ventures, Inc. ("Global"). Global, a Colorado Corporation was formed on January 18, 2007 and acquired all of the outstanding stock of PostNet from its stockholders who then became the stockholders of Global on February 5, 2007.

Wazee Holding, LLC ("Wazee") a company under common management and control, owns the office building where the Company's corporate headquarters are located. A portion of the building was leased to an unrelated third party.

PostNet offers franchises for the establishment and operation of neighborhood business centers throughout the world. PostNet offers shipping, packing, copying and printing services and related products under the trade name "PostNet."

A summary of significant accounting policies follows:

Financial Accounting Standards Board ("FASB") "Accounting Standards Codification™" (the "Codification" or "ASC")

The codification is the single source of authoritative generally accepted accounting principles ("GAAP") recognized by the FASB, to be applied by nongovernmental entities in the preparation of financial statements in conformity with GAAP. The Codification became effective for interim and annual periods ending after September 15, 2009 and superseded all previously existing private company accounting and reporting standards. All other non-grandfathered accounting and reporting standards not included in the Codification is non-authoritative. All of our references to GAAP now use the Codification Topic or Section rather than prior accounting and reporting standards. The Codification did not change existing GAAP and, therefore, did not affect our financial position or results of operations.

NOTE 1- NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Consolidated Financial Statements

FASB ASC Section 810 Consolidation and Section 810-20, Control of Partnerships and Similar Entities. These ASCs provide that consolidated financial statements are usually for a fair presentation if one of the other in the consolidated group directly or indirectly has a controlling financial interest in the other entities or in the case of variable interest entities ("VIE"), the reporting entity ("RE"), with a variable interest or interests that provide the reporting entity with a controlling financial interest in a VIE will have both of the following characteristics: (a) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses of the VIE that could potentially be significant to the RE or the right to receive benefits from the VIE that could potentially be significant to the RE. Management has determined that Wazee is a VIE and that the Company is the primary beneficiary due to the related party leasing arrangement and guarantees by the Company's stockholders of the Wazee mortgage notes payable. The Company consolidated financial statements to include the accounts of the Company, and Wazee. All material intercompany accounts and transactions have been eliminated.

Use of Estimates

Preparation of the Company's consolidated financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with original maturities of three months or less at the date of purchase to be cash equivalents. The Company had no cash equivalents as of December 31, 2013 or 2012.

NOTE 1- NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Restricted Cash and Advertising Fund Payable

A portion of royalties received from franchisees is designated for segregation into an advertising fund (the Fund") to be expended to benefit franchisees. The Company collects and administers the Fund and records a liability. The Company maintains a separate account for these monies.

Periodically, there may be a timing difference due to when the advertising funds are disbursed and when the money is received from the franchisees. In these instances, a receivable is recorded in the accompanying balance sheet as a receivable due from franchisees, which were $174,081 and $200,007 as of December 31, 2013 and 2012, respectively.

Accounts Receivable

The Company licenses its trademarks and systems to franchisees domestically and worldwide. The Company performs credit evaluations of prospective franchisees and does not require collateral. The Company records accounts receivable and deferred revenue upon entering into franchise agreements with franchisees (Notes 2 and 6).

Accounts receivable on international and domestic royalties are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by regularly evaluating individual customer's receivables and considering a customer's financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received.

Property and Equipment

The company has adopted ASC 360 – Property, Plant and Equipment. Land, building and equipment are stated at historical cost. Depreciation on buildings is provided using the straight-line method using a life of 39 years. Depreciation on equipment is provided using the straight-line method based on the estimated useful lives of the related assets (generally five to ten years).

Intangible and Other Assets

The Company's regional license agreements are amortized using the straight-line method over the remaining term of the related agreements. Investments in royalty rights are being amortized using the straight-line method over 15 years.

NOTE 1- NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue Recognition and Deferred Revenue

Initial franchise, development agreements and master and area license fees. When a franchise is sold, the Company agrees to provide certain services to the franchisee. Generally, these services include assistance in site selection, training personnel, implementation of an accounting system and design of a quality control program.

The Company also sells master licenses that grant the purchaser the sole rights to develop neighborhood business centers and sell individual franchises within a specific geographical area. Such rights are for successive 15-year terms. The Company has sold master area franchise rights for the territories of Australia, Brazil, Costa Rica, Dominican Republic, Panama, South Africa, Colombia, and Venezuela. These agreements transfer franchise rights within a geographical area permitting the opening of a number of franchised outlets. Decisions regarding the number of outlets and their location are primarily made by the master franchisee with approval of the Company.

Revenue is recognized, net of an allowance for uncollectible amounts, when substantially all significant services to be provided to the franchisee/licensee have been performed.

Deferred revenue represents that portion of the total revenue from initial franchise, license and development agreements attributable to services required to be provided by the Company that have not yet been performed.

Direct costs relating to initial franchise fees, development agreements and license fees for which revenue has not been recognized are deferred until the related revenue is recognized (Note 5).

Royalty Revenue

Revenue from royalties, which is based upon a percentage of franchisee sales ranging from 4% to 5%, is recognized when earned.

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE

NOTES TO FINANCIAL STATEMENTS

NOTE 1- NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Advertising

All costs related to marketing and advertising are expensed as incurred. Advertising expense was \$196,023, \$106,201 and \$114,042 for the years ended December 31, 2013, 2012 and 2011, respectively. These amounts are exclusive of the amounts spent from the Advertising Fund.

Income Taxes

PostNet, with the consent of its stockholders, elected to be taxed under sections of Federal income tax law, which provide that, in lieu of corporation income taxes, the stockholders separately account for their pro rata shares of the PostNet International Franchise Corporation's items of income, deductions, losses and credits. In several states, the Company files a composite non-resident shareholder income tax return whereby the Company assumes any shareholder-related income tax liability which negates the need for the shareholder to file a personal income tax return in that state. As such, the Company incurs the related income tax expense. The amounts paid on behalf of shareholders are included in tax expenses, and amounted to \$17,312, \$59,745, and \$16,805 for the years ended December 31, 2013, 2012, and 2011, respectively. The results of the Company's operations are ultimately included in the consolidated Federal income tax return of its parent company, Global Franchise Ventures, Inc. Income tax expense is provided as if the Company filed a separate tax return.

Fair Value of Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, the carrying amounts approximate fair value due to their short maturities. The amounts shown for notes payable also approximate fair value because current interest rates and terms offered to the Company for similar debt are substantially the same.

Concentrations

The Company maintains cash balances in two financial institutions participating in the Federal Deposit Insurance Corporation (FDIC) program whereby cash deposits are insured for up to \$250,000. Cash balances in these financial institutions have at times exceeded the FDIC insured amounts. However, the Company has not experienced any related losses in such accounts.

Reclassification

Certain amounts in the prior period financial statements have been reclassified for comparative purposes to conform, to the presentation in the current period financial statements.

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - ACCOUNTS RECEIVABLE

Accounts and other receivables at December 31 are as follows:

	2013	2012
Franchise contracts	$ 1,110,300	$ 852,779
Other amounts due from franchisees	5,138	(334)
Royalties receivable, domestic	411,357	390,863
Royalties receivable, international	146,043	113,861
Total accounts receivable before allowance for uncollectible	$ 1,672,838	$ 1,357,169

NOTE 3 – PROPERTY AND EQUIPMENT

At December 31, property equipment consists of the following:

	2013	2012
Land	667,400	$ 667,400
Buildings and improvements	4,458,242	4,386,456
Equipment and furniture	825,128	825,128
	5,950,770	5,878,984
Less accumulated depreciation	(1,836,230)	(1,688,314)
	$ 4,114,540	$ 4,190,670

Depreciation expense for the years ended December 31, 2013, 2012 and 2011 was $156,246, $155,400 and $152,976, respectively.

NOTE 4 – DEFERRED FRANCHISE COSTS

At December 31, deferred franchise costs consist of the following:

	2013	2012
Commissions	$ 76,750	$ 39,250
Overhead	12,568	3,359
Equipment	76,234	1,568
	$ 165,642	$ 44,177

NOTE 5 – INTANGIBLE AND OTHER ASSETS

At December 31, intangible and other assets consist of the following:

	2013	2012
Investment in royalty rights	$ 125,158	$ 125,158
Trademark	32,849	32,849
Deposits	45,793	45,793
Other	-	-
	203,800	203,800
Less accumulated amortization	(153,661)	(145,331)
	$ 50,139	$ 58,469

Amortization expense for the years ended December 31, 2013, 2012 and 2011 was $8,330, $8,330 and $8,330, respectively.

NOTE 6 – DEFERRED FRANCHISE REVENUE

Deferred revenue, franchises in progress at December 31, consists of the following:

	2013	2012
Deferred development fees	$ 796,373	$ 584,556
Deferred initial franchise fees	385,000	170,000
	$ 1,181,373	$ 754,556

The Company expects to recognize substantially all the deferred revenue during the year ended December 31, 2013, as anticipated franchise stores open. Accounts receivable, franchise contacts (see Note 2) of $1,110,300 and $ 852,779 at December 31, 2013 and 2012, respectively, relate to these same franchises. Payment is to be received upon a store opening.

NOTE 7 – MORTGAGE NOTES PAYABLES

At December 31, mortgage notes payable consist of the following:

	2013	2012
Mortgage note payable, bank, due in monthly installments of $18,106 including interest at 4.30% through October 2020, at which time all outstanding principal and interest is due. The note is collateralized by a deed of trust in real estate, including assignment of rents, and is guaranteed by the members of Wazee Holdings, LLC. The agreement also requires Wazee Holdings, LLC to maintain a debt coverage ratio.	$ 2,880,232	$ 3,007,807
Mortgage note payable, bank, due in monthly installments of $1,735 including interest at 3.90% through August 2017, at which time all outstanding principal and interest is due. The note is collateralized by a deed of trust in real estate, including assignment of rents, and is guaranteed by the members of Wazee Holdings, LLC. The agreement also requires Wazee Holdings, LLC to maintain a debt coverage ratio.	224,279	233,195
	3,104,511	3,241,002
Less current portion	(107,598)	(112,487)
	$ 2,996,913	$ 3,128,515

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – MORTGAGE NOTES PAYABLES, continued

The maturities of the mortgage note payable are as follows:

Year ending December 31:

2014	$	107,598
2015		112,266
2016		117,136
2017		293,824
2018		113,140
Thereafter		2,360,547
	$	3,104,511

NOTE 8 – RELATED PARTY TRANSACTIONS

PostNet International Franchise Corporation leases its office space from its consolidated affiliate Wazee Holding, LLC. Rents have been eliminated in the consolidated financial statements total $300,000, $480,000 and $564,000 for the years ended December 31, 2013, 2012, and 2011, respectively.

At December 31, Due from related parties on the attached balance sheets consists of the following:

		2013		2012
Company cash collected by related parties	$	-	$	-
Related party expenses paid by the Company		-		-
	$	-	$	-

POSTNET INTERNATIONAL FRANCHISE CORPORATION AND AFFILIATE

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – COMMITMENTS and CONTINGENCIES

Benefit plan

The Company sponsors a defined contribution 401(k) plan covering all eligible employees. The Company had less than 25 eligible employees at December 31, 2013. To participate in the plan, an employee must be 21 years of age and must have completed one year of service. Participants can elect to contribute through salary deductions up to 15 percent of earnings, with a current maximum of $15,000. The Company will contribute on additional contributions up to a maximum employee contribution of 5 percent. Vesting of matching contributions occurs immediately. Employer contributions to the plan during the years ended December 31, 2013, 2012 and 2011 were $25,892, $31,235 and $34,907, respectively.

Rental Income

The Company leased a portion of the corporate office building to an unrelated third party under an agreement.

Rent expense

The Company leases vehicles and equipment under non-cancelable operating leases. The leases expire at varying dates through November 2013. The Company also leases equipment under month-to-month leases.

During the year ended December 31, 2013, 2012 and 2011, lease expense consisted of $36,256, $40,850 and $33,246 for these operating leases, respectively. Vehicle lease expense was $30,304, $30,304 and $24,762 and equipment lease expense was $9,635, $10,546 and $8,484 for the years ended December 31, 2013, 2012 and 2011.

Future minimum payments under non-cancelable operating leases as of December 31, 2013 are as follows:

Years ending December 31:	
2013	$ 13,935
Total	$ 13,935

NOTE 9 – COMMITMENTS and CONTINGENCIES, continued

Litigation

The Company is party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of the management, all matters are of such nature, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

NOTE 9 – SUBSEQUENT EVENTS

Date of Management's Evaluation

Management has evaluated subsequent events through January 27, 2014, the date on which the financial statement was available to be issued.

EXHIBIT D
TO FRANCHISE
DISCLOSURE DOCUMENT

TABLE OF CONTENTS TO MANUAL

Table of Contents to Electronic Manual

4.35. Recurring Transactions in QBOE
4.36. Retail Pricing
4.37. Royalty Rebate and Credit Policy
4.38. UPS Electronic and Detailed Billing
4.39. Writing Checks in QBOE
4.40. Z-Tape Postings from the POS

5. **General Operations – over 200 pages**

5.1. Accounts Receivable in Resource
5.2. Additional Services
5.3. Audit Policy
5.4. Back Counter Organization
5.5. CRM Data Collection
5.6. CRM Strategy
5.7. CSP Project Briefs
5.8. Center Cleaning & Maintenance
5.9. Center Real Estate
5.10. Closing a PMB in the POS
5.11. Contributing to the Wiki
5.12. Creative Café
5.13. Creative Café First Generation
5.14. Creative Sales Process
5.15. Credit Card Processing
5.16. Customer Database
5.17. Customer Encounters
5.18. Designated Manager
5.19. Document Shredding
5.20. Document Retention
5.21. Donations and Bartered Sales
5.22. Email Policy
5.23. Google Apps Guide
5.24. Google Talk
5.25. IC Verify
5.26. Insurance
5.27. Inventory
5.28. NAF Marketing Profile Page
5.29. Online Print Center
5.30. Opening a PMB
5.31. Operation Enduring Opportunity
5.32. Organization and File Management
5.33. POS Guide to Sales Categories
5.34. PostNet Standards
5.35. Pre-Opening Process
5.36. Pre-Opening Responsibilities

5.37. Privacy Policy
5.38. ReSource Escalation Process
5.39. Remodel
5.40. Reporting in the POS
5.41. Scams
5.42. Specialty Vendors
5.43. Stock Graphic Images
5.44. Thrive
5.45. Thrive Content
5.46. Transfer Guide
5.47. Website Policy
5.48. Workflow
5.49. Z-Tape Postings from the POS

6. **HR & Staff Development – 85 pages**
6.1. Cross Selling/Up Selling
6.2. Hiring Through Craigslist
6.3. Human Resources
6.4. In-House Finishing
6.5. In-House Printing
6.6. In-House Printing Equipment
6.7. Outsource Printing
6.8. PostNet Core Values
6.9. Print Sales
6.10. Print Training In-A-Box
6.11. Print Workflow
6.12. Printing Basics
6.13. Staff Development
6.14. Staff Development Checklist

7. **Marketing – over 200 pages**
7.1. 2014 Local Promotional Calendar
7.2. 2014 National Advertising Fund Overview
7.3. Artwork Standards
7.4. B2B Sales Folder
7.5. CNAF 20 for 20 Promo B2C 2013
7.6. CNAF 20 for 20 Promo (2013)
7.7. CRM Data Collection
7.8. CRM Strategy
7.9. Celebrate Small Business
7.10. Celebrate Small Business Canada
7.11. Coupon Library
7.12. Creative Cafe
7.13. Creative Café First Generation
7.14. Creative Sales Process

7.15. Customer Database
7.16. Customer Service & Engagement
7.17. Facebook
7.18. First-Year Marketing: New Center
7.19. First-Year Marketing: Transfer Center
7.20. Email Marketing
7.21. Every Door Direct Mail
7.22. Facebook
7.23. First Year Marketing: New Center
7.24. First Year Marketing: Transfer Center
7.25. General Awareness
7.26. Google+
7.27. IMC (Integrated Marketing Center)
7.28. IMC Gallery
7.29. LCM Tactics and Budget Calendar
7.30. Listen 360 Best Practices
7.31. Local Store Updates
7.32. Local Update Editor Library
7.33. Marketing In A Box
7.34. Marketing In A Box: Attorneys
7.35. Marketing In A Box: Canvas Prints
7.36. Marketing In A Box: EDDM
7.37. Marketing In A Box: Father's Day
7.38. Marketing In A Box: Mother's Day
7.39. Marketing In A Box: Online Print Center
7.40. Marketing In A Box: Online Print Center (Canada)
7.41. Marketing In A Box: Restaurants
7.42. Marketing In A Box: Schools
7.43. Marketing In A Box: Shred-a-Thon
7.44. Marketing In A Box: Website Design & Solutions
7.45. Matching Funds Program
7.46. NAF Marketing Profile Page
7.47. NAF We Love Small Business 2014
7.48. National Ad Fund (NAF)
7.49. National Advertising
7.50. National Promotions Archive
7.51. National Tradeshow Lead Follow-Up
7.52. Networking
7.53. PostNet Business Stationery
7.54. PostNet Marketing and Communications Plan
7.55. PostNet Tradeshow Display
7.56. Print Sales
7.57. Process Peak for Facebook

7.58. Promotional Products Vendor List
7.59. Public Relations
7.60. Public Relations - Crisis Guidelines
7.61. Refer A Franchisee
7.62. Sales Strategies and Techniques
7.63. Santa Letters Promotion
7.64. Social Media Guide
7.65. Social Media Policy
7.66. Social Media Priorities
7.67. Social Media Update Library
7.68. Social Media Tactics
7.69. Twitter
7.70. Undercover Boss
7.71. Yelp

8. **Packing & Shipping – 100 pages**
8.1. Carrier Service Options
8.2. Closing the Daily Shipping Manifest
8.3. DYMO Endicia & DAZzle
8.4. Drop-offs
8.5. Every Door Direct Mail
8.6. International Shipping within the POS
8.7. Opening a PMB
8.8. Packaging
8.9. Packaging Estimator
8.10. Packaging Estimator Setup
8.11. Private Mailbox Options
8.12. Private Mailboxes – Private Mailbox Rentals
8.13. QAS Pro
8.14. ReSource Mailbox Manager Setup
8.15. Setting Up a DHL Account
8.16. Shipping – Shipping with FedEx
8.17. Shipping - Batteries
8.18. Shipping - Domestic
8.19. Shipping - International
8.20. Suggested Shipping Rate Margins
8.21. UPS RPDO Process
8.22. UPS Supplies
8.23. USPS Approved Shipper Program

9. **Printing – 100 pages**
9.1. CSP Project-Briefs
9.2. FSC Document Control System
9.3. FSC Multi-Site Management Procedures
9.4. FSC Product Group Schedule

9.5. FSC Program
9.6. FSC Supplier List
9.7. In-House Finishing
9.8. In-House Printing
9.9. In-House Printing Equipment
9.10. Online Print Center
9.11. Outsource Printing
9.12. PostNet PMS Color Chart
9.13. Print Estimator
9.14. Print Estimator Set Up Process
9.15. Print Sales
9.16. Print Term Glossary
9.17. Print Training In-A-Box
9.18. Print Workflow
9.19. Printing Basics
9.20. Quark to InDesign
9.21. Recommended Paper
9.22. Saving Files for Outsourcing
9.23. VDP
9.24. Walk-Up Services

10. **Social Media – 50 pages**
    10.1. Facebook
    10.2. Google+
    10.3. January 2012 Facebook Contest
    10.4. Social Media Guide
    10.5. Social Media Policy
    10.6. Social Media Tactics
    10.7. PostNet Marketing and Communications Plan
    10.8. Public Relations
    10.9. Social Media Tactics
    10.10. Twitter
    10.11. Yelp
11. **Sales & Customer Service – 17 pages**
    11.1. CSP Project – Briefs
    11.2. Cross Selling/Up Selling
    11.3. Estimates & Quotes
    11.4. Listen 360 Best Practices
12. **Support & Training – 27 pages**
    12.1. Business Support Services
    12.2. CPE & Mentor Program
    12.3. Contributing to the Wiki
    12.4. Hotel Information
    12.5. In Store Support

12.6. Owner Training Program

12.7. Tutor Program

EXHIBIT E
TO FRANCHISE
DISCLOSURE DOCUMENT

LIST OF STATE FRANCHISE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS/
AGENTS FOR SERVICE OF PROCESS

<u>CALIFORNIA</u> Department of Business Oversight 320 West 4th Street, #750 Los Angeles, CA 90013 (213) 576-7500 1-866-275-2677 **<u>HAWAII</u>** Commissioner of Securities of the State of Hawaii 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 <u>Agents for Service of Process</u>: Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 **<u>ILLINOIS</u>** Illinois Attorney General Chief, Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465 **<u>INDIANA</u>** Secretary of State Securities Division Room E-018 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681	**<u>MARYLAND</u>** Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-6360 <u>Agents for Service of Process</u> Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 **<u>MICHIGAN</u>** Michigan Department of Attorney General Consumer Protection Division 525 W Ottawa Street Lansing, MI 48913 (517) 373-7117 **<u>MINNESOTA</u>** Department of Commerce Commissioner of Commerce 85 Seventh Place East, #500 St. Paul, MN 55101-3165 (651) 539-1600 **<u>NEW YORK</u>** New York Attorney General Investor Protection & Securities Bureau Franchise Section 120 Broadway, 23rd Floor New York, NY 10271 (212) 416-8236 **<u>NORTH DAKOTA</u>** North Dakota Securities Department State Capitol, Fifth Floor, Dept. 414 600 East Boulevard Avenue Bismarck, North Dakota 58505-0510 (701) 328-4712	**<u>RHODE ISLAND</u>** Department of Franchise Regulation 1511 Pontiac Avenue John O. Pastore Complex Bldg. 69-1 Cranston, Rhode Island 02920 (401) 462-9527 **<u>SOUTH DAKOTA</u>** Department of Labor and Regulation Division of Securities 445 East Capitol Ave. Pierre, South Dakota 57501 (605) 773-4823 **<u>VIRGINIA</u>** State Corporation Commission, Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 <u>Agent for Service of Process:</u> Clerk of the State Corporation Commission 1300 East Main Street 1st Floor Richmond, Virginia 23219 **<u>WASHINGTON</u>** Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760 **<u>WISCONSIN</u>** Department of Financial Institutions Division of Securities 201 West Washington Avenue Madison, WI 53703 (608) 266-3364

EXHIBIT F
TO FRANCHISE
DISCLOSURE DOCUMENT

STATE-SPECIFIC ADDENDA

STATE-SPECIFIC ADDENDA TO

FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

The following modifications are made to the PostNet International Franchise Corporation ("**Franchisor**," "**us**," "**we**," or "**our**") Franchise Disclosure Document ("**FDD**") given to Franchisee ("**Franchisee**," "**you**," or "**your**") and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement between you and us dated ___________________________________, 20___ **("Franchise Agreement")**.

The following states laws may supersede provisions of the Franchise Agreement, including the areas of termination and renewal of your Franchise Agreement: ARKANSAS (Stat. Section 70-807), CALIFORNIA (Bus. & Prof. Code Sections 20000-20043), CONNECTICUT (Gen. Stat. Section 42-133e et seq.), DELAWARE (Code, Tit. 6, Ch. 25, Sections 2551-2556), HAWAII (Rev. Stat. Section 482E-1), ILLINOIS (815 ILCS 705/1-44), INDIANA (Stat. Sections 23-2-2.7 and 23-2-2.5), IOWA (Code Sections 523H.1-523H.17), MARYLAND (MD. CODE ANN., BUS. REG. §§14-201 TO 14-233 (2004 Repl. Vol.)), MICHIGAN (Stat. Section 19.854(27)), MINNESOTA (Stat. Section 80C.14), MISSISSIPPI (Code Section 75-24-51), MISSOURI (Stat. Section 407.400), NEBRASKA (Rev. Stat. Section 87-401), NEW JERSEY (Stat. Section 56:10-1), SOUTH DAKOTA (Codified Laws Section 37-5B), VIRGINIA (§§ 13.1-557 through 13.1-574 of the Code of Virginia), WASHINGTON (Code Section 19.100.180), WISCONSIN (Stat. Section 135.03).

Depending on state law, the provisions of this State-Specific Addendum ("**State Addendum**") may apply to modify the FDD that was given to you, as well as the Franchise Agreement, and any applicable Addenda, Exhibits, Appendices, or mutually-agreed modifications thereto. Specifically, this State Addendum will apply to your Franchise Agreement only if the jurisdictional requirements of a listed state's laws are met independently and without reference to this Addendum, to the Franchise Agreement, or to the FDD. For purposes of the State Addendum, the "**Franchisor's Choice of Law State**" is Colorado and "**Supplemental Agreements**" mean Franchise Disclosure Questionnaire. If any inconsistency arises between the Franchise Agreement, FDD, or Supplemental Agreements and this Addendum, the terms of this State Addendum shall control. Nothing in this State Addendum, the FDD, Franchise Agreement, or Supplemental Agreements should be interpreted or construed as providing an independent basis for Franchisee's assertion that any particular state law or provision applies to the FDD, Franchise Agreement, or Supplemental Agreements that would not otherwise apply due to the jurisdictional requirements of such state law or provision.

CALIFORNIA

The following is added to the Cover Page of the FDD:

> The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Franchise Disclosure Document.

The following is added to Item 3 of the FDD:

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

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Franchise Disclosure Document.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination or non-renewal of a franchise. If the Franchise Agreement or Supplemental Documents contain a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.

The Franchise Agreement contains a number of provisions that may affect your and our legal rights in the event of a dispute between us, a mutual waiver of exemplary damages and a reduced time frame within which either of us may initiate proceedings against the other. See Franchise Agreement Section 22.8. We recommend that you carefully review all of these provisions, and the entire contracts, with a lawyer.

The Franchise Agreement contains, and if applicable, the Supplemental Agreements may contain, a covenant not to compete provision which, in the case of the Franchise Agreement, extends beyond the termination of the franchise. Such provisions may not be enforceable under California law.

Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Supplemental Agreements may not be enforceable.

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

California Corporations Code Section 31125 requires the Franchisor to give to the Franchisee a FDD approved by the Department of Corporations prior to a solicitation of a proposed material modification of the Franchise Agreement.

The Franchise Agreement and Supplemental Agreements may provide for termination upon bankruptcy. Any such provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement contains, and if applicable, the Supplemental Agreements may contain, provisions requiring binding arbitration. The arbitration will occur at Franchisor's Choice of Law State. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement or supplemental agreements restricting venue to a forum outside the State of California.

Under California law, a provision in a franchise agreement restricting jurisdiction or venue to a forum outside of California is void with respect to a claim otherwise enforceable under the California Investment Law.

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

Under California law, a provision in a franchise agreement requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the California Franchise Investment Law.

Our website, www.postnet.com, www.facebook.com/postnet, or www.twitter.com/postnet has not been reviewed or approved by the California Department of Business Oversight. Any complaints concerning the content of this website may be directed to the California Department of Business Oversight at www.corp.ca.gov.

The following is hereby added to the Franchise Agreement:

Franchisee shall, upon a transfer of interest according to Section 12.2, contract with the buyer to refrain from carrying on a similar business within a ten (10) mile radius of the PostNet Center for so long as the buyer, or any person deriving title to the goodwill or ownership interest from the buyer, carries on a like business therein.

HAWAII

The following is added to the Cover Page of the FDD:

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

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN (7) DAYS BEFORE THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FDD, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

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

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

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

The following list reflects the status of the franchise registrations of the Franchisor in the states which require registration:

1. This proposed registration is effective in the following states:

   California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

2. This proposed registration is or will shortly be on file in the following states:

   California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

3. States which have refused, by order or otherwise, to register these franchises are:

   None

4. States which have revoked or suspended the right to offer the franchises are:

None

5. States in which the proposed registration of these franchises has been withdrawn are:

None

Franchise Agreement

Section 2.2.6 of the Franchise Agreement under the heading "Term and Renewal," shall be deleted in its entirety, and shall have no force or effect, and the following Section 2.2.6 shall be substituted in lieu thereof:

> 2.2.6 Franchisee and PostNet shall execute a mutual general release, in a form prescribed by PostNet, of any and all claims which each may have against the other and their affiliates (except as to amounts then due to PostNet for royalties, advertising contributions, materials, and the like), and their respective shareholders, directors, employees, and agents in their corporate and individual capacities, excluding only such claims as each may have that arise under the Hawaii Franchise Investment Law, and;

Section 12.2.1.2 of the Franchise Agreement, under the heading "Transfer of Interest," shall be deleted in its entirety, and shall have no force or effect, and the following Section 12.2.1.2 shall be substituted in lieu thereof:

> 12.2.1.2 PostNet and the transferor shall have executed a mutual general release, in a form prescribed by PostNet, of any and all claims which each may have against the other and their affiliates, and their respective shareholders, directors, employees, and agents in their corporate and individual capacities, excluding only such claims as each may have that arise under the Hawaii Franchise Investment Law;

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law (Hawaii Rev. Stat. §§ 482E-, et seq.) are met independently without reference to this Amendment.

ILLINOIS

Franchise Agreement

Sections 4 and 41 and Rule 608 of the Illinois Franchise Disclosure Act states that court litigation must take place before Illinois federal or state courts and all dispute resolution arising from the terms of this Agreement or the relationship of the parties and conducted through arbitration or litigation shall be subject to Illinois law. The FDD and Franchise Agreement are amended accordingly.

The governing law or choice of law clause described in the FDD and contained in the Franchise Agreement is not enforceable under Illinois law. This governing law clause shall not be construed to negate the application of the Illinois law in all situations to which it is applicable.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." The Franchise Agreement is amended accordingly. To the extent that the Franchise Agreement would otherwise violate Illinois law, such Agreement is amended by providing that all litigation by or between you and us, arising directly or indirectly from the franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements, and Illinois law will pertain to any claims arising under the Illinois Franchise Disclosure Act.

Item 17.v, Choice of Forum, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

Item 17.w, Choice of Law, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

The termination and non-renewal provisions in the Franchise Agreement and the FDD may not be enforceable under Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Under Section 705/27 of the Illinois Franchise Disclosure Act, no action for liability under the Illinois Franchise Disclosure Act can be maintained unless brought before the expiration of 3 years after the act or transaction constituting the violation upon which it is based, the expiration of 1 year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to you of a written notice disclosing the violation, whichever shall first expire. To the extent that the Franchise Agreement is inconsistent with the Illinois Franchise Disclosure Act, Illinois law will control and supersede any inconsistent provision(s).

INDIANA

Item 8 of the FDD is amended to add the following:

> Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

> Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Franchise Agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
>
> Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.r. of the FDD is deleted and the following is inserted in its place:

> No competing business for two (2) years within the Territory.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

> Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

> Litigation regarding Franchise Agreement in Indiana; other litigation in the Franchisor's Choice of Law State. This language has been included in this FDD as a condition to registration. The franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, is fully enforceable. The franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

> Indiana law applies to disputes covered by Indiana franchise laws; otherwise Franchisor's Choice of Law State law applies.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the FDD, the Franchise Agreement, or Florida law, if such provisions are in conflict with Indiana law.
2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.
3. Any provision in the Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.
4. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement for any reason modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).
5. The following provision will be added to the Franchise Agreement:
   No Limitation on Litigation. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

MARYLAND

Disclosure Document Amendments

Item 17 of the FDD and sections of the Franchise Agreement requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment, will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Representations in the Franchise Agreement and Supplemental Agreements are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Item 17 "Renewal, Termination, Transfer and Dispute Resolution," of the FDD and sections of the Franchise Agreement and Supplemental Agreements are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise. Item 17 of the FDD is hereby amended to the extent required under the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A Sec. 101 et seq.).

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

Any claim arising under the Maryland Franchise and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Disclosure document, Exhibit G, "Compliance Certification," shall be amended by the addition of the following at the end of Exhibit G:

> The representations under this Compliance Certification are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

<u>Franchise Agreement</u>

A Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any claim arising under the Maryland Franchise and Disclosure Law must be brought within three (3) years after the grant of the franchise.

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

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

Any provision contained in the Franchise Agreement that requires the Franchisee to assent to a release, estoppel or waiver of liability is not intended to nor shall it act as a release estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

MICHIGAN

The following is hereby inserted after the cover page of the FDD:

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on your right to join an association of franchisees.

(b) A requirement that you assent to a release, assignment, novation, waiver, or estoppel which deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.

(c) A provision that permits us to terminate a franchise before the expiration of its term except for good cause. Good cause shall include your failure to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits us to refuse to renew your franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) you are prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or you do not receive at least 6 months advance notice of our intent not to renew the franchise.

(e) A provision that permits us to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside the state of Michigan. This shall not preclude you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits us to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent us from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet our then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of us or our subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) Your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants us the right to acquire the assets of a franchise for the market or appraised value of such assets if you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits us to directly or indirectly convey, assign, or otherwise transfer our obligations to fulfill contractual obligations to you unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General, Consumer Protection Division
Attn: Franchise
670 Law Building
525 W Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN $100,000.00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING, OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED. AT THE OPTION OF THE FRANCHISOR, A SURETY BOND MAY BE PROVIDED IN PLACE OF ESCROW.

NOTE: NOTWITHSTANDING PARAGRAPH (F) ABOVE, WE INTEND TO, AND YOU AGREE THAT WE AND YOU WILL, ENFORCE FULLY THE PROVISIONS OF THE ARBITRATION SECTION OF OUR AGREEMENTS. WE BELIEVE THAT PARAGRAPH (F) IS UNCONSTITUTIONAL AND CANNOT PRECLUDE US FROM ENFORCING THE ARBITRATION PROVISIONS

MINNESOTA

Franchise Disclosure Document

Despite anything to the contrary in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Minnesota

1. Any provision in the Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.

2. Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the FDD or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

3. Minn. Rule Part 2860.4400J. prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any Agreement relating to franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Agreement relating to arbitration.

4. Item 13 of the FDD is hereby amended to state that we will protect your rights under this Agreement to use the Proprietary Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Proprietary Marks, if your use of the Proprietary Marks is in compliance with the provisions of the Franchise Agreement and our System standards.

5. Minnesota Rule 2860.4400(D) prohibits a Franchisor from requiring a franchisee to assent to a general release. As a result, the FDD and the Franchise Agreement, which require you to sign a general release prior to renewing or transferring your franchise, are hereby deleted from the Franchise Agreement, to the extent required by Minnesota law.

6. The following language will appear as a new paragraph of the Franchise Agreement:

> No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in the dispute resolution section of this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

7. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three years after the cause of action accrues. To the extent that the Franchise Agreement conflicts with Minnesota law, Minnesota law will prevail.

Item 17, "Renewal, Termination, Transfer, and Dispute Resolution," shall be amended by the addition of the following language:

> Minnesota law provides franchisees with certain termination, non-renewal, and transfer rights. In sum, Minn. Stat. § 80C.14 (subd. 3, 4, and 5) currently require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably withheld.
>
> As stated in Minn. Rule 2860.4400D, any general release of claims that you or a transferor may have against us or our shareholders, directors, employees and agents, including without limitation claims arising under federal, state, and local laws and regulations shall exclude such claims you or a transferor may have under the Minnesota Franchise Law and the Rules and Regulations promulgated thereunder by the Commissioner of Commerce.
>
> Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Franchise Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

<u>Franchise Agreement</u>

Section 2.2.6. of the Agreement, under the heading "Term and Renewal," shall be deleted in its entirety and shall have no force or effect, and the following shall be inserted in lieu thereof:

> 2.2.6. At PostNet's option, Franchisee and PostNet shall execute a mutual general release, in a form prescribed by PostNet, of any and all claims which each may have against the other and their affiliates (except as to amounts then due to PostNet for royalties, advertising contributions, materials, and the like), and their respective shareholders, directors, employees, and agents in their corporate and individual capacities, excluding only such claims as each may have that have arisen under the Minnesota Franchise Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

Section 8.4. of the Agreement, under the heading "Confidential Manuals and Information," shall be deleted in its entirety and shall have no force or effect, and the following shall be inserted in lieu thereof:

> 8.4. Franchisee acknowledges that any failure to comply with the requirements of this Section 8 will cause PostNet irreparable injury for which no adequate remedy at law may be available, and Franchisee agrees that PostNet may seek, and Franchisee agrees to pay, all court costs and reasonable attorney fees incurred by PostNet in obtaining an <u>ex parte</u> order for injunctive or other legal or equitable relief with respect to the requirements of this Section 8.

Section 12.2.1.2. of the Agreement, under the heading "Transfer of Interest," shall be deleted in its entirety and shall have no force or effect, and the following shall be inserted in lieu thereof:

12.2.1.2. PostNet and the transferor shall have executed a mutual general release, in a form prescribed by PostNet, of any and all claims which each may have against the other and their affiliates, and their respective shareholders, directors, employees, and agents in their corporate and individual capacities, excluding only such claims as each may have under the Minnesota Franchise Act and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

Section 22.8 of the Agreement, under the heading, "Dispute Resolution," shall be deleted in its entirety, and shall have no force or effect, and the following shall be inserted in lieu thereof:

22.8 Any claim or controversy arising out of or related to this Agreement, or the making, performance, breach, interpretation, or termination thereof, brought by any party hereto against the other, shall be commenced within one year from the occurrence of the facts giving rise to such claim or action, or such claim or action shall be barred. PostNet and Franchisee hereby waive to the fullest extent permitted by law any right or claim of any punitive or exemplary damages against the other and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained by it.

Section 22 of the Agreement, under the heading "Dispute Resolution," shall be supplemented by the following subsections 22.9 and 22.10:

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

22.10 Minnesota law provides franchisees with certain termination, non-renewal, and transfer rights. In sum, Minn. Stat. § 80C.14 (subd. 3, 4, and 5) currently require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably withheld.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rule §§ 2860.0100 through 2860.9930, are met independently without reference to this Amendment.

NEW YORK

Franchise Disclosure Document

The following is added to the Risk Factors on the cover page:

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

Item 3 of the FDD is modified to read as follows:

> Neither PostNet International Franchise Corporation, its predecessor, a person identified in Item 2, nor an affiliate offering franchises under PostNet International Franchise Corporation's principal trademark has an administrative, criminal or civil action pending against it alleging a fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations.
>
> Neither PostNet International Franchise Corporation, its predecessor, a person identified in Item 2, nor an affiliate offering franchises under PostNet International Franchise Corporation's principal trademark has been convicted of a felony or pleaded nolo contendere to a felony charge or within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging a violation of a franchise, antifraud or securities law; fraud, embezzlement fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.
>
> Neither PostNet International Franchise Corporation, its predecessor, a person identified in Item 2, nor an affiliate offering franchises under PostNet International Franchise Corporation's principal trademark is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunction or restrictive order relating to any business activity as a result of an action brought by a public agency or department, including without limitation, an action affecting a license as a real estate broker or sales agent.

Item 4 of the FDD is modified to read as follows:

> Neither PostNet International Franchise Corporation, its affiliate, its predecessor, officers or general partner during the 10 year period immediately before the date of the Franchise Disclosure Document: (a)

filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the U.S. Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

The following sentence is added to the end of the first paragraph of Item 5 of the FDD:

> We may use the proceeds from your payment of the Initial Franchise Fee to defray our costs and expenses for providing training and assistance to you; for commission payments to brokers involved in the sale of a franchise to you; for general working capital purposes; and for other expenses.

The first paragraph of Item 17 of the Franchise Disclosure Document is revised to read as follows:

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

Item 17.j. of the FDD is revised to read as follows:

> However, no assignment will be made except to an assignee who, in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

Item 17 d. of the FDD is revised to read as follows:

> You may not terminate the Franchise Agreement unless such termination is expressly provided for under New York law. You may terminate upon any ground permitted by law.

Item 17.w. of the FDD is revised to read as follows:

> The foregoing choice of law should not be considered a waiver of any right conferred upon either the Franchisor or upon the Franchisee by Article 33 of the General Business Law of the state of New York.

The Franchise Agreement requires that the law of Franchisor's Choice of Law State governs the Franchise Agreement and Supplemental Agreements. The Franchise Agreement and Supplemental Agreements are hereby amended to state that the choice of law provision contained in the Franchise Agreement and Supplemental Agreements should not be considered a waiver of any rights conferred by the provisions of Section 33 of the New York State General Business Law.

The Franchise Agreement is hereby amended to state that Franchisee shall not be required to indemnify Franchisor for any liabilities which arose as a result of Franchisor's breach of this Agreement or other civil wrongs committed by Franchisor.

The Franchise Agreement and the Supplemental Agreements are hereby amended to state that the choice of law provision requiring Franchisor's Choice of Law State contained in the Franchise Agreement and any Supplemental Agreements shall not be considered a waiver of any right conferred upon Franchisee by the provisions of Section 33 of the New York State General Business Law. This language has been included in this Franchise Disclosure Document as a condition of registration. Franchisor and Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement including all choice of law provisions, are fully enforceable. Franchisor and Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and the Supplemental Agreements and all other documents signed by them, including but not limited to, all venue, choice-of-law provisions and other dispute resolution provisions.

FRANCHISOR REPRESENTS THAT IT HAS NOT KNOWINGLY OMITTED FROM THE FDD ANY MATERIAL FACT, NOR DOES THE FDD CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

NORTH DAKOTA

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring that you sign a general release, estoppel or waiver as a condition of renewal and or assignment, may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

The Franchise Agreement contains a covenant not to compete which may not be enforceable under North Dakota law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, and the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Item 17(r) of the FDD, and Section 14 of the Franchise Agreement discloses the existence of certain covenants restricting competition to which Franchisee must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statue, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The FDD and Franchise Agreement are amended accordingly to the extent required by law.

OHIO

The following language will be added to the Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

NOTICE OF CANCELLATION

_______________ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five (5) business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten (10) business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this Agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to POSTNET INTERNATIONAL FRANCHISE CORPORATION, 1819 Wazee Street, Denver, Colorado 80202, or send a fax to POSTNET INTERNATIONAL FRANCHISE CORPORATION, at (303) 771-7133, not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

Franchisee:

By: __________________

Print Name: _____________________

Its: __________________

Date: __________________

RHODE ISLAND

Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following:

> § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

The FDD, the Franchise Agreement, and the Supplemental Agreements are amended accordingly to the extent required by law.

Franchise Agreement

Section 22 of the Franchise Agreement, under the heading "Dispute Resolution," shall be amended by the addition of the following Section 22.9:

> 22.9 §19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

This Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, are met independently without reference to this Addendum.

The above language has been included in this Franchise Disclosure Document as a condition to registration. The franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement and the Supplemental Agreements, including all choice of law provisions, are fully enforceable. The franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement, the Supplemental Agreements, and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

SOUTH DAKOTA

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VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD, and, as applicable, the Franchise Agreement for PostNet International Franchise Corporation for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17.h.:

> According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
>
> According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement or Supplemental Agreements involve the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to Franchisee under the franchise, that provision may not be enforceable.

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD for PostNet International Franchise Corporation for use in the Commonwealth of Virginia shall be amended as follows:

> Additional Disclosure: The following statements are added to Item 17.o.:
>
> According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
>
> According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

The third sentence of the third paragraph of the FDD Cover Page is amended to state:

> "You must receive this Franchise Disclosure Document at least 14 days before you sign a binding agreement or make any payment in connection with the franchise sale or grant."

The first sentence of the second paragraph of both Receipt Pages is amended to state:

> "If PostNet International Franchise Corporation offers you a franchise, it must provide this Franchise Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, PostNet International Franchise Corporation or an affiliate in connection with the proposed franchise sale or grant."

WASHINGTON

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington or in a place as mutually agreed upon at the time of the arbitration, or as determined by the arbitrator. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

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

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

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

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, are met independently without reference to this Amendment.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("Addenda") is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the FDD, Franchise Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the FDD, Franchise Agreement and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the FDD.

☐ California

☐ Hawaii

☐ Illinois

☐ Indiana

☐ Maryland

☐ Michigan

☐ Minnesota

☐ New York

☐ North Dakota

☐ Ohio

☐ Rhode Island

☐ South Dakota

☐ Virginia

☐ Washington

☐ Wisconsin

DATED__________________ _____, 20___.

FRANCHISOR:

POSTNET INTERNATIONAL FRANCHISE CORPORATION

_________________________________ ______

By:_____________________________________

Title:___________________________________

FRANCHISEE:

____

____

By:___________________________________

Title:_________________________________

EXHIBIT G
TO FRANCHISE
DISCLOSURE DOCUMENT

COMPLIANCE CERTIFICATION

POSTNET INTERNATIONAL FRANCHISE CORPORATION
COMPLIANCE CERTIFICATION

As you know, PostNet International Franchise Corporation ("PostNet") and you are preparing to enter into a Franchise Agreement. The purpose of this questionnaire is to determine whether any statements or promises were made to you that PostNet has not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

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

   Yes _____ No _____

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

   Yes _____ No _____

   If no, what parts of the Franchise Agreement and each exhibit attached to it do you not understand? (Attach additional pages, if necessary.)

   ____

   ____

   ____

3. Do you understand that under the Franchise Agreement, PostNet and you have both agreed to (i) waive a jury trial for any dispute, as well as the right to seek punitive or exemplary damages against the other; and (ii) significantly reduce the time within which to assert a claim against the other in any adjudicatory forum?

   Yes _____ No _____

4. Have you received and personally reviewed PostNet's Uniform Franchise Disclosure Document ("FDD") that was provided to you?

   Yes _____ No _____

5. Did you sign a receipt for the FDD indicating the date you received it?

   Yes _____ No _____

initials _____

6. Do you understand all of the information contained in the FDD and any state-specific Addendum, if applicable, to the FDD?

Yes _____ No _____

If No, what parts of the FDD and/or Addendum do you not understand? (Attach additional pages, if necessary.)

____

____

____

7. Have you reviewed the initial investment table and footnotes in Item 7 of our FDD to be sure that you have or can borrow sufficient capital to open and operate your business?

Yes _____ No _____

8. Have you discussed the benefits and risks of becoming a PostNet franchisee with an attorney, accountant, or other professional advisor, or had the opportunity but chose not to?

Yes _____ No _____

9. Do you understand that the success or failure of your PostNet Center will depend in large part upon your skills and abilities, competition from other Centers, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes _____ No _____

10. Has any employee or other person speaking on behalf of PostNet or any of PostNet's affiliates or parent entity made any statement or promise concerning the revenues, profits or operating costs of any PostNet Center operated by PostNet or its franchisees?

Yes _____ No _____

11. Has any employee or other person speaking on behalf of PostNet or its affiliates or parent entity made any statement or promise regarding the amount of money you may earn in operating the PostNet Center?

Yes _____ No _____

12. Has any employee or other person speaking on behalf of PostNet or its affiliates or parent entity made any statement or promise concerning the total amount of revenue that will or may be generated by a PostNet Center?

Yes _____ No _____

initials _____

13. Has any employee or other person speaking on behalf of PostNet or its affiliates or parent entity made any statement or promise regarding the costs you may incur in operating the PostNet Center that is contrary to or different from the information contained in the FDD?

Yes _____ No _____

14. Has any employee or other person speaking on behalf of PostNet or its affiliates or parent entity made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a PostNet Center?

Yes _____ No _____

15. Has any employee or other person speaking on behalf of PostNet or its affiliates or parent entity made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that PostNet will furnish to you that is contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

16. With respect to the agreements being signed today, has any employee or other person speaking on behalf of PostNet or its affiliates or parent entity made any statement, promise, or agreement concerning (i) the rights or obligations which PostNet will have to you or you will have to PostNet under these agreements; or (ii) the terms and conditions of these agreements that, in either circumstance, are not specifically stated in the agreements?

Yes _____ No _____

17. Do you understand that the initial franchise fee is non-refundable under your Franchise Agreement?

Yes _____ No _____

18. Have you at any time had any discussions with or received any information from a representative of any franchise broker concerning PostNet?

Yes _____ No _____ (If "No," please skip to question 22)

19. Please list the individual(s) with whom you had conversations or received any information about PostNet.

____

____

____

initials _____

20. Please review your answers to questions 10-17 of this Compliance Certification. Would your answers to any of these questions be different based upon any conversations with or information received from any individual listed in question 19?

Yes _____ No _____

21. If "Yes," please describe in detail everything said or provided to you that caused you to answer "Yes" to question 20.

____

____

____

22. Did you receive the FDD at least 14 calendar days before today?

Yes _____ No _____

23. If you have answered "Yes" to any one of questions 10-16 or "No" to questions 9 and 17, please provide a full explanation of each such answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) Otherwise, please leave the following lines blank.

____

____

____

24. Do you understand that we are relying on your answers to this questionnaire to enter into a PostNet franchise agreement and to ensure that the franchise sale was made in compliance of state and federal laws?

Yes _____ No _____

(Signature on following page)

initials _____

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

APPLICANT

____
Signature

____
Print Name

___________________________, 20_____
Date

EXHIBIT H
TO FRANCHISE
DISCLOSURE DOCUMENT

CONTRACTS FOR USE WITH THE POSTNET FRANCHISE

The following contracts contained in Exhibit H are contracts that Franchisee is required to utilize or execute after signing the Franchise Agreement in the operation of the PostNet Center. The following are the forms of contracts that PIFC uses as of the Issuance Date of the FDD. If they are marked "Sample" they are subject to change at any time.

EXHIBIT H-1

SAMPLE GENERAL RELEASE AGREEMENT

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims (the "Release") is made as of ________________ ___, 20___ by __________________________, a(n) ____________________ ("Franchisee"), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, "Releasor") in favor of PostNet International Franchise Corporation, a Nevada corporation ("Franchisor," and together with Releasor, the "Parties").

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement (the "Agreement") pursuant to which Franchisee was granted the right to own and operate a PostNet center;

WHEREAS, Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee, **(enter into a successor franchise agreement)** and Franchisor has consented to such transfer **(agreed to enter into a successor franchise agreement)**; and

WHEREAS, as a condition to Franchisor's consent to the transfer **(Franchisee's ability to enter into a successor franchise agreement)**, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent to the transfer **(Franchisor entering into a successor franchise agreement)**, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims or obligations being terminated and released hereunder. Each individual executing this Release on behalf of Franchisee represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries or related companies, divisions and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "Released Parties"), from any and all claims, liabilities, damages, expenses, actions or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto.

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business or their reputation.

4. Miscellaneous

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the State of Colorado.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorney fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

h. The Parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as any Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

(Signatures on following page)

IN WITNESS WHEREOF Releasor has executed this Release as of the date first written above.

FRANCHISEE:

____, a

____

____

By: ____

Title: ____

FRANCHISEE'S OWNERS:

____

____

By: ____

Title: ____

Date: ____

EXHIBIT H-2

NONDISCLOSURE, NONSOLICITATION AND NONCOMPETITION AGREEMENT

This Nondisclosure, Nonsolicitation and Noncompetition Agreement (this "Agreement") is entered into by the undersigned ("you") in favor of PostNet International Franchise Corporation, a Nevada corporation, and its successors and assigns ("us"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Competitive Business" means any business offering printing and document services, graphic design, web and marketing services, shipping, packaging and mailing services. A Competitive Business does not include a PostNet business operating pursuant to a franchise agreement with us.

"Copyrights" means all works and materials for which we or our affiliate have secured common law or registered copyright protection and that we allow franchisees to use, sell or display in connection with the marketing and/or operation of a PostNet business, whether now in existence or created in the future.

"Franchisee" means the PostNet franchisee for whom you are an officer, director, employee or independent contractor.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing and/or operation of a PostNet business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies and information comprising the System and the Manual.

"Manual" means our confidential operations manual for the operation of a PostNet business.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a PostNet business, including "PostNet," and any other trademarks, service marks or trade names that we designate for use by a PostNet. The term "Marks" also includes any distinctive trade dress used to identify a PostNet business, whether now in existence or hereafter created.

"Prohibited Activities" means any or all of the following: (i) owning, operating or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent or in any similar capacity) in a Competitive Business (other than owning an interest of five percent (5%) or less in a publicly traded company that is a Competitive Business); (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees); and/or (iii) inducing (a) any of our employees or managers (or those of our affiliates or franchisees) to leave their position or (b) any customer of ours (or of one of our affiliates or franchisees) to transfer their business to you or to any other person that is not then a franchisee of ours.

"Restricted Period" means the one (1) year period after you cease to be a manager of Franchisee's PostNet business; provided, however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the one (1) year period after you cease to be a manager or officer of Franchisee's PostNet business.

"Restricted Territory" means the geographic area within: (i) a 25 minimum mile radius from Franchisee's PostNet business (and including the premises of the center); and (ii) a 10 mile radius from

all other PostNet businesses that are operating or under construction as of the beginning of the Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area within a 10 mile radius from Franchisee's PostNet business (and including the premises of the center).

"System" means our system for the establishment, development, operation and management of a PostNet business, including Know-how, proprietary programs and products, confidential operations manuals and operating system.

2. Background. You are an officer, director, or manager of Franchisee. As a result of this relationship, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and that you could seriously jeopardize our entire franchise System if you were to unfairly compete with us. In order to avoid such damage, you agree to comply with the terms of this Agreement.

3. Intellectual Property. You agree: (i) you will not use the Know-how in any business or capacity other than the PostNet business operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer a manager of Franchisee's PostNet business. You further agree that you will not use the Intellectual Property for any purpose other than the performance of your duties for Franchisee and within the scope of your employment or other engagement with Franchisee.

4. Unfair Competition During Relationship. You agree not to unfairly compete with us at any time while you are a manager of Franchisee's PostNet business by engaging in any Prohibited Activities.

5. Unfair Competition After Relationship. You agree not to unfairly compete with us during the Restricted Period by engaging in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers who are located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the Prohibited Activity.

6. Immediate Family Members. You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family: (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities; or (ii) uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.

7. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE.**

8. **Breach**. You agree that failure to comply with the terms of this Agreement will cause substantial and irreparable damage to us and/or other PostNet franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages. Any claim, defense or cause of action that you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

9. **Miscellaneous**.

(a) If we hire an attorney or file suit against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorney fees and costs in doing so.

(b) This Agreement will be governed by, construed and enforced under the laws of Colorado and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

(c) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

(d) You and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration and geographic area. However, we may at any time unilaterally modify the terms of this Agreement upon written notice to you by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under this Agreement to ensure that the terms and covenants in this Agreement are enforceable under applicable law.

EXECUTED on the date stated below.

Date: ___________________________ ________________________________
Signature

____
Typed or Printed Name

EXHIBIT H-3

SAMPLE CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this "Agreement") is entered into by the undersigned ("you") in favor of PostNet International Franchise Corporation, a Nevada corporation, and its successors and assigns ("us"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"PostNet Business" means a business that provides a broad array of printing and document services, graphic design, web and marketing services, shipping, packaging and mailing services and other related services and products using our Intellectual Property.

"Copyrights" means all works and materials for which we or our affiliate have secured common law or registered copyright protection and that we allow franchisees to use, sell or display in connection with the marketing and/or operation of a PostNet Business, whether now in existence or created in the future.

"Franchisee" means the PostNet franchisee for whom you are an officer, director, employee or independent contractor.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing and/or operation of a PostNet Business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies and information comprising the System and the Manual.

"Manual" means our confidential operations manual for the operation of a PostNet Business.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a PostNet Business, including "PostNet" and any other trademarks, service marks or trade names that we designate for use by a PostNet Business. The term "Marks" also includes any distinctive trade dress used to identify a PostNet Business, whether now in existence or hereafter created.

"System" means our system for the establishment, development, operation and management of a PostNet Business, including Know-how, proprietary programs and products, confidential operations manuals and operating system. .

2. Background. You are an employee or independent contractor of Franchisee. As a result of this association, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and that you could seriously jeopardize our entire franchise System if you were to unfairly compete with us. In order to avoid such damage, you agree to comply with the terms of this Agreement.

3. Know-How and Intellectual Property. You agree: (i) you will not use the Know-how in any business or capacity other than the PostNet Business operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer an officer, director, employee or independent contractor of Franchisee. You further agree that you will not use the Intellectual Property for any purpose other than the performance of your duties for Franchisee and within the scope of your employment or other engagement with Franchisee.

4. Immediate Family Members. You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.

5. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE.**

6. Breach. You agree that failure to comply with the terms of this Agreement will cause substantial and irreparable damage to us and/or other PostNet franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages. Any claim, defense or cause of action that you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

7. Miscellaneous.

(a) If we hire an attorney or file suit against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorney fees and costs in doing so.

(b) This Agreement will be governed by, construed and enforced under the laws of Colorado and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

(c) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms enforceable.

(Signature on following page)

EXECUTED on the date stated below.

Date___________________________ ___________________________________

Signature

____

Typed or Printed Name

EXHIBIT H-4

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

Franchisee Name	Business No.
Franchisee Mailing Address (street)	Franchisee Phone No.
Franchisee Mailing Address (city, state, zip)	
Contact Name, Address and Phone number (if different from above)	
Franchisee Fax No.	Franchisee E-mail Address

Bank Account Information:

Bank Name		
Bank Mailing Address (street, city, state, zip)		
Bank Account No.	☐ Checking ☐ Savings (check one)	Bank Routing No. (9 digits)
Bank Mailing Address (city, state, zip)		Bank Phone No.

Authorization:

Franchisee hereby authorizes PostNet International Franchise Corporation ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature:_________________________________ Date:_____________________________
Name:____________________________________
Its:______________________________________

Federal Tax ID Number:_______________________

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK

EXHIBIT H-5

SAMPLE TERMINATION AND RELEASE AGREEMENT

This Acknowledgment of Termination and Release Agreement ("**Agreement**") is entered into on ________________________, 20___, by and between PostNet International Franchise Corporation ("**Franchisor**") and _______________________________________ ("**Franchisee**"). The Franchisee and the Franchisor will be referred to herein as the "**Parties**."

RECITALS

WHEREAS, Franchisor and Franchisee entered into that certain franchise agreement ("**Franchise Agreement**") dated _______________, 201_, in which Franchisor granted Franchisee the right to operate a PostNet Franchise in the territory ("**Territory**") described in **Attachment A** to the Franchise Agreement; and

WHEREAS, on ______________ 201_, ("**Termination Date**") Franchisee's rights under the terms of the Franchise Agreement were terminated ("**Termination**") as a result of ___________________ ____ _______.

WHEREAS, the Parties desire to enter into this Agreement for the purpose of acknowledging the Termination; acknowledging Franchisor's retention of all rights and remedies under the Franchise Agreement including, but not limited to, Franchisor's right to retain all franchise fees and any other sums paid to Franchisor or its affiliates by Franchisee or its affiliates, and any audit rights; and fully and finally resolving all legal and equitable claims, known or unknown, of Franchisee existing against Franchisor that were or could have been asserted by Franchisee in any action.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the parties hereto hereby covenant, promise and agree as follows:

AGREEMENT

1. Acknowledgment of Termination. Franchisee acknowledges and agrees that all of its rights under the Franchise Agreement and any and all attachments (the "**Franchise Documents**") were fully and finally terminated on the Termination Date. Franchisee agrees to abide by all provisions which expressly survive the Termination of the Franchise Documents, as more fully set forth in the Franchise Documents.

2. Release by Franchisee. As of the date of this Agreement, Franchisee does hereby compromise, settle, and absolutely, unconditionally, and fully release, discharge, and hold harmless for itself and each of its respective heirs, executors, administrators, representatives, successors, assigns, officers, members, managers, directors, shareholders, employees, partners, and Affiliates (as hereinafter defined) (collectively, the "**Franchisee Releasing Parties**"), the Franchisor and its past, present and future officers, directors, agents, attorneys, employees, shareholders, successors, assigns, members, managers, and Affiliates (collectively, the "**Franchisor Released Parties**"), for all purposes, of and from any and all claims, debts, demands, damages, costs, expenses, actions, causes of action, or suits of any kind whatsoever, at common law, statutory or otherwise, whether now known or not, whether contingent or matured, including, without limitation, any claim, demand, or cause of action arising out of or in connection with the PostNet Franchise or the Franchise Documents or any other contractual relation between Franchisee and Franchisor and/or any Affiliate of the Franchisor, which the Franchisee Releasing Parties may have had or may now have directly or indirectly against any or all of the Franchisor Released

Parties based upon or arising out of any event, act, or omission that has occurred prior to the date hereof. The Franchisee Releasing Parties further covenant and agree to never institute, prosecute or assist others to institute or prosecute, or in any way aid any claim, suit, action at law or in equity, or otherwise assert any claim against any or all of the Franchisor Released Parties for any damages (actual, consequential, punitive or otherwise), injunctive relief, or other loss or injury either to person or property, cost, expense, attorneys' fees, amounts paid on account of recovery or settlement, or any other damage or harm whatsoever, based upon or arising out of any event, act, or omission that has occurred prior to the date hereof. The Franchisor Released Parties are not releasing any claim which they may have against the Franchisee Releasing Parties or any rights or remedies the Franchisor Released Parties may have under the Franchise Documents or the Non-Disclosure and Non-Competition Agreement (including but not limited to the right to retain all franchise fees and any other sums paid to the Franchisor or its Affiliates by the Franchisee or its Affiliates and any audit rights), under law or equity, or under any other contractual relationship between the Franchisee and the Franchisor and/or any Affiliate of the Franchisor.

3. Affiliates. When used in this Agreement, the term "**Affiliates**" has the meaning as given in Rule 144 under the Securities Act of 1933.

4. Full Release. Except as is set forth in this Agreement, the Parties intend that this Agreement shall be effective as a full and final accord and satisfaction and release as to the Franchisor Released Parties and shall extend to all matters, claims, demands, actions or causes of action of any kind or nature whatsoever which the Franchisee Releasing Parties may have against the Franchisor Released Parties. The Parties acknowledge that they may hereafter discover facts in addition to, or different from, those which they now know or believe to be true with respect to the subject matter of this Agreement but that, notwithstanding the foregoing, it is their intention hereby to fully, finally, completely and forever settle and release the Franchisor Released Parties and that the release given herein shall be and remain irrevocably in effect as a full and complete general release notwithstanding the existence of any such additional or different facts.

5. No Coercion. The Parties acknowledge that they are freely and voluntarily entering into this Agreement, uncoerced by any person, and that they have been advised and afforded the opportunity to seek the advice of legal counsel of their choice with regard to this Agreement.

6. Non-disparagement. Franchisee expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit or deprecate any of the Franchisor Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Franchisor Released Parties, their business or their reputation.

7. Notices. Any notices given under this Agreement shall be in writing and if delivered by hand, or transmitted by U.S. certified mail, return receipt requested, postage prepaid, or via telegram or telefax, shall be deemed to have been given on the date so delivered or transmitted, if sent to the recipient at its address or telefax number appearing on the records of the sending party.

8. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

9. Amendments. This Agreement may not be changed or modified except in a writing signed by all of the Parties hereto.

10. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado.

11. Jurisdiction. The Parties agree that any disputes relating to the enforcement of this Agreement will be governed by the dispute resolution provisions set out in the Franchise Agreement.

12. Fees and Costs. In any action to enforce, interpret or seek damages for violation of this Agreement, Franchisor shall recover all attorney's fees and litigation expenses.

13. Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

14. Authorization. Each Party warrants that each individual executing this Agreement on behalf of their respective Parties is fully authorized to do so by each of the respective Parties and each individual executing this Agreement warrants that he or she is acting within the scope of his or her employment and authority in executing this Agreement.

15. Counterparts and Telecopies. This Agreement may be executed in counterparts or by copies transmitted by telecopier or email, all of which shall be given the same force and effect as the original. This Agreement shall be effective when the signatures of all Parties have been affixed to counterparts or copies.

16. Entirety. This Agreement contains the entire agreement between the Parties related to the subject matter hereof, and in entering into this Agreement, each Party represents that he, she, or it is doing so voluntarily and of his, her or its own free will, and have executed this Agreement below acknowledging that each Party has completely read and fully understands the terms of this Agreement.

(Signatures on following page)

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Agreement as of the day and year first above written.

FRANCHISOR:

POSTNET INTERNATIONAL FRANCHISE CORPORATION

By: ______________________________

Date: ________________________ Title: ______________________________

FRANCHISEE:

____
[*Print Franchisee's Name*]

Date: ________________________ ______________________________
Individually

____

[*Print Franchisee's Name*]

Date: ____________________________

____
Individually

OR:
(if a corporation, partnership or limited liability company)

____
Company Name

By: ___________________________________

Date: ____________________________ Title: __________________________________

By: ___________________________________

Date: ____________________________ Title: __________________________________

EXHIBIT H-6

ADDENDUM FOR CONVERSION OWNERS

THIS ADDENDUM ("**Addendum**") is entered into on __________________________, 20___ by and between PostNet International Franchise Corporation ("**we,**" "**us**," "**our,**" or "**Franchisor**"), and ____ ("**you,**" "**your,**" or "**Conversion Owner**").

RECITALS:

A. Conversion Owner presently conducts a business at the Approved Location which provides the same or similar products and services as PostNet Centers (the "**Current Business**");

B. Franchisor and Conversion Owner have entered into a franchise agreement dated _______________________, 20___ (the "**Franchise Agreement**") which they wish to modify by this Addendum to provide for the conversion of the Current Business to a PostNet Center; and

C. All capitalized terms not otherwise defined in this Addendum will have the same meaning as in the Franchise Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Construction of Leasehold Improvements

1.1 You will modify your Center premises in the manner set forth in Attachment A, to conform to our prototype plans and specifications.

1.2 Franchisor and Conversion Owner agree that time is of the essence in connection with the construction of leasehold modifications. You will complete such modifications no later 60 days from the execution of this Addendum. In the event that you fail to complete modifications by such date, we will have the right to terminate the Franchise Agreement in accordance with Section 13.3 of the Franchise Agreement.

1.3 Upon completion of the modifications set forth in Attachment A, you will submit a written request to us to conduct a final inspection of your Center premises and, upon our receipt of such request, we will promptly conduct a final inspection. You will not open your Center for business without our written authorization.

1.4 You may, at your discretion, continue to operate the Current Business during construction of leasehold modifications but will not identify yourself as a PostNet Center until receipt of our written authorization to conduct business, as set forth in Section 1.3 of this Addendum.

1.5 You will provide us with a copy of your existing lease for your Center premises and make reasonable efforts to negotiate with your lessor, within 30 days following the Effective Date of the Franchise Agreement, to amend the lease to include the provisions of Section 5.9 of the Franchise Agreement.

2. Training

2.1 Section 4.5 of the Franchise Agreement is hereby amended to state that you may, but are not required to, attend and complete Classroom Training.

2.2 You must attend and complete Initial Onsite Training and Follow-Up Training pursuant to Sections 4.6 and 4.7 of the Franchise Agreement.

3. Modification of Royalty

3.1 You will pay royalties, as set forth in Section 3.2 of the Franchise Agreement, at a reduced rate for the initial two (2) years of the Franchise Agreement at the following rates:

Year	Percentage
1st	3%
2nd	4%
3rd and Subsequent years	5%

Your obligation to pay royalties and make expenditures and contributions for advertising and promotion, as set forth in Sections 3.2, 3.3, and 9.4 of the Franchise Agreement, will commence no sooner than 30 days and no later than 60 days from the Effective Date of the Franchise Agreement, as agreed upon by you and us.

4. Deletions from the Agreement

The following Sections of the Franchise Agreement are deleted in their entirety, and have no force and effect: 3.1; 3.4; 4.1; 4.3; 4.4; and 4.11

5. Additions to the Agreement

5.1 The following Section 3.1 will be inserted into the Franchise Agreement and made a part thereof:

> 3.1 We acknowledge receipt from you of an initial franchise fee of ________________________________, which payment will be fully earned and non-refundable when paid, in consideration of the administrative and other expenses incurred by us in entering into this Agreement, and for our lost or deferred opportunity to enter into this Agreement with others.

6. Integration

6.1 This Addendum will be considered an integral part of the Franchise Agreement, and the terms of this Addendum will be controlling with respect to the subject matter hereof. Except as modified or supplemented by this Addendum, the terms of the Franchise Agreement are hereby ratified and confirmed.

(Signatures on following page)

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum for Conversion Owners on the day and year first above written.

Signatures

POSTNET INTERNATIONAL FRANCHISE CORPORATION

By: ________________________________

Date: ___________________________ Title: ________________________________

CONVERSION OWNER:

____
[*Print Your Name*]

Date: ___________________________ ________________________________
Individually

____
[*Print Your Name*]

Date: ___________________________ ________________________________
Individually

OR:
(if a corporation, partnership or limited liability company)

____
Company Name

By: ________________________________

Date: ___________________________ Title: ________________________________

By: ________________________________

Date: ___________________________ Title: ________________________________

EXHIBIT H-6 Attachment A

Required Modifications To
Leasehold Premises

Our Initials: _____

Your Initials: _____

EXHIBIT H-7

POSTNET RENEWAL ADDENDUM

RECITALS

A. PostNet and Franchisee were parties to a franchise agreement dated ________________________, 20____ (**"Old Agreement"**) in which Franchisee operated a PostNet center ("**Center**").

B. Franchisee wishes to renew its franchise relationship with PostNet, and has executed a franchise agreement (**"Franchise Agreement"**), to which this Renewal Addendum is attached, for that purpose.

C. Franchisee and PostNet wish to amend the Franchise Agreement to reflect Franchisee's status as an existing Franchisee renewing an ongoing relationship.

D. Franchisee's right to renew the franchise for the Center is subject to several conditions ("**Conditions**"), including, but not limited to: (i) your execution of our current standard form of franchise agreement; (ii) you performing any required remodel of the Center; and (iii) your execution of a general release, in a form prescribed by us, of any claims against us, and our affiliates, and our respective officers, directors, agents, employees and shareholders.

E. All capitalized terms not otherwise defined in this Renewal Addendum shall have the same meaning as in the Franchise Agreement.

The parties agree as follows:

1. This Renewal Addendum is effective as of the date of the Franchise Agreement and will terminate upon the termination of the Franchise Agreement.

2. By executing the Franchise Agreement and this Renewal Addendum, the parties are renewing the franchise for the Center for a _____ year renewal term and replacing the Old Agreement. Except as expressly provided in the Agreement and this Addendum, the provisions under the Old Agreement, and any rights and obligations thereunder, shall terminate as of the Effective Date, and the relationship between you and us related to the operation of the Center will be governed solely by the Franchise Agreement, this Addendum, and other documents executed in connection with the Franchise Agreement and this Addendum. Notwithstanding the foregoing, we, you and the guarantors must fully comply with any and all obligations that arose out of the Old Agreement prior to the Effective Date and which are not released pursuant to the terms of the Old Agreement.

3. You represent to us that you will complete any necessary remodel or upgrade to bring the Center up to now-current standards by _________________, 20____.

4. The following Sections of the Franchise Agreement are null and void only to the extent that they contemplate the purchase of a new, nonoperational Center and not a renewal of an existing Center: 3.1; 3.4; 4.1; 4.3; 4.4; 4.8; 4.9; 4.11; 13.4 and Attachment B.

5. The term of this Agreement will be ___ years, commencing on the date of the Franchise Agreement. The Franchise Agreement is granted in connection with the renewal of a predecessor franchise agreement entered into between PostNet and Franchisee. References to the term of this

Agreement mean the ___ year renewal term granted hereunder, and notwithstanding anything to the contrary contained in the Franchise Agreement or any related exhibit or addenda, no additional right to renew is granted by virtue of the Franchise Agreement.

6. This Renewal Addendum constitutes the entire and complete agreement between PostNet and Franchisee concerning the subject matter hereof, and supersedes any and all prior agreements. No amendment, change, or variance from this Renewal Addendum shall be binding on either party unless mutually agreed to in a writing signed by both parties.

7. This Renewal Addendum forms an integral part of the Franchise Agreement. Except as modified or supplemented by this Renewal Addendum, the terms of the Franchise Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties have executed and delivered this Renewal Addendum on the day and year first above written.

(Signatures on following page)

FRANCHISOR:

POSTNET INTERNATIONAL FRANCHISE CORPORATION

By: ________________________________

Date: ___________________________ Title: _______________________________

FRANCHISEE:

____
[*Print Franchisee's Name*]

____

Date: ___________________________ Individually

____
[*Print Franchisee's Name*]

____
Individually

Date: ___________________________

OR:
(if a corporation, partnership or limited liability company)

____
Company Name

By: ________________________________

Date: ___________________________ Title: _______________________________

By: ________________________________

Date: ___________________________ Title: _______________________________

EXHIBIT H-8

POSTNET INTERNATIONAL FRANCHISE CORPORATION
TRANSFER ADDENDUM

This Transfer Addendum made and entered into on ____________________________, 20___ by and between PostNet International Franchise Corporation (**"Franchisor"**) and ____ (**"Franchisee"**).

RECITALS

A. Franchisor and Franchisee are parties to a Franchise Agreement (the **"Agreement"**) dated **______________________**, 20___ (**"Effective Date")** as a result of an approved store transfer.

B. Franchisor and Franchisee wish to amend the Agreement to reflect Franchisee's status as a transferee franchisee for the Center located at **____**.

C. All capitalized terms not otherwise defined in this Transfer Addendum shall have the same meaning as in the Agreement.

The parties agree as follows:

1. The following Sections of the Agreement are null and void only to the extent that they deal with the purchase of a new, nonoperational PostNet Franchise and not a transfer, and shall have no force or effect: 3.1; 3.4; 4.1; 4.3; 4.4; 4.8; 4.9; 4.11; 13.2.19; 13.4 and Attachment B. Notwithstanding anything to the contrary, Franchisee shall be required to complete to Franchisor's satisfaction the Classroom Training and Initial Onsite Training.

2. This Transfer Addendum constitutes the entire and complete agreement between Franchisor and Franchisee concerning the subject matter hereof, and supersedes any and all prior agreements. No amendment, change, or variance from this Transfer Addendum shall be binding on either party unless mutually agreed to in a writing signed by both parties.

3. This Transfer Addendum forms an integral part of the Agreement. Except as modified or supplemented by this Transfer Addendum, the terms of the Agreement are hereby ratified and confirmed.

(Signatures on following page)

IN WITNESS WHEREOF, the parties have executed and delivered this Transfer Addendum on the day and year first above written.

POSTNET INTERNATIONAL FRANCHISE CORPORATION

By: ___________________________________
Brian Spindel
Title: President/COO

Date: ____________________________

FRANCHISEE:

____
[*Print Store Owner's Name*]

____
Individually

Date: ____________________________

____
[*Print Store Owner's Name*]

____
Individually

Date: ____________________________

OR:
(if a corporation, partnership or limited liability company)

____
Company Name

By: ___________________________________

Title: ___________________________________

Date: ____________________________

By: ___________________________________

Title: ___________________________________

Date: ____________________________

EXHIBIT H-9

POSTNET INTERNATIONAL FRANCHISE CORPORATION
SAMPLE APPROVAL OF REQUESTED ASSIGNMENT

This Approval of Requested Assignment ("**Agreement**") is entered into this _____ day of __________, 20_____, between PostNet International Franchise Corporation ("**Franchisor**"), __________________ ("**Old Franchisee**") and _______________________ ("**New Franchisee**").

RECITALS

WHEREAS, Franchisor and Old Franchisee entered into that certain franchise agreement dated _______________, 20______, ("**Franchise Agreement**") in which Franchisor granted Old Franchisee the right to operate a PostNet franchise business located at ____________________________ ("**Franchised Business**"); and

WHEREAS, Old Franchisee desires to assign ("**Requested Assignment**") the Franchised Business to New Franchisee, New Franchisee desires to accept the Requested Assignment of the Franchise Business from Old Franchisee, and Franchisor desires to approve the Requested Assignment of the Franchise Business from Old Franchisee to New Franchisee upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the parties hereto hereby covenant, promise and agree as follows:

1. *Payment of Fees*. In consideration for the Requested Assignment, Old Franchisee acknowledges and agrees to pay Franchisor the Transfer Fee in the amount of $__________, as required under Section 12.2.1.8. of the Franchise Agreement (collectively, the "**Franchisor's Assignment Fee**").

2. *Consent to Requested Assignment of Franchised Business*. Franchisor hereby consents to the Requested Assignment of the Franchised Business from Old Franchisee to New Franchisee upon receipt of the Franchisor's Assignment Fee from Old Franchisee and the mutual execution of this Agreement by all parties. Franchisor waives its right of first refusal set forth in the Franchise Agreement and waives any obligation for Old Franchisee to enter into a subordination agreement pursuant to the Franchise Agreement.

3. *Termination of Rights to the Franchised Business*. The parties acknowledge and agree that all of Old Franchisee's rights to operate the Franchised Business and rights under the Franchise Agreement are hereby relinquished and that from the date of this Agreement only New Franchisee shall have the sole right to operate the Franchised Business. Old Franchisee and its owners agree to comply with all of the covenants in the Franchise Agreement that expressly or by implication survive the termination, expiration or transfer of the Franchise Agreement. Unless otherwise precluded by state law, Old Franchisee shall execute Franchisor's current form of Termination and Release Agreement, which is attached to this Agreement as Attachment A.

4. *New Franchise Agreement.* New Franchisee shall execute Franchisor's current form of Franchise Agreement and attachments for the Franchised Business (as amended by the Transfer Addendum), which is attached to this Agreement as Attachment B, and any other required contracts for the operation of an PostNet Franchised Business as stated in Franchisor's Franchise Disclosure Document.

5. *Old Franchisee's Contact Information*. Old Franchisee agrees to keep Franchisor informed of his current address and telephone number at all times during the 3 year period following the execution of this Agreement.

6. *Acknowledgement by New Franchisee*. New Franchisee acknowledges and agrees that the purchase of the rights to the Franchised Business ("**Transaction**") occurred solely between Old Franchisee and New Franchisee. New Franchisee also acknowledges and agrees that Franchisor played no role in the Transaction and that Franchisor's involvement was limited to the approval of Requested Assignment and any required actions regarding New Franchisee's signing of a new franchise agreement for the Franchised Business. New Franchisee agrees that any claims, disputes or issues relating New Franchisee's acquisition of the Franchised Business from Old Franchisee are between New Franchisee and Old Franchisee and shall not involve Franchisor.

7. *Representation.* Old Franchisee warrants and represents that it has not heretofore assigned, conveyed or disposed of any interest in the Franchise Agreement or Franchised Business. Buyer hereby represents that it received Franchisor's Franchise Disclosure Document and did not sign the new Franchise Agreement or pay any money to Franchisor or its affiliate for a period of at least 14 calendar days after receipt of the Franchise Disclosure Document.

8. *Notices*. Any notices given under this Agreement shall be in writing and if delivered by hand, or transmitted by U.S. certified mail, return receipt requested, postage prepaid, or via telegram or telefax, shall be deemed to have been given on the date so delivered or transmitted, if sent to the recipient at its address or telefax number appearing on the records of the sending party.

9. *Further Actions*. Old Franchisee and Buyer each agree to take such further actions as may be required to effectuate the terms and conditions of this Agreement, including any and all actions that may be required or contemplated by the Franchise Agreement.

10. *Affiliates*. When used in this Agreement, the term "**Affiliates**" has the meaning as given in Rule 144 under the Securities Act of 1933.

11. *Miscellaneous*. This Agreement may not be changed or modified except in a writing signed by all of the parties hereto. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

12. *Governing Law*. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado.

(Signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Agreement under seal, with the intent that this be a sealed instrument, as of the day and year first above written.

FRANCHISOR:

POSTNET INTERNATIONAL FRANCHISE CORPORATION

____

By: __________________________________

Title:

OLD FRANCHISEE:

____

____

By: ____

Title: ____

NEW FRANCHISEE:

____

____

By: ____

Title: ____

<u>EXHIBIT H-10</u> Attachment A

(TERMINATION AND RELEASE AGREEMENT)

<u>EXHIBIT H-10</u> Attachment B

(NEW FRANCHISE AGREEMENT TO BE SIGNED)

EXHIBIT H-11

SBA ADDENDUM RELATING TO POSTNET INTERNATIONAL FRANCHISE CORPORATION FRANCHISE AGREEMENT

THIS ADDENDUM ("**Addendum**") is made and entered into on the ________ day of _______________________, 20___ by PostNet International Franchise Corporation ("**Franchisor**") and ____ ("**Franchisee**").

Recitals. Franchisor and Franchisee entered into a Franchise Agreement on ________________, 20___ ("**Franchise Agreement**"). The Franchisee agreed, among other things, to operate and maintain a franchise located in ___________________________________, designated by Franchisor as Unit _____ ("**Unit**"). Franchisee has obtained from a lender a loan ("**Loan**") in which funding is provided with the assistance of the United States Small Business Administration ("**SBA**"). The SBA requires the execution of this Addendum as a condition for obtaining the SBA-assisted financing.

NOW, THEREFORE, in consideration of the mutual promises below, and for good and valuable consideration in hand paid by each of the parties to the others, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. The Franchise Agreement is in full force and effect, and Franchisor has sent no official notice of default to Franchisee under the Franchise Agreement that remains uncured on the date hereof.

2. Section 12.6 of the Franchise Agreement provides that the Franchisor (or any third party assignee of the Franchisor) may elect, pursuant to its right of first refusal, to exercise said option when the Franchisee decides to sell partial interest(s) in the business. This section is hereby amended to reflect that the Franchisor (or any third party assignee of the Franchisor) will not exercise the option for any partial sale of the Franchisee's business. The Franchisor (third party assignee of the Franchisor) may not become a partial owner of any SBA-financed franchises.

3. Notwithstanding anything to the contrary in Section 22.3.2 of the Franchise Agreement, if mediation or arbitration is initiated, such mediator or arbitrator shall be determined by three (3) mediators or arbitrators chosen in the following manner: Franchisee shall select one and Franchisor shall select one, and the two so chosen shall select a third.

4. If the Franchise Agreement is terminated and the franchised site or its contents are to be sold under Section 14.10 of the Franchise Agreement and the parties are unable to agree as to a purchase price and terms, the fair market value of such premises and property shall be determined by three (3) appraisers chosen in the following manner: Franchisee shall select one and Franchisor shall select one, and the two appraisers so chosen shall select a third appraiser. The decision of the majority of the appraisers so

chosen shall be conclusive. The cost of the third appraiser shall be shared equally by the parties.

5. This Addendum automatically terminates on the earliest to occur of the following: (i) a termination occurs under the Franchise Agreement; (ii) the Loan is paid; or (iii) the SBA no longer has any interest in the Loan.

IN WITNESS WHEREOF, the parties hereto have duly signed and executed this Addendum as of the day and year first above written.

FRANCHISOR:

POSTNET INTERNATIONAL FRANCHISE CORPORATION

By:____

Title:____

FRANCHISEE:

____

By:____

Title:____

EXHIBIT I
TO FRANCHISE
DISCLOSURE DOCUMENT

RECEIPT

RECEIPT

(Retain This Copy)

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

If PostNet International Franchise Corporation offers you a franchise, it must provide this Franchise Disclosure Document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, PostNet International Franchise Corporation or an affiliate in connection with the proposed franchise sale. Under Iowa, New York, or Rhode Island law, if applicable, we must provide this Franchise Disclosure Document to you at your first personal meeting to discuss the franchise. Michigan requires us to give you this Franchise Disclosure Document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If PostNet International Franchise Corporation does not deliver this Franchise 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, DC 20580, and the appropriate state agency identified on Exhibit E.

The name, principal business address and telephone number of each franchise seller offering the franchise is:
Steven Greenbaum, 1819 Wazee Street, Denver, Colorado 80202, Phone (303) 771-7100
Brian Spindel, 1819 Wazee Street, Denver, Colorado 80202, Phone (303) 771-7100
Rick Greenbaum, 1819 Wazee Street, Denver, Colorado 80202, Phone (303) 771-7100

Issuance Date: March 4, 2014

I received a Franchise Disclosure Document dated March 4, 2014 which included the following Exhibits:

Exhibit A: Franchise Agreement
Exhibit B: Lists of Current and Former Franchisees and Area Franchisees
Exhibit C: Financial Statements
Exhibit D: Table of Contents to Manual
Exhibit E: List of State Franchise Administrators and Agents for Service of Process
Exhibit F: State-Specific Addenda
Exhibit G: Compliance Certification
Exhibit H: Contracts for use with the PostNet Franchise
Exhibit I: Receipt

Date Signature Printed Name

Date Signature Printed Name

RECEIPT

(Our Copy)

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

If PostNet International Franchise Corporation offers you a franchise, it must provide this Franchise Disclosure Document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, PostNet International Franchise Corporation or an affiliate in connection with the proposed franchise sale. Under Iowa, New York, or Rhode Island law, if applicable, we must provide this Franchise Disclosure Document to you at your first personal meeting to discuss the franchise. Michigan requires us to give you this Franchise Disclosure Document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If PostNet International Franchise Corporation does not deliver this Franchise 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, DC 20580, and the appropriate state agency identified on Exhibit E.

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Exhibit G: Compliance Certification
Exhibit H: Contracts for use with the PostNet Franchise
Exhibit I: Receipt

Date Signature Printed Name

Date Signature Printed Name

Please sign this copy of the receipt, date your signature, and return it to Administration Department, 1819 Wazee Street, Denver, Colorado 80202.