

EXHIBIT C

FPC INTERNATIONAL, INC.

FRANCHISE AGREEMENT

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FPC INTERNATIONAL, INC., a California corporation, whose address is 1136 Suncast Lane, Suite 8, El Dorado Hills, CA, 95762, referred to below as "FPC", and

whose address is: _____

the person or company buying the franchise, including such company's owners, partners, controlling shareholders and such person or company's guarantors, if any, referred to below as "You" (or "you"), on this ____ day of _____, 200_, in consideration of the promises made below and intending to be legally bound by them, agree as follows:

ARTICLE 1
Nature of Business

1.1. Legal Status of FPC. FPC is a California corporation properly organized and in good standing. Its principal office and place of business is at 1136 Suncast Lane, Suite 8, El Dorado Hills, CA, 95762.

1.2. Business of FPC. The parties acknowledge that FPC possesses experience and knowledge in the operation of unique indoor play centers that offer educational enriching open play targeting pre-walkers to kindergarten children and their parents (the "Franchise System"). FPC has an established reputation with the related goodwill for operation of the Franchise System under the name FUNDABIDOZI FUNTASTIC PLAY CENTERSSM (the "Proprietary Marks"). The Proprietary Marks signify the highest standards of quality, appearance and service to the public, all of which FPC has publicized through various advertising media. Additional Proprietary Marks may be added from time to time. FPC, all franchise centers and the Franchise System are further operated in connection with certain designs for signs, buildings, color schemes, logos and copyrighted materials ("Indicia"). All of the foregoing have a unique and valuable significance.

1.3. Your Legal Status. As stated above, "You" (or "you") means the person who, or company which, buys the franchise, including guarantors, if any, and such company's owners, partners and controlling shareholders, if any. All such persons must sign this Agreement, indicating also their true legal status.

1.4. Franchised Business. You will operate a FUNDABIDOZI FUNTASTIC PLAY CENTERSM at the location designated below at Paragraph 4.1. Such center is referred to in this Agreement as the “Franchised Business.”

ARTICLE 2 Grant and Use of Franchise

2.1. Grant of Franchise. Subject to the terms and conditions of this Agreement, FPC hereby grants to you, and you hereby accept from FPC, the following rights:

(a) To establish and operate a FUNDABIDOZI FUNTASTIC PLAY CENTER Franchised Business at the single location designated in Paragraph 4.1 of this Agreement;

(b) To use, in connection with the operation of said Franchised Business, the Franchise System and FPC’s Proprietary Marks and Indicia;

(c) To acquire approved products conforming to FPC’s approval and to sell said products in or from the Franchised Business location.

2.2. Term. The term of this Agreement begins on the day a fully signed copy of it is delivered to at least one of you (“the effective date of this Agreement”). Unless FPC or you terminates it as allowed in this Agreement, this Agreement shall continue in effect for a period of ten (10) years from the effective date of this Agreement or, if the Franchised Business is to be newly opened thereafter, from the date of issuance of a certificate of occupancy for the premises referred to in Schedule A hereto.

2.3. Renewal. There shall be one (1) ten (10) year incremental renewal option period, running from the end of the initial ten (10) year term, with no new initial franchise fees, provided that you are a franchisee in good standing and agree to and execute the same form of agreement as is then being offered to new or other renewing franchisees in the same state.

2.4. No Subfranchises, Other Centers and Other Locations. You are prohibited during the term of this Agreement from establishing any subfranchises or from establishing a center other than at the location specified in Schedule A of this Agreement.

ARTICLE 3 Compensation

3.1. Initial Franchise Fee. If the franchise you are purchasing is the first or second franchise sold by FPC in the State of California, you shall pay to FPC the sum of FIFTEEN

THOUSAND DOLLARS (\$15,000.00) as the nonrefundable initial franchise fee for the rights granted in this Agreement. If the franchise you are purchasing is the third through fifth franchise sold by FPC in the State of California, you shall pay to FPC the sum of TWENTY THOUSAND DOLLARS (\$20,000.00) as the nonrefundable initial franchise fee for the rights granted in this Agreement. If the franchise you are purchasing is the sixth or more franchise sold by FPC in the State of California, you shall pay to FPC the sum of TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) as the nonrefundable initial franchise fee for the rights granted in this Agreement. If you are purchasing an additional franchise, you will pay you shall pay to FPC the sum of TWENTY THOUSAND DOLLARS (\$20,000.00) as the nonrefundable initial franchise fee for the rights granted in this Agreement.

3.2. Initial Equipment Package. In addition to the initial franchise fee, you shall purchase from FPC an initial equipment package. The size of the initial equipment package and its cost shall be depend on the square footage of the location you select. You will also be obligated to buy a marketing start up package.

3.3 Payment of Initial Franchise Fee and Initial Equipment Package. Payment of the initial franchise fee is due upon execution of this Agreement and no part of this fee is refundable. Payment of the initial equipment package shall be made prior to its delivery. Payment for the marketing start up package shall be made at the time it is ordered.

ARTICLE 4 Location and Territory

4.1. Location and Territory. You must locate and either purchase or lease a site that has been approved by FPC. If at the time of the execution of this Agreement you have not secured a site for the Franchised Business, you must immediately begin to locate a site within the following general area: _____ . You acknowledge that it is your responsibility to select your own location. FPC must approve the lease if you do not own the premises and FPC's approval shall not be unreasonably withheld. FPC requires you and your landlord to provide in the lease that FPC shall have the right at its option and without compensation to you to take assignment of the lease should you materially default under the lease or should your FPC franchise terminate or not be renewed for any reason. You shall not relocate the business premises without FPC's approval given in writing.

4.2. Protected Area. During the term of this Agreement, FPC will not operate or allow any other party to operate a "FUNDABIDOZI FUNTASTIC PLAY CENTERSM" within ten (10) miles of the Franchised Business (the "Protected Area") as determined using the total estimated driving distance on the default directions (using highways) on Mapquest.com or a similar service.

4.3. Requirement to be Open for Business. In the event you fail to open the Franchised Business within one hundred eighty (180) days (with such extensions, not to exceed one hundred eighty (180) days as FPC may in its discretion grant you in writing) from the date

this Agreement is executed, FPC may terminate this Agreement and keep all funds it has received. If you are buying more than one franchise at the same time, your first center must be opened within one hundred and eighty (180) days from the date this Agreement is executed and you must open one additional center each one hundred and eighty (180) days after that until all of your centers are opened.

4.4. Protected Area--Definition and Limitations. Your Protected Area is protected only to the extent that another may not operate a FUNDABIDOZI FUNTASTIC PLAY CENTERSM within its geography.

(a) All FUNDABIDOZI FUNTASTIC PLAY CENTERS may advertise and sell their services to any customer anywhere. The Franchised Business, however, is to be operated solely as at your location, and you agree not to sell any services or items outside of your location or through telemarketing, computer marketing, mail order catalogs or any other such system without the written consent of FPC.

(b) You shall have no right to sell your products or goods by mail order, internet, catalog sales or by any other fashion other than retail sales at your specific business location or at off-site events approved in advance by FPC in writing.

(c) FPC retains the right to sell any services or products in any channel of distribution except as expressly violates the terms of your Protected Area as described above. For example, and without limiting the foregoing, FPC can sell by wholesale, mail order, telemarketing, computer marketing, delivery sales and catalog sales. Also, FPC and its affiliates reserve all rights to sell products, services or franchises other than under the trademarks.

4.5. Relocation of Premises. If your landlord terminates your right to possession of the premises described in Schedule A before the term of this Agreement expires, then within one hundred twenty (120) days thereafter you and FPC shall determine a new location in the manner set forth in Paragraph 4.6 below. You may not relocate the site of the original Franchised Business without FPC's express written permission. Should you relocate the Franchised Business without such permission, the new location will be treated as an entirely new franchise sale subject to new initial franchise fees as provided in Paragraph 3.1 and to such other provisions as would apply to new franchise sales.

4.6. Selection of New Location. If you would like to recommend a substitute location, you must submit it in writing to FPC and get FPC's approval. Such location shall not conflict with the territory of another franchisee. Such substitute location shall be within the same general trading area originally described in Schedule A hereto; provided, however, that if FPC determines that no appropriate location is available within the trading area, then FPC may approve another suitable location which you demonstrate to FPC is appropriate and available.

4.7. Purchase of Additional Franchise. You may purchase additional franchises from

FPC upon the terms and conditions set forth in the then current Franchise Agreements used by FPC. To do so you must then not be in default under any provision of this Agreement.

ARTICLE 5
Use of System, Marks and Indicia

5.1. Validity and Use of Proprietary Marks.

(a) You acknowledge that the Proprietary Marks are valid and that they are and shall remain the sole property of FPC. You shall use such Proprietary Marks only as permitted under this Agreement. You shall not, either during or after the term of this Agreement, do anything, or aid or assist any other party to do anything, which would infringe upon, harm or contest the rights of FPC to any Proprietary Marks or in any Manner incorporates the words "FUNDABIDOZI FUNTASTIC PLAY CENTERSSM" You shall not use any mark or name other than as herein licensed in connection with the conduct of the Franchised Business and shall not place any name or mark other than the names or marks originally appearing thereon on any services, products, packages or other materials which you obtain from FPC or any manufacturer designated and/or approved by FPC as qualified to supply products conforming to FPC's specifications. You are limited to providing services and products: indoor play centers that offer educational enriching open play targeting pre-walkers to seven year old children and their parents as well as food and drinks associated therewith.

(b) You agree not to object to or to interfere in any manner with the use by FPC or by any other franchisee of FPC of the name FUNDABIDOZI FUNTASTIC PLAY CENTERSSM, or any other name combination created by FPC in any manner whatsoever in any area other than the Protected Area described in Paragraph 4.2. You further agree to execute any and all other necessary papers, documents and assurances to effectuate this purpose and agree to cooperate fully with FPC or any franchise of FPC in securing all necessary and required authority from any Secretary of State, licensing authority or any other state or federal authority to the use of the name FUNDABIDOZI FUNTASTIC PLAY CENTERSSM, whenever needed or appropriate.

(c) You acknowledge and represent to FPC that you have investigated the region in which you desire to open your FPC franchise and have found there no use of the name FUNDABIDOZI FUNTASTIC PLAY CENTERSSM, or any similar trade names or other commercial identification. You shall immediately notify FPC of any apparent infringement of or challenge to your use of any mark, or claim by any person of any rights in any mark, and you shall not communicate with any person other than FPC and its counsel in connection with any such infringement, challenge or claim. FPC shall have sole discretion to take such action as it deems appropriate in connection with the foregoing, and the exclusive right to control any settlement, litigation or Patent and Trademark Office or other proceeding arising out of any such alleged infringement, challenge or claim that otherwise relates to any mark. You agree to execute any and all instruments and documents, render such assistance, and do such acts and

things as may, in the opinion of FPC's counsel, be necessary or advisable to protect and maintain the interest of FPC in any litigation or other proceeding or to otherwise protect and maintain the interest of FPC in the marks.

5.2. Validity and Use of Indicia. You acknowledge that the Indicia are FPC's exclusive property. You shall not, either during or after the term of this Agreement, utilize any of the Indicia or any wording confusingly similar thereto, except in accordance with the terms and conditions of this Agreement. Any unauthorized use of the Indicia by you shall constitute a breach of this Agreement and an infringement of FPC's rights. You acknowledge and agree that all your usage of the Indicia and any goodwill established thereby shall inure to the exclusive benefit of FPC and that this Agreement does not confer any goodwill or other interest in the Indicia upon you (other than the license to operate a FUNDABIDOZI FUNTASTIC PLAY CENTER in compliance with this Agreement).

5.3. Modification of Proprietary Marks and/or Indicia. If it becomes advisable at any time in FPC's sole judgment for you to modify or discontinue use of any mark or Indicia and/or for you to use one or more additional or substitute trade or service marks or Indicia, you agree to comply with FPC's directions to modify or otherwise discontinue the use of such mark or Indicia, and/or use one or more additional substitute or service marks or Indicia, within a reasonable time after notice thereof by FPC. You must adopt any such changes at your sole expense.

5.4. FPC Does Not Indemnify or Reimburse You With Respect to Use of Proprietary Marks and/or Indicia. FPC shall not be required to indemnify you against or to reimburse you for any loss or damages arising out of your use or misuses of any mark or Indicia, whether or not pursuant to and in compliance with this Agreement.

5.5. Future Marks and Indicia. You agree that any further rights that may develop in any of the Proprietary Marks or Indicia in the future, whether as trade names, trademarks, service marks or copyrighted materials, shall inure and accrue to the benefit of FPC.

5.6. Use of Name in Franchised Business. You agree to identify yourself as FUNDABIDOZI FUNTASTIC PLAY CENTERSM and shall operate, advertise and promote the center under the designation FUNDABIDOZI FUNTASTIC PLAY CENTERSM, without the addition of any prefix, suffix or any other names, or under any other name or names as FPC from time to time may designate and under no other name or designation whatsoever. You shall not otherwise use the name FPC or FUNDABIDOZI FUNTASTIC PLAY CENTERSM, or any other of the Proprietary Marks in or as part of your firm or corporate name. When preparing material for advertising, the printed ad must use the font and style type approved by FPC.

5.7. Confidentiality of Franchise System. You hereby acknowledge that FPC is the sole owner of all property rights in and to the Franchise System, and all material and information relating to the Franchise System now or hereafter revealed to you under this Agreement, including, but not limited to, those certain operating manuals given to you by FPC. You further

acknowledge that the Franchise System, in its entirety, constitutes trade secrets of FPC and that they are revealed to you in confidence, solely for the purpose of enabling you to establish and operate the FPC center licensed herein in accordance with the terms of this Agreement. Such trade secrets include, but are not limited to, designs and layouts, methods of operation, procedures, marketing methods, training manuals, operating manuals, sales promotion aids, business forms, accounting procedures, marketing reports, distribution procedures, product sources, informational bulletins and inventory systems. You agree that both during and after the term of this Agreement you will not reveal any of such trade secrets to any other person or entity and that you will not use any of such trade secrets in connection with any business or venture in which you have a direct or indirect interest, whether as a proprietor, partner, joint venturer, shareholder, officer, director or in any other capacity whatsoever, other than in connection with the operation of the FUNDABIDOZI FUNTASTIC PLAY CENTER cited herein.

5.8. Competing Business. During the term of this Agreement, you shall not, except under a FUNDABIDOZI FUNTASTIC PLAY CENTER franchise, engage or participate in any trade or business, directly or indirectly, or be financially interested in or associated with any business similar or substantially similar to a FUNDABIDOZI FUNTASTIC PLAY CENTER in any capacity, whether as an owner, partner, shareholder, director, officer, employee, consultant, agent or in any other capacity whatsoever, or without the written permission of the owner of his or her current or recent FPC employer, employ or seek to employ any person who at any time within the three (3) months prior to employment by you was employed by another FUNDABIDOZI FUNTASTIC PLAY CENTER. All personnel receiving special training from FPC shall execute a noncompetition agreement in such form as provided by FPC.

ARTICLE 6 FPC's Obligations

6.1. Services to be Rendered. FPC agrees to provide you the following services:

(a) If the Franchised Business has not previously opened for business, FPC will instruct you in its operation prior to opening by providing a training program which you and one (1) FPC approved designee shall attend [maximum of two (2) persons]. The training program shall include a maximum of three (3) days of instruction on center operations, customer relations, marketing techniques, accounting procedures, emergency procedures, and birthday or other party management. This part of the training shall be provided at FPC's corporate office or a designated location and shall also include on-the-job training at a FUNDABIDOZI FUNTASTIC PLAY CENTER. In addition, FPC will provide two (2) days of training and instruction at your location immediately prior to the opening of your Franchised Business or within sixty (60) days after the opening of your Franchised Business, the time to be at the discretion of FPC. FPC shall bear and pay its direct training costs and expenses of the training, and you shall bear and pay all indirect training costs and expenses, such as any salary expenses of your employees and all expenses of travel, lodging, meals and other living expenses you and your designee incur in attending the training program, shall be borne and paid by you. Persons requiring training

because they have purchased by transfer or are being trained to manage an already open FUNDABIDOZI FUNTASTIC PLAY CENTER must pay, or their employers must pay, for such training at the Corporate Fee Schedule rates.

(b) An officer or member of the staff of FPC or a designated franchisee will attend the opening of the Franchised Business. Such person will assist you in placing the FPC Franchise System into operation.

(c) Following the opening of the Franchised Business, FPC will provide advice and consultation services to you. These will include telephone consultation and advice in accordance with the FPC confidential operating manuals delivered to you, as such operating manuals may be amended from time to time. If you request any advice or consultation service which requires FPC to make any of its staff present at the Franchised Business, FPC will charge to provide such service at the per diem cost set forth in the then current operating manuals plus expenses.

(d) FPC shall loan you one (1) copy of the FUNDABIDOZI FUNTASTIC PLAY CENTER operating manuals.

(e) FPC will make available to you from time to time advertising materials it prepares for use by FUNDABIDOZI FUNTASTIC PLAY CENTER franchisees generally. You may use such materials in any local advertising. You will pay for all associated costs.

(f) FPC will make available to you from time to time all improvements and additions to the Franchise System to the same extent and in the same manner as they are made available to FUNDABIDOZI FUNTASTIC PLAY CENTER franchisees generally.

6.2. Sale of Products and Terms of Sale. During the term and subject to the terms and conditions of this Agreement, FPC, or an affiliate, may offer to sell you certain products in accordance with the FPC operating manuals, as amended from time to time. FPC may make a profit on its sale of these items to you.

6.3. Sales Following Termination. Following delivery of notice of termination of this Agreement by either party upon the other or following the termination of this Agreement, neither FPC nor any affiliated company shall be obligated to fill or ship any of your orders for products or merchandise regardless of when you placed them.

ARTICLE 7
Operation of Your Business

7.1. Operation of Business.

(a) Name. The Franchised Business shall operate under the name "FUNDABIDOZI FUNTASTIC PLAY CENTER .

(b) Minimum Hours. You shall keep the Franchised Business open to the public Monday through Friday, 9:00 a.m. to 5:00 p.m., national holidays excepted and on weekends as required for parties and other activities at hours as set forth in FPC's operating manuals.

(c) Scope. Any event or off-premise sales which you sponsor, including, but not limited to, expos, fairs, auctions or liquidation sales, constitute part of the Franchised Business even though such activities might occur at locations other than the premises described on Schedule A hereto. All such activities must be approved by FPC in writing.

(d) Operating Manuals. You also agree to operate the Franchised Business in accordance with the FUNDABIDOZI FUNTASTIC PLAY CENTERS operating manuals, as amended from time to time.

(e) Training. Before you begin operating the Franchised Business, you must complete the initial training to our satisfaction and failure to do so will result in the termination of this Agreement. You promise to attend periodic refresher training courses, conferences, and conventions at the times and locations we determine, and for which we may charge fees. We will determine the duration, curriculum, and location of any such sessions. You will be responsible for all travel and living expenses that you incur while attending such a session. In no event will you be required to attend any such session more than once per year.

7.2. Promotion of Sales. You shall at all times actively promote the sale of FUNDABIDOZI FANTASTIC PLAY CENTER products and services and shall use your best efforts to cultivate, develop and expand the market for such products and services. You agree to operate the Franchised Business diligently so as to maximize revenues and profits.

7.3. Maintenance of Inventory. You specifically agree to maintain inventory levels with a wholesale at levels as set forth in the operating manuals at all times for each franchised location you own. You further agree during the term of this Agreement to maintain an inventory of products which is adequate, both in terms of range of items covered and in terms of the quantities of the respective items, to fulfill the public demand in your market for such products and to promptly satisfy customers seeking such products at the Franchised Business.

7.4. Design and Appearance of Premises. You acknowledge that the design and

appearance of both the exterior and interior of the Franchised Business are part of FPC's Indicia, subject to modification from time to time by FPC, and that it is essential to the integrity of the Indicia that they be maintained as uniformly as possible among the various centers of FUNDABAZONI FANTASTIC PLAY CENTER's franchisees. You, therefore agree that the design and lay out of your FUNDABAZONI FUNTASTIC PLAY CENTER shall comply with the specifications as FPC shall prescribe, initially, and thereafter in its operating manuals. You further agree at your own expense to display and maintain in first-class appearance and condition, and from time to time change, play equipment, party room and café furnishings, advertising signs of such quality, nature, form, color, number, location, illumination and size, and containing such legends and symbols, as FPC shall prescribe, initially, and, thereafter, by its Operations Manual. You must promptly replace at your expense any and all equipment which becomes worn, torn or otherwise damaged in appearance. You shall not display in or on your premises any sign or advertising of any kind to which FPC reasonably objects, and FPC will not withdraw its approval of a sign previously approved by it in writing, provided such sign is continuously maintained in good condition. The FUNDABAZONI FANTASTIC PLAY CENTER name, trademark or symbol, as designated by FPC, shall appear in all articles used for, on in connection with, the sale or display of FUNDABIDOZI FUNTASTIC PLAY CENTER products. No other name, trademark or symbol shall be used without prior written approval by FPC. No vending machine or entertainment device shall be sold, displayed, situated or used in the Franchised Business without prior written approval by FPC. You shall not make any alterations, additions, replacements or improvements to the FUNDABIDOZI FUNTASTIC PLAY CENTER or its fixtures or appurtenances in violation of your lease or without FPC's prior written approval.

7.5. Maintenance of Premises. You agree at all times to maintain the Franchised Business in a clean, wholesome, attractive and safe condition and to keep the same in good maintenance and repair and in accordance with the standards set forth in FPC's operating manuals..

7.6. Standards of Operation. You agree to continuously give prompt, courteous and efficient service to the public. You specifically agree to conduct the Franchised Business in strict conformity with and to comply in all respects with standards, policies, procedures and requirements prescribed in FPC's operating manuals, as amended from time to time. The business shall be managed by a person, identified to FPC, who has undergone, or based on experience been relieved of, FPC's training program. FPC requires that you personally supervise the Franchised Business.

7.7. Advertising by You. You acknowledge and agree to conduct, at your expense, marketing, advertising and promotional programs at the local level. You promise to spend a minimum of \$2,000.00 on advertising and promotion prior to the opening of your Franchised Business. Following the opening of your Franchised Business, you promise to spend on these programs a minimum of \$400.00 per month. You shall cooperate and participate in all special promotions of FUNDABIDOZI FUNTASTIC PLAY CENTERS as specified by FPC. You will not use any advertising or promotional material which has not been first approved in writing by

FPC. FPC will not unreasonably withhold its approval of your advertising. You agree to follow FPC's instructions in connection with any advertising or promotional materials FPC provides you for use in or about the Franchised Business.

7.8. National Advertising Program. You agree that FPC reserves the right to institute a national advertising program once it has sold twenty franchises, the control over which may be substantially within its discretion. You agree to pay a further royalty to FPC not to exceed TWO HUNDRED DOLLARS (\$200.00) per month, payable by automatic electronic debit or other form monthly on the 5th day after the end of each month to assist in funding such national advertising program. This royalty shall constitute an advertising fund. FPC will match these funds. If and when one is instituted, the advertising fund will be intended to maximize recognition of the marks and patronage of FUNDABIDOZI FUNTASTIC PLAY CENTERS.

7.9. Obtaining Products and Materials from Approved Sources. You shall purchase all retail products, supplies, equipment and materials required for the operation of the Franchised Business from suppliers who demonstrate, to the satisfaction of FPC, the ability to meet all of FPC's standards and specifications for such items, who possess adequate capacity and facilities to supply your needs in quantities, at the times and with the reliability requisite to an efficient operation; and who have been approved by FPC. You may be required to purchase retail products bearing the FPC trademark from FPC or its distributor. Prior to purchasing any items from any supplier not previously approved by FPC, you must submit to FPC a written request for approval of the supplier. It shall be a condition to such approval that the supplier furnish to FPC samples of products to be delivered to you for inspection, testing and approval. Any expenses incurred in product testing shall be paid by you or the supplier.

7.10. Your Liability and Insurance.

(a) Indemnity. You shall be responsible for all loss or damage arising out of, or relating to, the operation of the Franchised Business, including your own acts or omissions and those of any of your agents, servants or contractors, whether in connection with the sale of products, the rendering of services or your sponsoring of other events. Also, you are liable for all claims for damage to property or for injury or death of persons directly or indirectly resulting from the foregoing acts or omissions. You agree to indemnify, defend and hold FPC harmless from and against any and all such claims, loss and damage, including costs and reasonable attorneys' fees.

(b) General Liability Insurance. You shall obtain from a nationally recognized insurance company and at all times during the term of this Agreement maintain in force and pay the premiums for all types of public liability insurance with complete operations coverage, with limits of liability for bodily injury and property damage of not less than and with limits of liability of not less than \$2,000,000.00 general aggregate, \$2,000,000.00 products and completed operations aggregate, \$1,000,000.00 personal and advertising injury limit and \$1,000,000.00 per occurrence limit. Contractual liability coverage including the assumed personal injury endorsement shall be included to cover the indemnity provisions of this Agreement. The

exclusion for employer's liability shall not apply to claims for covered contractually assumed liability claims.

(c) **Workers' Compensation and Employers' Liability.** You shall maintain workers' compensation insurance and/or employers' liability insurance that contains a waiver of subrogation endorsement as to claims against FPC.

(d) **Umbrella Liability Insurance.** You shall maintain a commercial umbrella liability insurance policy with a limit of at least \$2,000,000.00 per occurrence and aggregate and shall list the commercial general liability, automobile liability and workers' compensation/employers' liability insurance policies as scheduled underlying policies.

(e) **Changes to Limits and Certificates.** From time to time in its discretion, FPC can increase or modify such limits of liability or require additional types of coverage. Said policies of insurance shall expressly protect both you and FPC and shall require the insurer to defend both you and FPC in any action. You shall furnish to FPC a certified copy or certificate of insurance for each such policy, naming FPC as an additional insured and providing that such policies shall not be canceled, amended or modified without ten (10) days prior written notice thereof to FPC. By doing the above, you will satisfy FPC's insurance mandate. You understand that doing so does not necessarily furnish you with protection levels adequate to your needs and that your obligation to indemnify FPC as set forth above in this paragraph may exceed the amount of insurance you are required to obtain or do obtain. If you fail to procure or maintain in force any insurance required by this paragraph or fail to furnish the certified copies or certificates thereof required hereunder, FPC may, in addition to any other remedy it may have, procure such insurance and/or certified copies or certificates, and you shall promptly reimburse FPC for all premiums and other costs incurred in connection therewith.

7.11. **Submission of Financial and Other Data.** In addition to the reports required of you pursuant to Paragraphs 8.3 and 8.4 below, you shall submit to FPC, within ninety (90) days after the end of each fiscal year, complete financial statements in a form prescribed by FPC. In addition, you shall submit to FPC such other reports and financial information as FPC may from time to time require, including by way of example and not limitation, sales and cost data and analysis, personal financial statements of any persons having a material financial interest in the Franchised Business and copies of bank statements indicating all deposits made in connection with the Franchised Business and other financial data, including personal or corporate federal tax returns, no later than ninety (90) days follow the close of the fiscal year. You shall also maintain a client profile list and submit a copy of it to FPC e-mail list on a monthly basis. FPC may use this profile list to solicit these clients for marketing or promotional activities.

7.12. **Compliance with Laws.** You must comply with all federal, state, county, municipal or other statutes, laws, ordinances, regulations, rules or order of any governmental or quasi-governmental entity, body, agency, commission, board or official applicable to the Franchised Business. Nothing herein shall prevent you from appealing or contesting the validity

or applicability thereof in any lawful manner.

7.13. You Are Not FPC's Agent. This Agreement does not in any way create the relationship of principal and agent between FPC and you, and in no circumstances shall you be considered an agent of FPC. You shall not act or attempt to act or represent yourself, directly, or by implication, as an agent of FPC or in any manner assume or create or attempt to assume or create any obligation on behalf of, or in the name of FPC, nor shall you act or represent yourself as an affiliate of any other authorized franchisee of FPC. You shall maintain signs in the Franchised Business which state "FUNDABIDOZI FUNTASTIC PLAY CENTERS are independently owned and operated".

7.14. FPC's Right to Inspect. FPC shall have the right, exercisable through its authorized representatives, at reasonable times to visit your center for the purpose of inspecting the premises, equipment and merchandise on hand, inspecting the nature and quality of the services rendered and goods sold, examining and auditing your books and records and observing how you operate the Franchised Business. If any of your books, records or inventory are located outside the center premises, FPC shall have similar rights of inspection with regard to them.

7.15. Display and Sharing With FPC of Information. You agree to display franchise sales information, brochures and signs FPC will provide within your center in a location specified by FPC and at all times. Also, you shall provide at no cost to FPC upon written request annually copies of all customer lists, including such names, addresses and telephone and/or fax numbers as may be available. Such customer lists, and their aggregate compilation, shall be the property of FPC.

ARTICLE 8

Royalties

8.1. Royalty on Gross Sales. You agree to pay royalties to FPC, by automatic electronic debit or in the form we prescribe, on the fifth (5th) day of each month, a royalty ("the Royalty") equal to six percent (6%) of the Gross Sales (as defined below). If you fail to report your Gross Sales as required, we can debit your account for the same Royalty that we debited during the previous month. If the Royalty we debit from your account is greater than the Royalty you actually owe us (once we have determined your true and correct Gross Sales for the month), we will credit the excess against the amount we otherwise would debit from your account in the following month. If the Royalty we debit from your account is less than the Royalty you actually owe us, we will debit your account for the balance of the Royalty due in the following month.

8.2. Gross Sales Defined. For purposes of Paragraph 8.1 above, the term "Gross Sales" is defined as the total gross revenue you derive from operation of the Franchised Business, whether from sales for cash or credit, and irrespective of the collection thereof, including sales of both services and merchandise, exclusive of sales taxes, returns, and refunds. Events you sponsor and any sales you make at such events constitute part of the Franchised Business even

though such activities might occur at locations other than the premises described on Schedule A hereto. Royalties received by FPC pursuant to this paragraph shall not be deemed trust funds nor shall FPC be required to segregate such funds in any way. Royalties shall be deemed general funds of FPC for all purposes and shall be nonrefundable to you. If your franchise is located in a state which treats royalties as “taxable gross receipts” and taxes your payment of royalties to us, you are required to reimburse us for any such tax incurred and paid by us.

8.3. Gross Sales Report. You shall submit a monthly Gross Sales report and/or the “Royalty Report” to FPC. The Gross Sales report and/or the “Royalty Report” shall be upon the format prescribed in the FPC operating manuals, as amended from time to time, and shall constitute a true, correct and complete statement of Gross Sales made by the Franchised Business for the preceding month.

8.4. Reports. In those states that require payment of sales tax, you shall deliver to FPC a copy of the states sales tax forms as soon as possible after receipt of the same. In all states, you shall provide FPC with monthly financial statements that include the following items: Detailed Sales Report, Income Statement, Balance Sheet, States Sales Tax Report and any other reports necessary. In addition, within ninety (90) days after the close of your fiscal year, you shall furnish the financial statement referred to in Paragraph 7.11 above. If such statement discloses any underpayment of royalties for such fiscal year, you shall pay to FPC, at the time of submitting such statement, the amount of any such underpayment. Any overpayments shall be credited to your account.

8.5. Maintenance and Audit of Records. You shall maintain your books and records in such manner as to clearly and accurately reflect all income. The computer, accounting/bookkeeping software system you use must otherwise be approved in writing by FPC. You must use the point of sale equipment required in the operating manuals and we shall have full electronic access to the records generated by this equipment. You may be required to upgrade your point of sale equipment, computer, and software. You shall preserve all books and records for a period of not less than four (4) years after the close of the fiscal year to which they relate. You shall cooperate fully with the party or parties performing an examination or audit on behalf of FPC pursuant to Paragraph 7.14 above. You shall promptly pay to FPC or FPC shall credit to your account, as the case may be, any underpayment or overpayment of royalties disclosed by such examination or audit. If any examination or audit is conducted due to your failure to submit statements of gross sales or to maintain books and records as required by the FPC operating manuals, as amended from time to time, or in the event that the gross sales reported by you for any period of six (6) consecutive months are found to have been understated by more than three percent (3%) of your actual gross sales for such period, you shall immediately pay to FPC the cost of such examination or audit (including reasonable compensation for any time necessarily expended by FPC’s own employees and reimbursement for expenses necessarily incurred by them including travel expenses), as well as such additional royalties as are due. Such payment shall be without prejudice to any right of FPC to terminate this Agreement on account of such default by you in accordance with the terms of Paragraph 10.1 below.

8.6. Late Penalty Plus Interest. For any Royalty fee payment which is not paid in accordance with paragraph 8. 1 above, a FIFTY DOLLAR (\$50.00) late penalty will apply to each royalty payment post made late. All late payments shall, in addition to the late penalty, bear interest on the amount overdue computed daily at the lesser of eighteen percent (18%) per annum or the maximum lawful rate and shall be payable by automatic electronic debit. There is no grace period.

ARTICLE 9 Transfer or Assignment

9.1. General Prohibition, Scope and Consequence. Except as set forth in Paragraph 9.2 below, you may not assign this Agreement or the Franchised Business or the business location or lease or any rights or interest therein. The capital stock of a corporate franchisee shall not be sold, assigned, pledged, mortgaged or transferred without FPC's prior written consent. Whoever purchases controlling capital stock of a corporate franchisee must comply with the same conditions as though he were purchasing the Franchised Business. Each purchaser of either the largest amount or at least a twenty five percent (25%) of capital stock or interest in franchisee, whether of a controlling interest or not, must execute a personal guaranty of the corporation's debts and obligations to FPC.

For purposes of this Agreement, each of the following shall be deemed an assignment of this Agreement:

- (a) Any sale, assignment, transfer, subfranchise or sublicense by you of, or with respect to, this Agreement or any rights or interest therein;
- (b) Any pledge, encumbrance or grant of any security interest herein by you;
- (c) Sale at judicial sale or other power of sale, conveyance or retention of collateral in satisfaction or debt or other procedure to enforce the terms of any pledge, encumbrance or security interest in this Agreement which results in a disposition of your interest herein;
- (d) The passing by operation of law to any party or parties of your interest in this Agreement or any part thereof; and
- (e) Transfer of ownership of any business entity which requires reporting of the same to any state agency or of fifteen percent (15%) of the ownership, whichever requirement is satisfied first, whether by means of a single event or a sequence of several transactions or events.

Any assignment of this Agreement, other than in accordance with and subject to all the

terms and provisions of Paragraph 9.2 below, shall constitute a breach of this Agreement, shall be subject to the provisions of Paragraph 10.1(d)(3) below and shall confer no rights or interest whatsoever under this Agreement upon any other party.

9.2. Conditions for Approval of Transfer. Notwithstanding the foregoing, your rights hereunder are transferable or assignable to:

(a) The next of kin or to legatees under a last will of an individual franchisee, provided that each such next of kin or legatee enters into a written agreement with FPC to assume all of your obligations hereunder.

(b) A corporation organized by you on the following terms and conditions:

(1) The corporation is newly organized and its activities are confined exclusively to acting as a FPC franchisee under this Agreement;

(2) You are the owner of the controlling stock interest of the corporation and are the principal executive officer thereof;

(3) All of your accrued money obligations to FPC are satisfied;

(4) The corporation shall enter into a written agreement with FPC, on FPC's standard form, assuming all your obligations hereunder;

(5) All shareholders shall enter into an agreement with FPC, on FPC's standard form, guarantying the full payment of the corporation's money obligations to FPC and agreeing to be bound individually by the obligations assumed by you under paragraph 5.6 hereof; and

(6) All shareholders, and the corporation itself, agree that the capital stock of the corporation shall not be sold, assigned, pledged, mortgaged or transferred without the prior written consent of FPC.

(c) A prospective purchaser of the Franchised Business, subject to FPC's right of first refusal in Paragraph 9.3 herein below, provided:

(1) Application is made in an approved format accompanied by a nonrefundable FIVE HUNDRED DOLLAR (\$500.00) application fee, applicable to the ultimate transfer fee if this application succeeds;

(2) The purchaser (which expression shall include the person or persons having control of the affairs of a corporate or other entity) has a satisfactory credit rating, is of good moral character, has a reputation and business qualifications satisfactory to FPC,

meets the then current requirements of FPC for new franchisees and shall enter into any and all agreements that FPC is then requiring of new franchisees; and

(3) That any and all of your obligations under this agreement are fully paid and satisfied, that you are not in default under any provision of this Agreement and that the newly accepted franchisee and the person or persons having control of the affairs of a corporate franchisee or other entity shall execute a general release to FPC and pay to FPC the sum of ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500.00) as a transfer fee to cover its legal and other expenses in connection with the transfer.

(d) The transferee must, at his or her expense per the Corporate Fee Schedule, attend and successfully complete FPC franchise training program at the national headquarters as detailed in Paragraph 6.1(b).

(e) At the time of transfer, whether as a part of formal escrow proceeding or not, all new transferees are required to execute a then current FPC Franchise Agreement.

(f) You, including all of your owners, must execute a General Release, in form satisfactory to FPC, of any and all claims, whether known or unknown, against FPC, its affiliates and their officers, directors, employees, agents, spouses and families; and

(g) FPC must approve the material terms and conditions of such transfer, including, without limitation, that the price and terms of payment are not so burdensome as to affect adversely the operation of the center by the transferee. The terms of the transfer must include a provision prohibiting you from competing with the Center that you are selling for a period of two years following the transfer.

9.3. FPC's Right of First Refusal. Except as to transfers under Paragraph 9.2(a) or (b) above, you shall not sell, transfer, assign, mortgage, lease or sublease the Franchised Business or your rights under this Agreement, or any property used in connection therewith, whether in whole or in part, without offering the same by written notice to FPC on the same terms as you have received from a responsible fully disclosed party. FPC shall have fifteen (15) days from the receipt of such notice within which to determine whether to accept such an offer.

9.4. FPC's Consent is Not a Waiver. FPC's consent to transfer of this Agreement and the franchise, or any interest in franchisee or the center, shall not constitute a waiver of any claims it may have against you (including all beneficial owners and guarantors), nor shall it be deemed a waiver of FPC's right to demand exact compliance with any of the terms or conditions of this Agreement by the transferee.

9.5. Assignability by FPC. This Agreement and FPC's rights and obligations under it may be assigned by FPC without prior notice to you or any requirement or your consent.

ARTICLE 10
Default and Termination

10.1. Termination by FPC. If during the term of this Agreement, there occurs any of the following events which is relevant to the Franchise Business, FPC may immediately terminate this Agreement upon written notice to you without an opportunity to cure:

(a) You transfer any interest in the Franchise Business without complying with Article 9 above or you or the Franchised Business is declared bankrupt or judicially determined to be insolvent, or all or a substantial part of the assets thereof are assigned to or for the benefit of any creditor, or you admits your inability to pay your debts as they come due;

(b) You abandon the Franchised Business by failing to operate it for five consecutive days during which you are required to operate the business under the terms of this Agreement, or any shorter period after which it is not unreasonable under the facts and circumstances for FPC to conclude that you do not intend to continue to operate the franchise, unless such failure to operate is due to fire, flood, earthquake or other similar causes beyond your control;

(c) You and FPC agree in writing to terminate the franchise;

(d) You make any material misrepresentations relating to the acquisition of the Franchised Business or you engage in conduct which reflects materially and unfavorably upon the operation and reputation of the FPC business or system;

(e) You fail, for a period of 10 days after notification of noncompliance, to comply with any federal, state or local law or regulation applicable to the operation of the Franchised Business;

(f) You, after curing any failure, engage in the same noncompliance whether or not such noncompliance is corrected after notice;

(g) You repeatedly fail to comply with one or more requirements of the this Agreement, whether or not corrected after notice;

(h) Any termination of your right to possession of the premises designated in Paragraph 4.1, subject, however, to the provisions of Paragraphs 4.5 and 4.6 above, or the Franchised Business or your business' premises are seized, taken over or foreclosed by a government official in the exercise of his duties, or seized, taken over, or foreclosed by a creditor, lienholder or lessor, provided that a final judgment against the franchisee remains unsatisfied for 30 days (unless a supersedeas or other appeal bond has been filed); or a levy of execution has been made upon the license granted by this Agreement or upon any property used in the Franchised Business, and it is not discharged within five days of such levy;

(i) You are convicted of a felony or any other criminal misconduct which is relevant to the operation of the franchise;

(j) You fail to pay any franchise fees or other amounts due to the FPC within five (5) days after receiving written notice that such fees are overdue; or

(k) FPC makes a reasonable determination that continued operation of the franchise by the franchisee will result in an imminent danger to public health or safety.

If during the term of this Agreement, you breach any material obligation imposed on you under this Agreement other than items (a)-(k) above, FPC may give you a 30 day notice of intent to terminate this Agreement if you fail to cure the breach within the 30 day period.

10.2. Nonexclusive Remedy. The right of FPC to terminate this Agreement pursuant to this Article 10, whether or not exercised, shall not be exclusive of any other remedies given FPC by this Agreement or by law on account of any default by you under this Agreement.

10.3 Relief in Equity. You agree that neither termination of this Agreement, nor an action at law, nor both, would be an adequate remedy for a breach or default by you, or by any other persons bound by this Agreement, in the performance of any obligation relating to FPC's Proprietary Marks or indicia, the trade secrets revealed to you in confidence pursuant to this agreement or the obligations of you and such other persons upon and after termination of this Agreement. The parties, therefore, agree that, in the event of any such breach or default, in addition to all other remedies provided elsewhere in this Agreement or by law, FPC shall be entitled to relief in equity (including a temporary restraining order, temporary or preliminary injunction and permanent mandatory or prohibitory injunction) to restrain the continuation of any such breach or default or to compel compliance with such provisions of this Agreement.

10.4. Obligations Following Termination. Upon termination of this Agreement, whether by lapse of time, by termination pursuant to any provision of this Article 10, by mutual consent of the parties, by operation of law or in any other manner whatsoever, and in the absence of renewal of this Agreement pursuant to Article 11, you shall cease to be an authorized FUNDABIDOZI FUNTASTIC PLAY CENTER franchisee as to any products or services whatsoever, and you and all persons directly or indirectly owning any interest in you or in any way associated with or related to you shall:

(a) Promptly pay to FPC all liquidated or ascertainable sums owing from you to FPC, without set-off or other diminution on account of unliquidated claims;

(b) Immediately and permanently discontinue the use of any of FPC's Proprietary Marks, Indicia and the Franchise System, or any marks, names or Indicia which, in the opinion of FPC, are confusingly similar thereto, or any other materials which may in any way indicate or tend to indicate that you are or were an authorized FUNDABIDOZI FUNTASTIC

PLAY CENTER franchisee or are or were in any way associated with FPC;

(c) Cooperate with FPC's exercise, if any, of its assignment rights, should it have any, under your premises lease;

(d) If FPC does not exercise an option or otherwise take control of the premises, immediately revise, permanently remove, destroy or obliterate, at your expense, all signs containing any of the marks, names, Indicia or other things, the use of which is prohibited by Subparagraph (b) above, to delete the same or sell to FPC, f.o.b., your center, such of the aforesaid signs as FPC may require, at a price equal to the original installed cost thereof to you, minus a reasonable allowance for depreciation, wear and tear and obsolescence;

(e) Promptly destroy, or, at FPC's option, surrender to FPC all stationery, letterhead, forms, printed matter, promotional displays and advertising containing any of the marks, names, Indicia or other things, the use of which is prohibited by Subparagraph (b) above.

(f) Promptly return to FPC all copies of its confidential operating manuals.

(g) At FPC's option, immediately and permanently discontinue all advertising placed by FPC or which contains or makes reference to any of the marks, names, Indicia or other things, the use of which is prohibited by Subparagraph (b) above, and cancel all such advertising already placed or contracted for which would otherwise be published, broadcast, displayed or disseminated after the date of termination hereof.

(h) Immediately cease using or claiming any right to use any telephone number which FPC, as the subscriber therefor, has permitted you to use during the term of this Agreement and immediately pay all bills incurred for the period during which you used such number or numbers. As to each telephone number for which you were the subscriber and which was listed or advertised by you during the twenty-four (24) month period prior to termination in any telephone directory or other medium in connection with any of the Proprietary Marks or any similar designation, you shall immediately transfer and assign any such number to FPC, or to such person as FPC may designate and you shall immediately execute such instruments and take such steps as, in the opinion of FPC, may be necessary or appropriate to transfer and assign each such telephone number. You further irrevocably appoint the President of FPC or its successor as its duly authorized agent and attorney-in-fact to execute all such instruments and take all such steps as may be necessary or appropriate to transfer and assign each such telephone number.

(i) Immediately and permanently discontinue any use of the name "FUNDABIDOZI FANTASTIC PLAY CENTER," or any words confusingly similar thereto.

(j) Sell to FPC, f.o.b., your center, all or such part of inventories, trade fixtures, or equipment on hand as of the date of termination as FPC may request in writing prior to, or within the thirty (30) days following the date of termination. Such sale will be at your cost

of the inventories, trade fixtures or equipment, not including costs of storage or transportation paid by you to bring the goods initially to the center, and less those costs incurred or to be incurred by FPC to restore such goods or packaging thereof to a salable condition, and less a reasonable allowance for physical deterioration, obsolescence or damage. FPC shall have the right to set off and apply any amounts due to you pursuant to this subparagraph against any and all other amounts which may be due from you to FPC.

(k) Thereafter, refrain from doing anything tending to indicate that you are or were an authorized FPC franchisee or are or were in any way associated with FPC.

ARTICLE 11

Expiration, Extension and Renewal

11.1. Expiration. Unless sooner terminated or modified in accordance with the provisions hereof, the expiration date of this Agreement and the right, franchise and license granted herein shall be ten (10) years from the date when the FUNDABIDOZI FUNTASTIC PLAY CENTER on your premises has been issued a certificate of occupancy, if newly built at that time, otherwise ten (10) years from the effective date of this Agreement.

11.2. Extension or Renewal Option. Provided that you have at all times since the effective date of this Agreement been timely in making reports and payments due FPC and have otherwise fully complied with the terms of this Agreement, you are hereby granted an option to extend this Agreement on such terms and conditions as are then being offered to new and other renewing franchisees, save that there shall be no initial franchise fee, for one ten (10) year period, or for such lesser period as FPC and you, or any successor approved hereunder, may agree in light of your rights to continue occupying suitable franchise premises. To exercise this option, you shall give written notice to FPC of your intention to do so at least six (6) months, but no more than eighteen (18) months, prior to the expiration date specified in Paragraph 11.1 above and sign a then current franchise license agreement.

11.3. Royalties After Renewal. Royalties payable to FPC upon the renewal of the term of this Agreement shall be the same as the royalties required in Franchise Agreements then being offered by FPC to new franchisees at the time of renewal.

ARTICLE 12

Miscellaneous Provisions

12.1. "You". If "you" consists of two (2) or more individuals, such individuals shall be jointly and severally liable, and references to you in this Agreement shall include all such individuals. Upon any effective assignment of your interest in this Agreement, any and all references herein to "you" shall, unless the context otherwise requires, mean and refer to such

assignee.

12.2. Franchisee. If franchisee consists of two (2) or more individuals, such individuals shall be jointly and severally liable, and references to franchisee in this Agreement shall include all such individuals. Upon any effective assignment of your interest in this Agreement, any and all references herein to franchisee shall, unless the context otherwise requires, mean and refer to such assignee.

12.3. Relationship Between Parties. The relationship between the parties is that of independent contractors. No partnership, joint venture or relationship of principal and agent is intended to be formed hereby. You shall not pledge FPC's credit or bind FPC to any obligations, and you shall indemnify, defend, save and hold FPC harmless from and against all claims, demands, costs and expenses in connection with your premises and the operation of the FUNDABIDOZI FUNTASTIC PLAY CENTER.

12.4. Paragraph Headings. Paragraph headings are for convenience of reference only and shall not be construed as part of this Agreement, nor shall they limit or define the meaning of any provision herein.

12.5. Attorneys Fees and Costs. In any legal action or proceeding arising out of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys fees and costs.

12.6. Remedies Cumulative. All rights and remedies conferred upon FPC by this Agreement and by law shall be cumulative of each other, and neither the exercise nor the failure to exercise any such right or remedy shall preclude the exercise of any other such right or remedy.

12.7. Nonwaiver. No failure by FPC to take action on account of any default by you, whether in a single instance or repeatedly, shall constitute a waiver of any such default or of the performance required of you. No express waiver by FPC of any provision or performance hereunder or of any default by you shall be construed as a waiver of any other or future provision, performance or default.

12.8. Invalidity and Severability. If any provision of this Agreement shall be invalid or unenforceable, either in its entirety or by virtue of its scope or application to given circumstance, such provision shall be deemed modified to the extent necessary to render the same valid, or as not applicable to given circumstances, or to be excised from this Agreement, as the situation may require, and this Agreement shall be construed and enforced as if such provisions have been included herein as to modified in scope or application, or had not been included herein, as the case may be, it being the stated intention of the parties that had they known of such invalidity of unenforceability at the time of entering into this Agreement, they would have nevertheless contracted upon the terms contained herein, either excluding such provisions or including such provisions only to the maximum scope and application permitted by law, as the case may be.

12.9. Notices. Any notice or demand given or made pursuant to the terms of this Agreement shall be deemed given and received for all purposes when personally delivered to the party to whom notice or demand is to be given, or on the fifth day after mailing to the party whom notice or demand is to be given, by first-class mail, registered or certified, postage prepaid, addressed to FPC, at the address set forth in Paragraph 1.1 above, or to you at the address set forth in Schedule A hereto. Either party may change its address for purposes of this paragraph by giving the other party written notice of the new address in the manner set forth above.

12.10. Entire Agreement/Amendments. This Agreement, together with any written lease or sublease described in its Schedule A entered into between the parties, constitutes and contains the entire agreement and understanding of the parties with respect to the subject matter hereof and thereof. There are no representations, undertakings, agreements, terms or conditions not contained or referred to herein or in any such lease or sublease. This Agreement supersedes all prior and contemporaneous agreements, representations and understandings of the parties; provided, however, that this Agreement shall not waive, release or extinguish any debt, obligation or liability of you to FPC which accrued immediately prior to the execution and delivery of this Agreement, nor shall this Agreement cancel any credit owed by FPC to you at said time, nor shall it abrogate or impair any understandings or approvals relating to plans and specifications for the center building and premises or the equipment and opening inventory to be installed or placed therein. Nothing contained herein shall affect or relate to any agreement or understanding of the parties relating to any center location other than the one described in Schedule A of this Agreement. This Agreement may not be amended except by a written document signed by you and us.

12.11. Binding Effect. Subject to all the provisions of Article 9 above, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto (including the parties whose signatures follow those of FPC and you) and their respective heirs, executors, administrators, personal representatives, successors and assigns.

12.12. Controlling Law and Venue. Except as expressly otherwise provided herein, this Agreement, including all matters relating to the validity, construction, performance and enforcement thereof, shall be governed by the laws of the State of California. The venue for any litigation commenced with the enforcement and interpretation of this Agreement shall be the County of El Dorado, State of California.

12.13. Injunctive Relief. Notwithstanding the provisions of Paragraph 12.12 above, you agree that FPC will have the right to seek preliminary injunctive relief to restrain any conduct by you in the development or operation of the center that could materially damage the goodwill associated with the marks and FPC centers, provided that FPC agrees to arbitrate any such dispute concurrently with and subsequent to the grant or denial of such preliminary injunctive relief. You agree that FPC will not be required to post a bond to obtain any injunctive relief and that your only remedy if an injunction is entered against you will be dissolution of that

injunction.

12.14. JURY TRIAL WAIVER. FPC AND YOU (AND YOUR OWNERS AND GUARANTORS, IF APPLICABLE) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT, WHETHER AT LAW OR IN EQUITY. NOTHING IN THIS PARAGRAPH SHALL AFFECT THE APPLICATION OF SECTION 12.12.

12.15. WAIVER OF PUNITIVE DAMAGES. FPC AND YOU (AND YOUR OWNERS AND GUARANTORS, IF APPLICABLE) HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN YOU, EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.

12.16. Counterparts. This Agreement may be executed in any number of identical counterparts, and each such counterpart shall be deemed a duplicate original thereof.

12.17. ACKNOWLEDGMENTS. YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT AND FPC'S UNIFORM FRANCHISEE OFFERING CIRCULAR AND THAT YOU UNDERSTAND AND ACCEPT THE TERMS, CONDITIONS AND COVENANTS CONTAINED IN THIS AGREEMENT AS BEING REASONABLY NECESSARY TO MAINTAIN FPC'S HIGH STANDARDS OF QUALITY AND SERVICE AND THE UNIFORMITY OF THOSE STANDARDS AT ALL FUNDABIDOZI FUNTASTIC PLAY CENTERS AND THEREBY TO PROTECT AND PRESERVE THE GOODWILL OF THE MARKS AND THE SYSTEM.

(Initials)

YOU ACKNOWLEDGE THAT YOU HAVE CONDUCTED AN INDEPENDENT INVESTIGATION OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT AND RECOGNIZE THAT IT INVOLVES BUSINESS RISK AND THAT THE SUCCESS OF THE VENTURE IS LARGELY DEPENDENT UPON YOUR BUSINESS ABILITIES. FPC EXPRESSLY DISCLAIMS THE MAKING OF, AND YOU ACKNOWLEDGE THAT YOU HAVE NOT RECEIVED OR RELIED UPON, ANY GUARANTY, EXPRESS OR IMPLIED, AS TO THE REVENUES, PROFITS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT. YOU ACKNOWLEDGE THAT YOU HAVE NOT RECEIVED OR RELIED ON ANY REPRESENTATIONS ABOUT THE FRANCHISE BY FPC, OR ITS OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS, THAT IS CONTRARY TO THE STATEMENTS MADE IN FPC'S UNIFORM FRANCHISE OFFERING CIRCULAR OR TO THE TERMS

HEREIN.

(Initials)

YOU ACKNOWLEDGE THAT IN ALL YOUR DEALINGS WITH THEM, THE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS OF FPC ACT ONLY IN A REPRESENTATIVE CAPACITY, NOT IN AN INDIVIDUAL ACTIVITY. YOU FURTHER ACKNOWLEDGE THAT THIS AGREEMENT, AND ALL BUSINESS DEALINGS BETWEEN YOU AND SUCH INDIVIDUALS AS A RESULT OF THIS AGREEMENT ARE SOLELY BETWEEN YOU AND FPC.

(Initials)

YOU ACKNOWLEDGE THAT FPC HAS ADVISED YOU TO SEEK INDEPENDENT COUNSEL TO REVIEW THIS FRANCHISE OFFERING AND TO ADVISE YOU IN CONNECTION WITH IT.

(Initials)

YOU FURTHER REPRESENT TO FPC , AS AN INDUCEMENT TO ITS ENTRY INTO THIS AGREEMENT, THAT YOUR APPLICATION IS TRUE AND CORRECT, THAT ALL OWNERS ARE FULLY AND ACCURATELY DISCLOSED, AND THAT YOU HAVE MADE NO MISREPRESENTATIONS IN OBTAINING THE FRANCHISE.

(Initials)

Executed at _____, _____, on the day and year first noted above.

FPC, INC.

By: _____
James Kerr, CEO

_____ Date: _____
"You"

_____ Date: _____
"You"

_____ Date: _____
"You"

_____ Date: _____
"You"