

EXHIBIT F

**SIGNS NOW CORPORATION**

FRANCHISE AGREEMENT

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THIS FRANCHISE AGREEMENT (the "Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2004, by and between SIGNS NOW CORPORATION, a Florida corporation ("Franchisor") and \_\_\_\_\_, ("Franchisee").

Recitals of Fact and Representations

Franchisor owns certain valuable trade secrets used in the operation of a one-day commercial sign business, including rights to use the name "Signs Now®" which has been registered with the United States Patent and Trademark Office, and all processes and procedures used in connection with the sign business being conducted under said tradename. For the purpose of this Agreement, all of the foregoing and any and all additional secret formats, advertising and marketing materials, and other manuals, training films, other training material, bulletins and all other items now or hereafter owned, used or provided by Franchisor shall be hereinafter referred to collectively as "the Property."

Franchisor has developed and is expanding a chain of outlets for the production and sale of signs and related products and services under the tradename Signs Now®. These outlets are operated in accordance with uniform standards of operation in order to create and maintain a unique appeal to the public. Additionally, in order to maintain and augment the substantial goodwill and public acceptance, high reputation and positive image attendant to Franchisor's products and services, it is necessary that extremely high standards of format and quality be established and adhered to with respect to each such outlet (hereinafter "Center").

Franchisee recognizes the benefit to be derived from being identified as a Signs Now® Franchisee, and being able to utilize the Signs Now® Property and desires to acquire a franchise to operate a Signs Now® Center for a term of years at a site selected by the parties. Franchisee has heretofore submitted an application and financial statement to Franchisor, truthfully and fully setting forth all information therein. All persons with an interest in this Franchise are listed as the Franchisee herein.

FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR OR ITS AGENT HAS PROVIDED FRANCHISEE WITH A FRANCHISE OFFERING CIRCULAR NOT LATER THAN THE EARLIER OF THE FIRST PERSONAL MEETING HELD TO DISCUSS THE SALE OF A FRANCHISE, TEN (10) BUSINESS DAYS BEFORE THE EXECUTION OF THIS AGREEMENT, OR TEN (10) BUSINESS DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION. FRANCHISEE FURTHER ACKNOWLEDGES THAT FRANCHISEE HAS READ SUCH FRANCHISE OFFERING CIRCULAR AND UNDERSTANDS ITS CONTENTS.

FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR HAS PROVIDED FRANCHISEE WITH A COPY OF THIS AGREEMENT AND ALL RELATED DOCUMENTS, FULLY COMPLETED FOR AT LEAST FIVE (5) BUSINESS DAYS PRIOR TO FRANCHISEE'S EXECUTION HEREOF.

FRANCHISEE ACKNOWLEDGES THAT HE HAS HAD FULL AND ADEQUATE OPPORTUNITY TO BE THOROUGHLY ADVISED OF THE TERMS AND CONDITIONS OF THIS AGREEMENT BY COUNSEL OF HIS OWN CHOOSING, AND IS ENTERING INTO THIS AGREEMENT AFTER HAVING MADE AN INDEPENDENT INVESTIGATION OF THE FRANCHISOR'S OPERATIONS AND NOT UPON ANY REPRESENTATION AS TO THE PROFITS AND/OR SALES VOLUME WHICH FRANCHISEE MIGHT BE EXPECTED TO REALIZE, NOR UPON ANY REPRESENTATIONS OR PROMISES BY THE FRANCHISOR WHICH ARE NOT CONTAINED IN THIS AGREEMENT.

Each party hereto represents and warrants to the other that it has full power and authority to enter into this Agreement.

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

1. Incorporation of Recitals. The recitals of fact and representations set forth above are true and are incorporated into the body of this Agreement by reference.

2. Grant of Franchise and License to Use Property. Subject to the terms and conditions set forth herein, Franchisor hereby grants to Franchisee during the term of this Agreement a license to use the Property solely and exclusively for the operation of a Signs Now® Center only at such location as has been identified to Franchisor in accordance with Section 9 hereof. Franchisee agrees to operate the Signs Now® Center for the full term of this Agreement. Nothing herein contained shall be construed to authorize or permit the use by Franchisee of the Property at any other location or for any other purpose without the prior written consent of Franchisor. This franchise is for the approved location only and does not in any way grant or imply any area, market or territorial rights to Franchisee. Franchisor and its affiliates are free to establish and operate or license others to establish and operate similar or different businesses under any tradename, at any location which may compete with the franchised Center. Franchisor and its affiliates may establish additional Signs Now® Centers operated by it, its affiliates and/or other franchisees in the vicinity of the franchised Center, which also may compete with the franchised Center. Franchisor and its affiliates are also free to use the Signs Now® trademarks and service marks in connection with the sale of products and services which are similar to those offered by Franchisee through any channel of distribution they determine. Franchisee shall use the Property solely in connection with, and exclusively for, the promotion and conduct of the Center in compliance with this Agreement and in accordance with all instructions, rules and procedures prescribed by Franchisor from time to time with respect thereto. The tradenames, trademarks, copyrights and other identifying marks constituting a part of the Property shall be used solely in connection with the sale of, and only to identify, products and services approved by Franchisor.

Franchisor shall have sole and exclusive rights to the Property, and Franchisee shall not at any time during the term of this Agreement or thereafter: (a) use or attempt to use the Property in connection with any other entity or business in which Franchisee has an interest, whether direct or

indirect; (b) disclose, duplicate, reveal, sell or sublicense the Property or any part thereof or seek to transfer any rights in the Property except as authorized herein; or (c) use the tradenames or trademarks constituting a portion of the Property, or any name of mark similar to such tradenames or trademarks, as any part of the name of the entity operating the Center or as any part of the name of any other entity in which Franchisee now or hereafter has any interest, direct or indirect.

It is agreed that no goodwill associated with any of the Property will inure to Franchisee at any time.

3. Franchise Fee. In consideration for the granting of this Franchise, Franchisee has paid at or prior to execution of this Franchise Agreement to Franchisor the sum of:

\_\_\_\_\_ Twenty Five Thousand Dollars (\$25,000) (the standard "Franchise Fee")

\_\_\_\_\_ Five Thousand Dollars (\$5,000) (the reduced "Franchise Fee" for an additional Center, subject to approval by Franchisor)

[Check One]

In the event this Franchise Agreement provides for a reduced Franchise Fee and Franchisee hereafter defaults under this Franchise Agreement or any other franchise agreement between Franchisor and Franchisee, in addition to any other sums owed by Franchisee to Franchisor, Franchisee shall pay to Franchisor the difference between the reduced Franchise Fee and the standard Franchise Fee stated in this Section 3.

4. Franchisee Representations. Franchisee acknowledges his understanding of Franchisor's policy of requiring all individuals who have an interest in the franchised Center, whether directly, beneficially or contingently, to be named in and be a party to the Franchise Agreement. If Franchisee consists of more than one individual, the group must include a designated "Operating Partner" who, throughout the Term of the Agreement, lives in the locality of the Center. The Operating Partner must have a minimum of twenty-five percent (25%) unencumbered equity ownership (including profits) and a minimum of twenty-five percent (25%) interest through any voting apparatus in the franchised Center and must devote his full time and best efforts to the day-to-day operation of the franchised Center with no operational or management commitments in other businesses (except other Signs Now® Centers operated under franchises granted to such persons by Franchisor). Franchisee agrees that he has not and will not hereafter, directly or indirectly, avoid the financial interest requirements and the direct operation requirements set forth above. Franchisee agrees to furnish Franchisor with such evidence as Franchisor may request from time to time for the purpose of assuring Franchisor that Franchisee's efforts and equity interests remain as represented in this Agreement.

5. Royalties and Other Fees.

(a) Franchisee shall pay to Franchisor or its designee royalties for the use of Franchisor's Property in an amount equal to five percent (5%) of the Gross Sales (as that term is described below) for the preceding month. The royalties are due monthly and shall be paid by draft from Franchisee's banking account on the 10th day of each month, or if the 10th falls on a banking holiday, then on the next banking day. Franchisee shall execute forms to Franchisor to permit electronic transfer of funds or bank drafts for payment of such royalties. If Franchisee has not submitted gross sales statements, Franchisor is authorized to transfer or draft each month an amount equal to twice the amount of royalties and marketing fund contributions owed for the most recent month for which gross sales statements were submitted by Franchisee.

(b) If a Marketing Fund is established under Section 6 hereof, then Franchisee shall pay marketing contributions in an amount up to two percent (2%) of the Gross Sales for the preceding month. The Marketing Fund contribution is due monthly and shall be paid by electronic transfer or draft from Franchisee's banking account on the 20th day of each month, or if the 20th day falls on a banking holiday, then on the next banking day.

(c) If requested by Franchisee, Franchisor (or its designated agency) may provide Franchisee, from time to time, with local advertising, marketing and customer training and educational plans and materials, including without limitation newspaper mats, radio commercial tapes, merchandising materials, sales aids, special promotions and similar advertising, marketing, training and educational materials, at a reasonable price, plus handling.

(d) As used herein, the term "Gross Sales" means all monies collected or other consideration received for sales of every kind and nature made at or from the Center excluding only sales taxes.

(e) Late Charges. A late charge equal to the lower of (i) one and one-half percent (1.5%) per month or (ii) the highest rate allowed by law in the state where the Center is located will be due and payable to Franchisor on any payments due from Franchisee, including without limitation, royalties, which are not received by Franchisor on or before the date such payments are due. Acceptance by Franchisor of any such late payments and late charges shall not be deemed a waiver of any rights reserved to Franchisor under any other section of this Agreement.

(f) Should any governmental taxing authority impose a tax, excise or assessment (other than income tax imposed on Franchisor) upon or against the royalties, or any part thereof, Franchisee shall pay such tax, excise or assessment when due, or, if paid by Franchisor, Franchisee shall upon demand reimburse Franchisor for the amount thereof.

(g) All payments made by Franchisee pursuant to this Section 5 shall be applied in such order as Franchisor may designate from time to time. Franchisee agrees that it may not designate an order for application of any fees different from that designated by Franchisor and expressly

acknowledges and agrees that Franchisor may accept fees paid pursuant to different instructions, even if such payment is made by its terms conditional on such instructions being followed. This provision may be waived only by written agreement of Franchisor, which written agreement must be separate from the check or other document constituting payment.

(h) Fees and Expenses. In addition, Franchisee shall pay Franchisor's reasonable expenses, including attorney's fees incurred to enforce the terms of this Agreement.

6. Marketing Fund.

(a) Establishment of Marketing Fund. Due to the value of advertising and marketing, and the importance of promoting the public image of Signs Now® Centers, franchises for the operation of Signs Now® Centers, products and services offered by the Signs Now® Centers, and the franchise system, Franchisor, or its designee, will establish, maintain and administer the Marketing Fund. Franchisor will use the Marketing Fund to provide funding for advertising, marketing and promoting Signs Now® Centers generally; products and services offered by Signs Now® Centers; joint marketing and promotion with suppliers to Signs Now® Centers; and the creation and development of marketing and promotional materials to be used by Signs Now® Center.

(b) Marketing Contributions. If Franchisor, or its designee, establishes the Marketing Fund, Franchisee must pay monthly contributions to the Marketing Fund ("Marketing Contributions") in an amount up to two percent (2%) of Franchisee's monthly Gross Sales. The actual percentage will be set periodically by Franchisor. Signs Now® Centers controlled by Franchisor or Franchisor's affiliates will contribute to the Marketing Fund on the same basis as Franchisee. However, Franchisor may charge less, on a uniform basis, with no limitation on Franchisor's right to charge the full amount at another time. Franchisee acknowledges that some Signs Now® Centers may not contribute to the Marketing Fund because they may not be legally required to do so. The Franchisor will be deemed to have established the Marketing Fund upon Franchisor sending written notice to Franchisee of its establishment.

(c) Use. If Franchisor establishes the Marketing Fund, Franchisor will develop, maintain and operate or discontinue it in its sole discretion. Franchisor will be entitled to direct all advertising programs financed by the Marketing Fund, with sole discretion over the choice of, development of, content of, and effectiveness of the creative concepts, materials, and endorsements used in them, and the geographic, market, and media placement and allocation of the programs. Franchisee agrees that the Marketing Fund may be used to pay the costs of any advertising program including, preparing and producing video, audio, computerized (Internet, intranet or otherwise) and written advertising materials; telemarketing programs; direct mail programs; administering national, multi-regional, regional or local advertising programs, including, for example, purchasing media advertising, and employing advertising agencies to assist in those activities; supporting public relations, market research and marketing activities; development of new products and services to be used by the Signs Now® Centers or the franchise system; providing advertising and marketing materials to the franchise system or Signs Now® Centers; to pay all expenses, costs, salaries, fees, obligations, debts

or other items incurred in developing, establishing and maintaining the National Accounts Program, including those relating to use of Franchisor's personnel; and to pay all expenses, costs, salaries, fees, obligations, debts or otherwise incurred indirectly or directly by, or associated with the Marketing Fund, as Franchisor deems appropriate in its sole discretion. Franchisor has no duty to Franchisee or to others to ensure that the effect of the Marketing Fund is uniform to all franchisees or Signs Now® Centers. Franchisor, in its sole discretion may concentrate, focus, enhance, add to, reduce, otherwise modify, diminish, discontinue or terminate any of the programs or policies of the Marketing Fund, at any time, without notice or compensation to Franchisee. In the sole discretion of Franchisor, the Marketing Fund may furnish Franchisee with approved advertising materials at its direct cost of producing them, including shipping and handling. However, Franchisor, in its sole discretion, retains the right to charge Franchisee an amount in excess of Franchisor's direct cost of producing any materials utilized by any program planned, operated or maintained by the Marketing Fund. The Franchisor may furnish franchisees not participating in the Marketing Fund with approved advertising, marketing and promotional materials developed through use of the Marketing Fund. But if it does so, the Franchisor will charge such non-participating franchisees amounts on behalf of the Marketing Fund in excess of what is charged Franchisee for such materials. Franchisor has sole discretion over decisions concerning the cost effectiveness and benefit to franchisees, Signs Now® Centers and the franchise system, regarding any activity or expense conducted by, incurred, or forgone by the Marketing Fund.

(d) Accounting. The Marketing Fund will be accounted for separately from Franchisor's other funds and will not be used to defray any of Franchisor's general operating expenses, except for any salaries, administrative costs and overhead Franchisor may incur in activities directly or indirectly related to the administration of the Marketing Fund, and all other forms of conducting market research, preparing advertising and marketing materials, and collecting and accounting for contributions to the Marketing Fund. Franchisor may spend in any fiscal year an amount greater or less than the total contribution of Signs Now® Centers to the Marketing Fund in that year. Any unused funds will be carried over to the following year. Franchisor may cause the Marketing Fund to borrow from Franchisor or other lenders to cover deficits, or cause the Marketing Fund to invest any surplus for future use. If Franchisor lends money to the Marketing Fund, Franchisor may charge interest at an annual rate equal to the "prime rate" charged by leading financial institutions plus three percent (3%). Franchisee authorizes Franchisor to collect for remission to the Marketing Fund any advertising monies or credits offered by any supplier to Franchisee based upon purchases Franchisee makes. All interest earned on monies contributed to the Marketing Fund will be used to pay costs of the Marketing Fund, before other assets of the Marketing Fund are expended. Franchisor will prepare an annual financial statement for the Marketing Fund and furnish it to Franchisee upon written request. It will be audited on an annual basis with costs paid out of the Marketing Fund. Franchisor may incorporate the Marketing Fund or operate it through a separate entity, as Franchisor deems appropriate. Any such successor entity will have all rights and duties as are accorded to Franchisor pursuant to this Addendum.

(e) No Limitations. Franchisee acknowledge that the Marketing Fund will be intended to maximize recognition of the Marks and patronage of Signs Now® Centers in general. Although



Franchisor will try to use the Marketing Fund in a manner that will benefit all Signs Now® Centers, Franchisor undertakes no obligation, in “good faith” or otherwise, to ensure that expenditures by the Marketing Fund in or affecting any geographic area, Signs Now® Center or franchisee are proportionate or equivalent to the Marketing Contributions by franchisees or Signs Now® Centers operating in that geographic area or that any franchisee or Signs Now® Center will benefit directly or in proportion to its Marketing Contributions. Except as expressly provided in this Agreement, Franchisor assumes no direct or indirect liability or obligation to Franchisee or the Marketing Fund with respect to the effectiveness, content, impact, maintenance, direction, or administration of the Marketing Fund or with respect to the collection of contributions to the Marketing Fund from other Signs Now® Centers or franchisees. Franchisor also may choose not to establish all of or any part of the Marketing Fund, or to partially or fully discontinue it at any time. Accordingly, Franchisor will not be liable for any act or omission with respect to the Marketing Fund or the Marketing Fund Program which is consistent with this Agreement, other information provided to Franchisee by Franchisor, or which is done at the discretion of the Franchisor or in good faith. Franchisor will administer the Advertising Fund using its reasonable business judgment but will not have any fiduciary duties regarding it.

(f) Collection Efforts. Franchisor may, but is not required to, use collection agents and to institute legal proceedings to collect Marketing Contributions from Franchisee, other franchisees and other Signs Now® Center owners on behalf of, and at the expense of, the Marketing Fund. Franchisor may also forgive, waive, settle and compromise all claims by or against the Marketing Fund.

(g) Association Participation and Contributions. If an association of Signs Now® Center franchise owners is established in a geographic area in which Franchisee’s Signs Now® Center is located (the “Association”), Franchisee must join and actively participate in it. Franchisee also must contribute to the Association such amounts as are determined from time to time by the Association. Franchisor will not set the amount of those contributions. The Association will adopt its own rules, regulations and procedures, which Franchisee must follow. However, the rules, regulations and procedures of the Association must be approved by Franchisor. Franchisor also has the right to participate in any meetings of the Association and its members. Franchisee’s failure to timely contribute the amounts required by the Association constitutes a material breach of the provisions of the Franchise Agreement and Franchisor may offset against any amounts Franchisor owes to Franchisee the amount of Franchisee’s Association contributions and pay such contributions for Franchisee.

(h) Other Franchise Agreements. The provisions of this Section 6 are incorporated into and made a part of each other franchise agreement currently in effect between Franchisor and Franchisee and each other such franchise agreement is hereby amended to include the provisions of this Section 6, and will survive with respect to such other franchise agreements regardless of the termination, expiration, non-renewal or transfer of this Agreement.

7. Statements and Records.

(a) Franchisee shall deliver to Franchisor gross sales statements, in the form specified by Franchisor, by the third day of each month for the operations of the Center for the prior calendar month. Additionally, the Franchisee shall submit to the Franchisor by the 25th day of each month, a statement of profit and loss of the Center for the prior calendar month in the form prescribed by Franchisor and such other information in the form and manner as reasonably requested by Franchisor. Any intentionally false statements in these or any other reports provided to Franchisor shall be grounds for Franchisor to terminate this Agreement.

(b) Accounting. Franchisee shall maintain and preserve accurate books, records and tax returns, including related supporting material, such as cash register tapes, on the Center for at least five (5) years. Such books, records, tax returns and supporting material shall be available for inspection, examination or audit by Franchisor at all reasonable times. Such examination or audit shall be at the Franchisor's expense unless it is disclosed that any statement of gross sales submitted by Franchisee is in error to the extent of three percent (3%) or more in Franchisee's favor, in which case such expense shall be borne by the Franchisee. Franchisee shall also immediately pay to Franchisor any deficiency in royalty or other payments as disclosed by such audit or examination, plus interest at the rate stated in Section 5 (d). For each year of this Agreement, within three (3) months following the close of Franchisee's fiscal year Franchisee shall submit to Franchisor an annual balance sheet and statement of profit and loss prepared by an independent certified public accountant at Franchisee's expense.

(c) Franchisee shall submit to Franchisor copies of Franchisee's annual federal, state and city, if any, business and personal income tax returns, to the extent such returns relate to the franchised business, within ten (10) days after filing such returns.

8. Term.

(a) A Franchise granted pursuant to this Agreement shall expire twenty (20) years from the date hereof. Franchisee accepts this franchise with the full and complete understanding that the franchise grant contains no promise or assurance of renewal. The only conditions under which Franchisee will have an opportunity of renewing this franchise are set forth in this Section 8.

(b) Provided Franchisee is not in default under this Agreement and has complied with all of its provisions during the term hereof and any renewal term, including the timely payment of all fees, Franchisee may renew this Franchise Agreement for a single term of twenty (20) years (hereinafter the Renewal Term). Franchisee shall pay to Franchisor a renewal fee in an amount equal to twenty-five percent (25%) of the then current initial franchise fee offered by Franchisor to prospective franchise owners.

(c) The Renewal Term shall be in accordance with Franchisor's then current terms and conditions for granting renewal franchises, which may include, without limitation:

- (i) execution of a new and modified franchise agreement, and
- (ii) a requirement that Franchisee refurbish or relocate the Center to conform to then current standards for similar Center. As a condition of its approval of any such renewal, Franchisor shall have the right to require Franchisee to perform such remodeling, repairs, replacements and redecoration in and upon the Center premises, equipment and furnishings used by Franchisee as Franchisor shall deem necessary and practical to bring the Center, including equipment and furnishings, up to the then current standards of newly developed Signs Now Centers, and
- (iii) execution by Franchisee of a general release of Franchisor in a form satisfactory to Franchisor.

(d) Franchisee shall exercise its option to seek renewal for any Renewal Term by giving Franchisor written notice of Franchisee's election to renew not less than six (6) nor more than twelve (12) months prior to the expiration of the then current term of the franchise agreement then in effect.

9. Site Selection. The Center to be operated by Franchisee shall be located at a site selected by Franchisee within the following area: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ . The Center shall be constructed and equipped by Franchisee in accordance with all terms and conditions of this Agreement. The Center premises shall be used for no other purpose than the operation of the Center. Franchisee shall identify the proposed site to Franchisor and provide site data to Franchisor for its review, which shall include, without limitation, (1) traffic count; (2) demographic characteristics of the geographic area; (3) appearance of the location; and (4) zoning regulations. Franchisee shall enter into no lease for the Center premises until the terms and conditions thereof have been reviewed by Franchisor. Franchisor may require special provisions to be included in the lease, such as Franchisor's option to assume the lease in the event this Agreement is terminated, as a condition of its approval of the Center lease. Franchisor shall not be liable for any claims of loss or damage arising from its review of such site data and/or lease. The lease shall also provide that it shall not be amended, assigned, nor the premises covered thereby subleased, without Franchisor's prior written consent.

10. Leasehold Improvements, Fixtures and Equipment. Franchisee shall effect leasehold improvements and shall install such fixtures and equipment at the Center as are required in accordance with Franchisor's current requirements and specifications. Franchisee shall also purchase such other supplies as are required for the operation of the Center.

(a) Plans. Franchisor shall cause to be provided to Franchisee one set of non-architectural floor plans and specifications for the interior of the Center and, to the extent Franchisor deems it necessary, a person to consult with Franchisee on the construction and equipping the Center. In the event Franchisee elects, with the consent of Franchisor, not to use Franchisor's standard plans and specifications, all plans and specifications shall be at Franchisee's sole expense. In such event, Franchisor must approve the plans and specifications prepared for the Center prior to the commencement of construction.

(b) Commencement and Completion of Design and Construction. Franchisee shall begin construction of the Center no later than thirty (30) days after Franchisor has approved the final plans and specifications for the Center. If for any reason the Center is not open and ready for business within six (6) months of the date of this Agreement, Franchisor shall have the right to terminate this Agreement.

(c) Franchisee's Responsibility for Implementation of Design and Construction. Except for services to be provided by Franchisor as stated above, Franchisee shall be solely responsible for the implementation of the design, construction and installation of all fixtures and equipment of the Center. For such implementation, Franchisee shall use a licensed general contractor reasonably satisfactory to Franchisor. Franchisee shall be strictly responsible for the acts or omissions of its contractors.

(d) Changes in Plans and Specifications; Inspections. Franchisor must approve in writing any and all changes in Center plans prior to construction of the Center or the implementation of such changes. Franchisor shall have access to the Center site while work is in progress and may require such reasonable alterations or modifications of the construction of the Center as it deems necessary. Franchisor may make a final inspection of the completed Center and may require such corrections and modifications as it deems necessary to bring the Center into compliance with approved plans and specifications. Franchisee shall not be permitted to open the Center if it does not conform to the plans and specifications approved by Franchisor, including any changes thereto approved by Franchisor. Failure by Franchisee to correct any unauthorized variance from the approved plans and specifications within thirty (30) days of receipt of notice of such variance shall be grounds for termination of this Agreement.

(e) Equipment; Substitutions. The plans and specifications given to Franchisee by Franchisor shall not limit the obligation of Franchisee to provide all the required equipment. Franchisor's suggestions of certain manufacturers, suppliers or models of equipment or Center decor shall be deemed an accommodation only to the Franchisee. Franchisee shall have the right to substitute as long as the substitutions do not in the judgment of Franchisor detrimentally affect the quality of the equipment, the image of Signs Now® in the public eye, decor or other item so changed. The prior written consent of Franchisor must be obtained before making any such substitutions. Any changes in the design, construction, utilities or installations necessitated by such substitutions shall be at the sole expense of Franchisee.

(f) Signs. All signs to be used in connection with the Center both exterior and interior, shall conform to Franchisor's sign criteria as to type, color, size, design and location. All such signs must be approved in writing by Franchisor prior to installation or display. Franchisee shall discontinue use of and destroy such signs as are declared to be obsolete by Franchisor and shall replace such signs with new signs as required by Franchisor.

(g) Remodeling; Alterations. In the event that the Center premises are at any time to be altered or remodeled, or additional decorations, fixtures or equipment are to be installed or substituted, or signs are to be erected or equipment to be installed or substituted, all such work shall be subject to prior approval in writing by Franchisor and when completed shall conform to plans and specifications approved by Franchisor. Franchisor may, but shall not be obligated to, inspect such work at any time to determine that the work is done in accordance with the Franchisor's approved plans and specifications.

(h) Maintenance and Repair. Maintenance and repair of the Center shall be the sole responsibility of Franchisee. Franchisee agrees to maintain equipment, decor, furnishings, fixtures and all other tangible property in the Center in excellent condition and repair and to replace any of the Center's equipment which becomes obsolete or mechanically impaired to the extent that it no longer adequately performs the functions for which it was originally intended. Replacement equipment shall be of the same type and quality as is being used in new Centers being installed at the time such replacement is required. All replacement equipment shall comply with Franchisor's requirements and specifications.

Franchisee shall at all times maintain the interior and exterior of the Center and surrounding area used in connection with such business in the highest degree of cleanliness, orderliness and sanitation. Franchisee shall also comply with the requirements of Franchisor's Confidential Resource Library regarding the upkeep of the Center. Franchisee shall immediately comply with all orders and regulations of applicable state and local safety administrators.

Franchisee shall, at Franchisee's expense, improve, repair, refinish or paint the exterior and the interior of the Center and make all improvements and alterations as may be determined by Franchisor from time to time to be reasonably necessary to reflect an acceptable Signs Now® Center image. Franchisee shall undertake and complete such repairs, improvements and alterations as may be requested by Franchisor within the reasonable time specified by Franchisor.

11. Standards of Operation - Confidential Resource Library.

(a) Franchisee acknowledges and agrees that adherence to Franchisor's Center design and color schemes, signage, interior decor and equipment systems requirements, service format and the provisions of the Confidential Resource Library are reasonable, necessary and essential to the image and success of each Signs Now® Center and the Signs Now® system. The Confidential Resource Library contains the official mandatory Center operating standards, specifications and procedures prescribed from time to time by Franchisor for the operation of a Signs Now® Center. The

Confidential Resource Library shall be kept at the franchised Center at all times and all changes or additions shall be inserted upon receipt.

(b) Franchisee agrees that changes in the standards, specifications and procedures may become necessary and desirable from time to time and agrees to accept and comply with such modifications, revisions and additions to the Confidential Resource Library. The confidential and proprietary material and information of Franchisor set forth in the Confidential Resource Library is to be used by Franchisee only in connection with the operation of the franchised Center and other licensed Signs Now® Centers.

(c) The Confidential Resource Library and other specifications, standards and operating procedures communicated in writing to Franchisee shall be deemed to be a part of this Agreement.

(d) The Confidential Resource Library shall at all times remain the sole property of Franchisor and shall promptly be returned to Franchisor upon the expiration, non-renewal or other termination of this Franchise Agreement. No copies of the Confidential Resource Library shall be made by or on behalf of Franchisee.

(e) In order to maintain a uniform standard of operation for all Signs Now® Centers and to protect the goodwill of Franchisor and the Property:

- (i) Franchisor may at all times determine the standards of quality, service, production, merchandising and advertising. Franchisee shall sell on or from the Center premises no product, service or other item except those manufactured in accordance with Franchisor's requirements and in strict compliance with Franchisor's specifications.
- (ii) Without the prior written consent of Franchisor, no vending machines, amusement devices, juke boxes or other devices of any similar nature, whether or not coin operated, shall be installed or used on the Center premises.
- (iii) The requirements of Franchisor's Confidential Resource Library shall govern the operation of the Center. Changes in such requirements may be made by Franchisor from time to time as deemed advisable by Franchisor. Franchisee shall operate the Center in accordance with the standards, specifications and procedures set forth in Franchisor's Confidential Resource Library and shall comply with changes in such standards, specifications and procedures as may become necessary or desirable from time to time and agrees to accept as reasonable such modifications, revisions and additions to the Confidential Resource Library which Franchisor believes to be necessary or desirable. Franchisee acknowledges that Franchisor's Confidential Resource Library contains confidential information which Franchisee shall protect as a trade

secret. Franchisee shall not reprint or reproduce any portion of the Confidential Resource Library for any reason whatsoever. Upon expiration, non-renewal or termination of this Agreement for any reason, Franchisee shall surrender the Confidential Resource Library to Franchisor.

- (iv) Franchisee shall continuously operate the Center for a minimum of 9:00 a.m. to 6:00 p.m., local time, Monday through Friday, or upon such other days and during such minimum hours as Franchisor shall reasonably determine in order to maximize the sales of the Center. Franchisee's best efforts shall be used in the operation of the Center and the conduct of the business. The Center shall not be closed during any days which are not national, state or religious holidays nor for more than three days out of respect for a deceased member of Franchisee's family nor for more than five days in the event of Franchisee's death.
- (v) All local advertising, promotions or other forms of publicity to be employed by Franchisee shall be submitted to Franchisor in detail for approval prior to use. No such advertising or promotion shall be employed until approved in writing by Franchisor.
- (vi) Franchisee shall place an advertisement with the Yellow Pages of the dominant local telephone directory (as determined by the Franchisor) which shall not be smaller than one-fourth (1/4) of a page of such directory. When more than one Signs Now® retail center is located in a metropolitan area, the advertisement must list all such locations and all franchisees must contribute to the cost of each advertisement.
- (vii) Franchisee may act as Manager of the Center or may designate a Manager of the Center. The Manager of the Center shall be responsible for the day-to-day management of the operation of the Center, the preparation of signs and other products, supervision of personnel and accounting. The Manager of the Center is required to be actively involved in the operation of the Center at least forty-five (45) hours per week.
- (viii) Franchisee shall exert best efforts and facilities to establish, maintain and increase sales of approved products under the Franchisor's trademarks and tradename and shall at all times maintain a supply of such products sufficient to meet public demands.
- (ix) All personnel employed by Franchisee in connection with the production and sale of the products sold in the Center shall maintain such standards of sanitation, cleanliness and demeanor as shall be established by Franchisor. All personnel performing managerial or supervisory functions, all personnel

receiving special training and instruction and all persons employed by Franchisee having access to any of Franchisor's trade secrets shall execute a non-competition agreement in the form prescribed by Franchisor, pursuant to which such personnel agree not to work for any competitor of Franchisor or Franchisee during the period of their employment and further agree not to disclose or use, except pursuant to their employment with Franchisee, any of the trade secrets or processes which may be disclosed to them. Franchisee agrees to indemnify the Franchisor for any and all damages, including legal expenses, incurred by Franchisor in the event Franchisee fails to have any employee execute such agreement.

- (x) Franchisee shall record all sales and collections daily on a cash register of a type approved by Franchisor. Upon Franchisor's reasonable request, Franchisee agrees to install, update or replace any equipment (including cash registers) or software designed for the purpose of recording receipts at point of sale and to utilize equipment including locked totaling devices and software of such kind and in such manner as is specified by Franchisor from time to time. Without limiting the generality of the foregoing, Franchisee agrees that it shall install and utilize in connection with the Center such hardware and software as Franchisor may require from time to time, which is compatible with and continuously accessible to Franchisor's central accounting system through modem or other manual or electronic access.
- (xi) The Center shall not be opened to the public until Franchisor certifies that the Center, Franchisee and Franchisee's employees are prepared for such opening.
- (xii) Franchisee shall promptly procure and maintain all necessary permits and licenses required for the operation of the Center. Franchisee further shall comply with all laws and regulations affecting, or applicable to, the business contemplated by this Agreement.
- (xiii) Franchisee shall not sell, dispense, give away or otherwise provide Franchisor's signs or products bearing Franchisor's trademarks, tradenames or service marks except by means of sales in the Center without Franchisor's prior written consent.
- (xiv) Franchisee shall not interfere with the employees and agents of Franchisor in the performance of their duties.
- (xv) Franchisee shall cooperate with Franchisor in taking any action, or refraining from any action, which in the judgment of Franchisor is necessary or desirable to promote and enhance the quality of the products of the Center,



the services provided by the Center or the image of the Center in the community.

- (xvi) Franchisor shall be entitled to prescribe standard uniforms and attire for all Center personnel of the Franchisee in order to enhance Franchisor's product and format. Franchisee shall be entitled to purchase such uniforms and attire from any manufacturer or distributor so long as the uniforms are of reasonable quality and are in strict accordance with Franchisor's design and other specifications.

12. National Accounts Program.

(a) Franchisor may develop various National Accounts under the National Accounts Program.

(b) Definition. A "National Account" is a customer, a group of customers or an entity acting on behalf of a customer group or customers that operate (as under common ownership or control) under the same trademarks or service marks through independent franchise or some other association or entity, for which Franchisor has arranged to provide services at multiple locations. National Accounts may include: corporations; organizations; federal state and local government entities and organizations; school systems; political campaigns; and other persons and entities that may have a need for purchasing products and services from Signs Now® Centers at multiple locations. The locations of some of the National Accounts and the locations at which some of the National Accounts require services of a Signs Now® Center, may be located within or outside the general geographic area in which Franchisee's particular Signs Now® Center is located.

(c) No Territorial Rights. Regardless of any other provisions of this Agreement, Franchisor grants to Franchisee no territorial rights of any kind whatsoever in connection with the National Accounts Program. Franchisee agrees that Franchisor, other Signs Now® Centers, and third parties designated by Franchisor participating in the National Accounts Program, may solicit, or permit other franchisees or third parties designated by Franchisor to solicit, customers or others located anywhere in the geographic area in which Franchisee's Signs Now® Center is located, whether or not Franchisee currently provides services to them, in order to develop them as National Accounts. Franchisor, other Signs Now® Centers, and third parties designated by Franchisor participating in the National Accounts Program, may do so without violating any of Franchisee's rights under the Franchise Agreement.

(d) Best Efforts. Franchisee must use Franchisee's best efforts to perform services to National Accounts located: (i) in the general geographic area in which Franchisee's Signs Now® Center is located; and (ii) outside of the general geographic area in which Franchisee's Signs Now® Center is located, if directed to do so by Franchisor. Franchisee must use Franchisee's best efforts to perform services to National Accounts on the terms and conditions specified in the program for those National Accounts, which Franchisor, in Franchisor's sole discretion, may modify or amend

from time to time. The terms of various National Accounts may vary from National Account to National Account depending on the situations and circumstances. Franchisee is bound by the rules governing each National Account.

(e) Alternative Services. Franchisee must fully perform services for any National Account which Franchisor designates. In addition, Franchisee recognizes that some National Accounts, for whatever reason, may decide that they do not want to do business with Franchisee. If that happens, Franchisor, in Franchisor's sole discretion, will cooperate with Franchisee, at Franchisee's expense, to the extent Franchisor deems reasonably practicable, to resolve the National Account's concern. However, if after Franchisor exercises what Franchisor believes, in Franchisor's sole discretion, to be reasonable efforts to rectify the problem, the National Account continues to refuse to do business with Franchisee, then Franchisee agrees that Franchisor, or any other franchisee or any other third party that Franchisor designates (the "Other Franchisee") may provide services to that/those National Account. Franchisee also agrees, that Franchisor or Other Franchisee may perform services for any National Account located anywhere in the same or different geographical area as Franchisee's Signs Now® Center, for whom Franchisee has declined to provide services or whom refuses to do business with Franchisee. Franchisor or Other Franchisee who provides services for a National Account will not be liable to Franchisee or obligated to pay to Franchisee any compensation for doing so nor will Franchisor or Other Franchisee be considered in breach of any provision of this Agreement or any other agreement between Franchisee and Franchisor. Franchisee releases Franchisor and Other Franchisee providing services to the National Accounts, from any liability or obligation to Franchisee for providing services to such National Accounts. Franchisor will indemnify, defend and hold Franchisee harmless from and against any claims brought by a National Account arising out of Franchisor's or Other Franchisee's performance of services for a National Account in accordance with this Agreement.

(f) Reports and Forms. For purposes of coordinating efforts and results of National Account's programs, Franchisee must provide Franchisor with copies of all reports, forms and notices, relating to performing services for National Accounts that Franchisor may specify from time to time. Franchisee also agrees to coordinate with Franchisor any solicitations Franchisee conducts that may have potential for development as National Accounts.

(g) Billing and Collection. Franchisee recognizes that various National Accounts may require billing and collection procedures that differ from those specified in the Franchise Agreement. Franchisee is required to comply with any of the billing and collection procedures specified by Franchisor for various National Accounts. For example, Franchisor may require Franchisee to participate in a centralized billing and collection procedure through which all billing for a National Account will be accomplished. Accordingly, Franchisor may require that all contracts, invoices, and billings for products and services be submitted to a centralized billing service which Franchisor or the applicable National Account designates. If Franchisee receives any payments from any National Account which requires centralized billing, Franchisee must immediately remit such payments, properly endorsed, directly to the centralized billing service, without any deduction.

(h) Pricing. If Franchisee participates in the National Accounts Program, Franchisee agrees not to charge greater fees for services and products which Franchisor specifies as the maximum for such National Account.

(i) Eligibility. Due to the need to ensure adherence to quality standards and performing services for National Accounts, Franchisee will not be eligible to perform services for a National Account unless the Franchisee is in full compliance with the Franchise Agreement.

(j) Other Franchise Agreements. The provisions of this Section 12 are incorporated into and made a part of each other franchise agreement currently in effect between Franchisor and Franchisee and each other such franchise agreement is hereby amended to include the provisions of this Section 12, and will survive with respect to such other franchise agreements regardless of the termination, expiration, non-renewal or transfer of this Agreement.

13. Training. Franchisor will provide Franchisee and at least one additional employee of Franchisee (including the Manager, if the Franchisor will not be the Manager) with a minimum of three weeks training at the Franchisor's training center in Bradenton, Florida. Franchisor will also provide Franchisee with one week of assistance by a Franchise Systems Consultant at the proposed Center in connection with the Center's opening, and three days follow-up training four to six weeks after the Center's opening. The Franchisee shall be responsible for travel and living expenses in connection with such training. From time to time Franchisor may provide refresher training programs or seminars to be attended by Franchisee or his managers or employees (at Franchisee's expense) at such location or locations as may be designated by Franchisor. Attendance at such refresher programs will not be required more than twice a year.

14. Services of Franchisor. In addition to the services of Franchisor set forth elsewhere herein, and provided the Franchisee is not then in default of this Agreement, Franchisor may, to the extent Franchisor in its sole discretion deems appropriate:

(a) Before and immediately after the opening of the Center, provide a person to assist Franchisee in establishing procedures and training of personnel.

(b) Inspect the Center from time to time to enhance uniformity and quality control. Franchisor's personnel and agents shall have the right to enter upon the Center premises at any reasonable time for the purpose of examination, conference with Franchisee or his employees, inspection and testing of the products and items sold in the Center and for all other purposes in connection with the terms of this Agreement, Franchisor's Confidential Resource Library and other applicable rules. Franchisee shall remedy any defects, deficiencies or unsatisfactory conditions discovered by Franchisor's personnel promptly upon their being communicated to Franchisee.

(c) Consult with Franchisee from time to time concerning operation of the Center .

15. Equipment and Supplies. Franchisee may purchase approved equipment and supplies from any source provided the supplier meets the standards which may from time to time be established by Franchisor. If Franchisor suggests suppliers or manufacturers to Franchisee for supplies not required to be approved by Franchisor, it does so only as a convenience to Franchisee. Franchisee shall not be obligated to purchase such items from such sources so long as the required quality and Franchisor's standards and requirements are maintained. If Franchisee desires to recommend alternate sources of supply for any item or items required to be approved by Franchisor prior to use by Franchisee, Franchisor agrees to evaluate such sources with reasonable promptness and to approve or disapprove such sources based on Franchisor's evaluations. No equipment or supplies which require Franchisor's approval shall be used unless they have been so approved. Franchisor may require Franchisee to discontinue the use or sale of any product or item which in Franchisor's opinion does not conform to its quality standards. Franchisor may receive compensation from suppliers for approval or recommendation of certain equipment or supplies.

Franchisee shall maintain its trade accounts in a current status and seek to resolve any disputes with trade suppliers promptly. Should Franchisee not so maintain its accounts, Franchisor may, but shall not be required to, pay any or all such accounts on behalf of Franchisee, in which event Franchisee shall immediately repay Franchisor therefor plus interest on any amounts so paid at the highest lawful rate of interest pertaining to loans between businesses in the state whose law governs this Agreement, or in the absence of a maximum rate specified by state law, eighteen percent (18%) per annum. Failure of Franchisee to keep its trade accounts current or to make the immediate repayment to Franchisor specified herein shall constitute a default under this Agreement.

16. Insurance. Franchisee shall secure insurance coverage at Franchisee's sole expense in accordance with Franchisor's requirements with insurance carriers reasonably acceptable to Franchisor. The coverage shall commence when the Center is turned over to Franchisee for construction. All such policies shall provide Franchisor with at least ten (10) days' written notice prior to cancellation. The coverage shall be adequate to comply with the requirements of the lease of the Center premises and Franchisee's lender and shall include coverage for general public liability, including product liability, in the amount of at least One Million Dollars (\$1,000,000.00) combined single limit. In addition, Franchisee shall carry fire and extended coverage insurance on the Center property in an amount adequate to replace it in the event of an insured loss. Franchisee shall carry such Workmen's Compensation Insurance as may be required by applicable law. Franchisor shall be named as an additional insured on all such policies and shall be provided with a certificate of insurance evidencing such coverage. Franchisor reserves the right to specify reasonable changes in the types and amounts of insurance coverage required by this section. Should Franchisee fail or refuse to procure the required insurance coverage from an insurance carrier reasonably acceptable to Franchisor or to maintain it throughout the term of this Agreement or any renewal thereof, Franchisor may procure such coverage for Franchisee, in which event Franchisee shall pay the required premiums or reimburse Franchisor immediately upon being billed therefor plus interest at the maximum legal rate on loans in the state whose laws govern this Agreement, or in the absence of a maximum rate specified by state law, eighteen percent (18%) per annum. Failure to maintain

the required insurance or promptly to reimburse Franchisor for any premiums paid on behalf of Franchisee by Franchisor shall constitute a default under this Agreement.

17. Indemnification. Franchisee agrees to defend at its own cost and to indemnify and hold harmless Franchisor, its shareholders, directors, officers, employees and agents from and against any and all loss, costs, expenses (including attorneys' fees), damages and liabilities, however caused, resulting directly or indirectly from or pertaining to any act or omission to act of the Franchisee, including without limitation the use, condition, construction, equipping, decorating, maintenance or operation of the Center, including the preparation and sale of any product made in or sold from the Center. Such loss, claims, costs, expenses, damages and liabilities shall include, without limitation: (a) those arising from latent or other defects in the Center whether or not discoverable by Franchisor; (b) those arising from the death or injury to any person or arising from damage to the property of Franchisee or Franchisor, their agents or employees, or any third person, firm or corporation, whether or not such losses, claims, costs, expenses, damages or liabilities were actually or allegedly caused wholly or in part through the active or passive negligence of Franchisor or any of its agents or employees, or resulted from any strict liability imposed on Franchisor or any of its agents or employees.

Franchisee shall indemnify and hold Franchisor, its shareholders, directors, officers, employees and agents harmless against all loss, damage, expenses and liability, including reasonable attorneys' fees, arising out of the breach of any of the provisions or representations made herein by Franchisee or any obligations arising under this Agreement.

18. Transfer and Assignment. This Agreement is personal and unique to Franchisee and shall not be assigned either voluntarily or by operation of law, except as hereinafter provided, without the prior written consent of Franchisor.

(a) Franchisee may transfer this Agreement to a business organization whose equity and voting interests ("equity interests") are wholly owned by Franchisee with the written consent of Franchisor. Franchisor may impose reasonable conditions on such assignment, including without limitation:

- (i) The assignment to a business organization will not relieve Franchisee of personal liability to Franchisor for performance of all obligations under this Franchise Agreement.
- (ii) Any subsequent transfer or issuance of the equity interests in such assignee business organization shall be subject to Franchisor's approval. In the case of an acquisition of additional equity interests in such business organization by an approved operating partner, this requirement shall be satisfied by Franchisor being given written notice describing the transaction within seven days following the transfer or issuance. At no time shall the assignee

business organization have more than five (5) owners unless otherwise authorized in writing by Franchisor.

- (iii) The assignee business organization shall not engage in any business activity other than that which is directly related to the operation of franchised Signs Now® Centers.
- (iv) Franchisee must remain owner of not less than fifty-one percent (51%) of the equity interests after any transfer or issuance of equity interests of assignee business organization.
- (v) The governing documents of the business organizations shall reflect the limitation in the number of owners and that the issuance and transfer of equity interests are restricted and may be issued or transferred only with written consent of Franchisor.
- (vi) All certificates evidencing or representing equity interests shall include the following legend adapted to the appropriate business organization: THE TRANSFER OF THIS \_\_\_\_\_ IS SUBJECT TO THE TERMS AND CONDITIONS OF A FRANCHISE AGREEMENT WITH SIGNS NOW CORPORATION. REFERENCE IS MADE TO SUCH FRANCHISE AGREEMENT AND THE RESTRICTIVE PROVISIONS OF THE \_\_\_\_\_.

(b) Franchisee shall not subfranchise or sublicense, nor offer to sell or otherwise transfer any of its rights to operate the Center or use the Property, and no partial assignment of this Agreement or any of Franchisee's rights hereunder shall be permitted.

(c) Any purported assignment of this Agreement without the written consent of the Franchisor shall be void, and any such attempt to assign or transfer this Agreement shall be a material breach of this Agreement.

(d) In any approved sale or assignment of the Franchise granted by this Agreement, the new Franchisee shall complete and sign all appropriate forms and agreements required by Franchisor. Included in such required agreements shall be the Franchisor's then current Franchise Agreement, which shall apply in all respects, including the then current royalty and advertising fees for new Franchisees but excluding the term of franchise provision. The term of the franchise to be conveyed to any purchaser or assignee shall be the balance of the term of the selling or assigning Franchisee. The purchaser or assignee shall be required to update the Center to the Franchisor's then current standards. The purchaser or assignee shall be required to fulfill all training requirements.

(e) In the event of the death of Franchisee, Franchisee's right, title and interest in and under this Agreement may pass by will or intestate succession, as appropriate, provided the Center

is operated in accordance with this Agreement during any period of probate or administration. Any transfer by will or intestate succession or the sale of Franchisee's interest in and under this Agreement by the executor or administrator of Franchisee's estate shall be considered to be a transfer requiring compliance with the provisions of this Section, including the requirements concerning Franchisor's written approval of the assignee, assignee's qualifications and training, and the payment of the assignment fee as set forth below. Such assignee shall also sign Franchisor's then current Franchise Agreement in assignee's own name. In the event Franchisor does not approve the qualifications of any heir or beneficiary of Franchisee to operate the Center, the executor or administrator of Franchisee's estate shall have a period of six (6) months following such disapproval within which to sell the Center to an assignee acceptable to Franchisor. If such a sale is not concluded within that period, Franchisor may terminate this Agreement.

(f) In the event of divorce or dissolution of marriage of the Franchisee, any award by Court decree or Court-approved property settlement agreement of all or a major portion of Franchisee's right, title and interest under this Agreement shall be considered to be a transfer requiring compliance with provisions of this Section, including the requirements concerning Franchisor's written approval of the assignee, assignee's qualifications and training, and the payment of the transfer fee as set forth above. Such assignee shall also sign Franchisor's then current Franchise Agreement in assignee's own name. In the event Franchisor does not approve the qualifications of such ex-spouse of Franchisee to operate the Center, such spouse shall have a period of six (6) months following such disapproval within which to sell the Center to an assignee acceptable to Franchisor. If such a sale is not concluded within that period, Franchisor may terminate this Agreement.

(g) In the event Franchisee receives an acceptable bona fide offer from a third party to purchase the franchised Center, he shall give Franchisor written notice setting forth the name and address of the prospective purchaser, the price and terms of the offer together with a Franchise Application completed by the prospective purchaser, a copy of the sales contract and such other information that Franchisor shall request in order to evaluate the offer. Franchisor shall then have the prior option to purchase Franchisee's interest covered by such offer at the price and upon the terms of such offer. In addition, Franchisee agrees that, prior to acquiring any other Signs Now® Center Franchise which may be offered to him for sale or which he may offer to purchase, such Franchise will first be offered to Franchisor on the same terms, conditions and price. If the consideration is not money, the purchase price shall be cash equal to the fair market value of the consideration. Franchisor shall have thirty (30) working days (excluding weekends and holidays) after receipt of Franchisee's notice of offer and the furnishing of all requested information within which to notify Franchisee of its intent to accept or reject the offer. Silence on the part of Franchisor shall constitute rejection. If the proposed sale includes assets of Franchisee not related to the operation of franchised Signs Now® Centers, Franchisor may purchase only the assets related to the operation of franchised Signs Now® Centers or may also purchase the other assets, and an equitable purchase price shall be allocated to each asset included in the proposed sale. This right of first refusal shall apply to any transfer, conveyance, assignment, consolidation, merger or other

transaction in which legal or beneficial ownership of the license granted by this Agreement is vested in someone other than Franchisee.

(h) The election by Franchisor not to exercise its right of first refusal as to any offer shall not affect its right of first refusal as to any subsequent offer.

(i) Any sale or attempted sale effected without first giving Franchisor the right of first refusal described above shall be void and of no force and effect.

(j) If Franchisor does not accept the offer to purchase the franchised Center, Franchisee may conclude the sale to the purchaser who made the offer provided Franchisor's consent to the assignment be first obtained, which consent will not be unreasonably withheld upon compliance with the conditions imposed by Franchisor on the assignment. Conditions on assignment may include without limitation:

- (i) All obligations of Franchisee to Franchisor, whether arising under this Agreement or otherwise, must be satisfied at the time of transfer.
- (ii) Prospective purchaser must complete and be approved through Franchisor's standard Franchisee selection process including satisfactorily demonstrating to Franchisor that he meets the financial, character, managerial, equity ownership and such other criteria and conditions as Franchisor shall then be applying in considering applications for new franchisees.
- (iii) Prospective purchaser shall have satisfactorily completed Franchisor's training for new Franchisees.
- (iv) A requirement that Franchisee refurbish or relocate the Center to conform to then current standards for similar Centers. As a condition of its approval of any such renewal, Franchisor shall have the right to require Franchisee to perform such remodeling, repairs, replacements and redecoration in and upon the Center premises, equipment and furnishings used by Franchisee as Franchisor shall deem necessary and practical to bring the Center, including equipment and furnishings, up to the then current standards of newly developed Signs Now Centers.
- (v) Approval by Franchisor of the terms and conditions in the contract of sale which affect the sufficiency of cash flow from the business after payment of debt service necessary for reinvestment in the business for refurbishing, maintaining and remodeling the premises.



- (vi) Franchisor shall be paid an assignment fee of Five Thousand Dollars (\$5,000.00) for the costs and expenses incurred by Franchisor in connection with the transfer.
- (vii) Franchisee seller shall execute a general release of Franchisor in a form satisfactory to Franchisor.

19. Protection of Trademarks and Related Proprietary Rights. In the event of any claim of infringement of, or challenge to, Franchisee's use of the names or marks licensed under this Agreement, Franchisee shall immediately notify Franchisor in writing of the facts of such claim or challenge. Franchisor agrees to protect and defend Franchisee against any claims or challenges arising out of Franchisee's use of Franchisor's tradenames, trademarks or copyrights as licensed hereunder. Franchisor shall reimburse Franchisee for all damages for which Franchisee is held liable in any such proceeding. However, the foregoing obligations of Franchisor to protect, defend and reimburse Franchisee shall exist only if Franchisee has used the name or mark which is the subject of the controversy in strict accordance with the provisions of this Agreement and the rules, regulations, procedures, requirements and instructions of Franchisor and has notified Franchisor of the challenge as previously set forth. Any actions taken, whether by Franchisee, Franchisor or otherwise, to protect Franchisor's names, marks or copyrights shall be at the sole discretion and control of Franchisor, and Franchisor shall have the sole right to control any legal actions or proceedings in connection therewith. Franchisee shall cooperate fully with Franchisor in the prosecution or defense of any such claim or challenge.

In the event it becomes advisable at any time at Franchisor's sole discretion to modify or discontinue the use of any one or more of its names, marks or copyrights or to use one or more additional or substitute names, marks or copyrights, Franchisee shall immediately comply with the instructions of Franchisor in that regard and shall take all steps, such as replacing sign faces, as may be reasonably requested by Franchisor. Franchisor agrees that Franchisor will make no such modification or discontinuance of the use of any of its names, marks or copyrights which in Franchisor's judgment will adversely affect in a material way the commercial viability of the Center.

Franchisee shall indicate the required trademark or copyright notices of protection or registration in the form specified by Franchisor in connection with Franchisee's use of Franchisor's trademarked and copyrighted items.

At all times and in all respects, the trademarks, tradenames, service marks and copyrights of Franchisor are, and shall remain, the sole property of Franchisor, and Franchisee shall have a license to use such rights and marks only in accordance with the provisions hereof. Franchisee shall make no application for registration of any identifying name or mark licensed herein or similar thereto without the prior written consent of, and upon terms and conditions satisfactory to, Franchisor. Franchisee shall take no action which will interfere with Franchisor's copyrights, trademark or tradename rights.

Nothing contained in this Agreement shall be construed to require Franchisor to divulge to Franchisee any secret processes, except the material contained in Franchisor's manuals and training material. Franchisee acknowledges that Franchisee's knowledge of Franchisor's know-how, processes, products, techniques, information and other proprietary data are derived entirely from information disclosed by Franchisor and that such information is proprietary, confidential and a trade secret of Franchisor's. Franchisee shall adhere fully and strictly to all security procedures prescribed by Franchisor for maintaining the secrecy of such information and shall exercise the highest degree of diligence in safeguarding Franchisor's trade secrets during and after the term of this Agreement. Franchisee shall divulge such material only to Franchisee's employees and then only to the extent necessary to permit the effective operation of the Center. It is expressly agreed that the ownership of all of the franchised Property is, and shall remain, vested solely in Franchisor.

20. Covenant Not To Compete. As a Signs Now® Franchisee, Franchisee will receive confidential information, materials, trade secrets, knowledge of unique methods and procedures belonging to Franchisor, and in order to protect Franchisor and to induce Franchisor to grant the Franchise which is the subject of this Agreement, Franchisee represents, covenants, warrants and agrees that:

(a) During the term of this Agreement and any extensions or renewals hereof, Franchisee shall neither directly nor indirectly engage in any business similar to or competitive with any Signs Now® Center. In the event of a breach of this provision, Franchisee shall pay to Franchisor the sum of \$25,000 for each such business plus five percent (5%) of gross sales of each such business.

(b) During the term of this Agreement, including any extensions or renewals hereof, neither Franchisee nor any of Franchisee's principals or employees shall directly or indirectly engage or be financially involved in (except for ownership of not more than five percent (5%) of the outstanding stock, voting and nonvoting, of a corporation the stock of which is traded on a national securities exchange), or to be employed by, any business which sells signs, graphics, imaging, etc. as a significant aspect of its operation or which is similar to, or competitive with, any Signs Now® Center.

(c) For two (2) years after any sale, assignment, transfer, termination, expiration or non-renewal of this Agreement, Franchisee and Franchisee's principals shall not engage in any business or principal activity including the sale of signs, or which is similar to or competitive with any Signs Now® Center, on or within twenty (20) miles of the site of the Center which Franchisee has operated under the Franchise Agreement or within twenty (20) miles of any Signs Now® Center; provided, however, that should this restriction violate the laws of the state whose laws shall govern this Agreement, the maximum restriction permitted in that state shall govern this provision.

(d) At no time during or after the term of this Agreement shall Franchisee use or disclose any trade secrets of Franchisor, including the contents of Franchisor's Confidential Resource Library, other manuals, or training materials, except as provided herein.

(e) During the term of this Agreement and for one year thereafter, Franchisee shall not attempt, directly or indirectly, to entice or induce, or attempt to entice or induce, any employee of Franchisor or of another Franchisee of Franchisor, to leave such employment, or employ such employee within six (6) months following separation of any such employee from employment with such employer, except with prior written consent of such employer.

(f) Neither during the existence of this Agreement nor thereafter shall Franchisee use or assist another in the use of any of Franchisor's trade secrets or any of the Property in any other business of Franchisee or that of any other person or entity.

(g) The restrictions, covenants and warranties contained in this Section are reasonable and necessary to protect the legitimate interests of Franchisor, including all other Signs Now® Franchisees, and any violation of such restrictions, covenants and warranties will result in an irreparable injury to the Franchisor. Therefore, Franchisee agrees that in the event of any violation of this Section, Franchisor shall be entitled to injunctive relief and damages, which remedies shall be cumulative and in addition to any other rights or remedies to which Franchisor shall be entitled. Franchisee further acknowledges that damages for a violation of this covenant would be difficult to ascertain and that in any proceedings by Franchisor for injunctive relief Franchisee shall not assert as a defense that Franchisor has an adequate remedy at law. The provisions of this Agreement for arbitration of controversies arising under this Agreement, if any, shall not be applicable to any proceeding by Franchisor for injunctive relief and Franchisor's right to such relief shall in no way be abridged or denied by such provisions. The provisions of this Section shall survive any termination of this Agreement.

(h) Franchisee understands and agrees that the provisions of this covenant not to compete are reasonable. If, however, any court holds that the duration or geographical limits of any restriction contained in this Section are unreasonable, it is the intention of the parties that such determination shall not render the restriction invalid or unenforceable but that such restriction shall remain in full force and effect for such duration and within such geographical limits as the court shall consider reasonable.

21. Relationship of the Parties. In all matters pertaining to the operation of the Center, Franchisee is, and shall be, an independent contractor. No employee of Franchisee shall be deemed to be an employee of Franchisor. Nothing herein contained shall be construed to create a partnership, joint venture or agency between Franchisee and Franchisor. Neither party hereto shall be liable for the debts or obligations of the other unless expressly assumed in writing.

22. Joint and Several Liability. If two or more individuals shall sign this Agreement as Franchisee, the liability of each of them shall be joint and several.

23. Default and Termination.

(a) Franchisor may not terminate this Agreement prior to the expiration of its term except for “good cause,” which shall mean the occurrence of any event of default described below. Upon the occurrence of any event of default, Franchisor may, at its option, and without waiving its rights hereunder or any other rights available at law or in equity, including its rights to damages, terminate this Agreement and all of Franchisee’s rights hereunder effective immediately upon the date Franchisor gives written notice of termination, upon such other date as may be set forth in such notice of termination, or in those instances enumerated below, automatically upon the occurrence of, or the lapse of the specified period following, an event or default. The occurrence of any one or more of the following events shall constitute an event of default and grounds for termination of this Agreement by Franchisor:

- (i) If Franchisee fails to pay any financial obligation pursuant to this Agreement within fifteen (15) days of the date on which Franchisor gives notice of such delinquency or automatically forty-five (45) days after the date on which it is required to be paid.
- (ii) Automatically, if Franchisee is determined to have under reported its Gross Sales by one percent (1%) or more of the actual Gross Sales on two or more occasions during the term of this Agreement, whether or not Franchisee subsequently rectifies such deficiency.
- (iii) Automatically, if Franchisee fails to commence operation of the Franchised Center as required by Section 10(b) hereof.
- (iv) Automatically, if Franchisee makes, or has made, any materially false statement or report to Franchisor in connection with this Agreement or application therefore.
- (v) Automatically, if there is any violation of any transfer and assignment provisions contained in Section 18 of this Agreement.
- (vi) Automatically, if Franchisor sends to Franchisee two (2) or more notices to cure the same or similar defaults or violations of this Agreement during any twelve (12) month period.
- (vii) Automatically, if Franchisee or any person owning an interest in the Franchise is convicted of a felony, a crime of moral turpitude, or any other crime or offense relating to the operation of the Franchised Center.
- (viii) Automatically, if Franchisee becomes insolvent or makes a general assignment for the benefit of creditors, or if a petition in bankruptcy is filed

by Franchisee, or such a petition is filed against and consented to by Franchisee, or if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee, or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed.

- (ix) Automatically, if Franchisee or its designated employee fails to complete to Franchisor's reasonable satisfaction any of the training required pursuant to Section 13 of this Agreement.
- (x) Automatically, if Franchisee fails, for a period of fifteen (15) days after notification of non-compliance by appropriate authority to comply with any law or regulation applicable to the operation of the Franchised Center.
- (xi) Automatically, if Franchisee violates any covenant of confidentiality or non-disclosure contained in Section 20 of this Agreement or otherwise discloses, uses, permits the use of, copies, duplicates, records, transmits or otherwise reproduces any manuals, materials, goods or information created or used by Franchisor and designated for confidential use within the Signs Now® System without Franchisor's prior approval.
- (xii) If Franchisee fails to perform or breaches any other covenant, obligation, term, condition, warranty or certification herein or fails to operate the Franchise Center as specified by Franchisor in the Confidential Resource Library and fails to cure such non-compliance or deficiency within fifteen (15) days after Franchisor's written notice thereof.
- (xiii) If Franchisee abandons or ceases to operate all or any part of the Franchise Center conducted under this Agreement or defaults under any mortgage, deed of trust or lease with Franchisor or any third party covering the Franchised Center or the Premises, and Franchisor or such third party treats such act or omission as a default, and Franchisee fails to cure such default to the satisfaction of Franchisor or such third party within any applicable cure period granted Franchisee by Franchisor or such third party.
- (xiv) If Franchisee or any guarantor(s) hereof default in any other agreement with Franchisor, or any affiliate or parent corporation of Franchisor, and such default is not cured in accordance with the terms of such other agreement.

(b) Franchisee may not terminate this Agreement prior to the expiration of its term except through legal process resulting from Franchisor's breach of this Agreement or otherwise with Franchisor's consent. In the event that Franchisee shall claim that Franchisor has failed to meet any

obligation under this Agreement, Franchisee shall provide Franchisor with written notice of such claim, specifically enumerating all alleged deficiencies and providing Franchisor with an opportunity to cure, which shall in no event be less than fifteen (15) days from the date of receipt of such notice by Franchisor from Franchisee. No action shall be brought by Franchisee to enforce any liability created by this Agreement unless brought before the expiration of one year after the act or transaction alleged by Franchisee to give rise to such liability.

24. Post Term Obligations.

(a) In the event of termination, expiration or non-renewal of this Agreement, whether by reason of such default, lapse of time or other cause, Franchisee shall forthwith discontinue the use of the tradenames and Property of Franchisor, shall return all manuals, training films, training materials and other property of Franchisor, and shall not thereafter operate or do business under any name or in any manner that might tend to give the general public the impression that Franchisee is selling or processing any of the products developed by Franchisor, or that Franchisee is operating a store similar to the standard Center established by Franchisor. If Franchisee's lease or sublease is also terminated, Franchisee shall vacate the Center premises promptly and completely.

(b) Immediately upon the termination, expiration or non-renewal of this Agreement for whatever reason, Franchisee shall cease and forever abstain from using the Property or any part thereof or any proprietary information contained therein, return to Franchisor all copies of the Confidential Resource Library and all other documents, instructions, processes, programs, display items, advertising material, training and other tangible property connected with the Franchise and remove all signs and other items tending to identify the Center as being connected with Franchisor. Upon such termination, expiration or non-renewal, Franchisee shall also perform such reasonable redecoration and remodeling of the premises upon which the Center is located as may be necessary in Franchisor's judgment to distinguish it from a Signs Now® Center. Franchisee hereby grants to Franchisor the option to purchase all paper goods, containers and all other items containing Franchisor's name or marks at the lower of cost or fair market value at the time of termination.

(c) In the event of termination, expiration or non-renewal, Franchisor may retain all fees paid pursuant to this Agreement. In addition, all obligations of Franchisor to Franchisee and all rights of Franchisee under this Agreement shall automatically terminate. However, any obligations of Franchisee to take, or abstain from taking, any action upon termination, including the payment to Franchisor of all sums due from Franchisee, shall not be affected by such termination, expiration or non-renewal.

(d) On any termination, expiration or non-renewal of this Agreement, Franchisor shall have the right at its option for thirty (30) days after such termination, expiration or non-renewal to purchase Franchisee's interest in the leasehold improvements and any or all of Franchisee's other tangible Center assets. The purchase price shall be equal to the fair market value of such leasehold improvements and other assets. In such event, Franchisee agrees to execute such documents of

assignment or transfer of any lease or other agreement to occupy the premises, or to execute a new lease or sublease to Franchisor, as may be required to permit Franchisor to occupy the premises.

(e) Franchisee hereby acknowledges that all telephone numbers used in the operation of the Franchise Center constitute property of the Franchise Center; and upon termination, expiration or non-renewal of this Agreement, Franchisee shall assign to Franchisor or its designee, all Franchisee's right, title and interest in and to Franchisee's telephone numbers and shall notify the telephone company and all listing agencies of the termination of Franchisee's right to use any telephone number in any regular, classified or other telephone directory listing associated with the Marks and to authorize transfer of same to or at the direction of Franchisor.

(f) Any provisions of this Agreement which may be determined by competent authority to be prohibited or unenforceable or contrary to the law of the jurisdiction having authority over this agreement shall be ineffective to the extent of its inconsistency with such law, and this Agreement shall be deemed modified to comply with such law, but only to the extent necessary to prevent the invalidity of this Agreement or any provision hereof, the imposition of any fine or penalty, or the creation of any civil or criminal liability on account thereof.

25. Arbitration.

(a) Except as specifically modified by this Section 25, any controversy or claim arising out of or relating to this Agreement or its breach, including, without limitation, any claim that this Agreement or any of its parts is invalid, illegal or otherwise void or voidable or any other claim or dispute between the parties, shall be submitted to arbitration before and in accordance with the Commercial Rules of the American Arbitration Association, and judgment upon an award rendered by the Arbitrator may be entered in any court having jurisdiction thereof, and shall be binding, final and non-appealable.

(b) Franchisor and Franchisee agree that arbitration shall be conducted on an individual, and not a class-wide basis. The cost of such proceeding will be borne equally by the parties thereto. The parties agree that Bradenton, Florida, or the city where the Franchisor's headquarters are located, shall be the site for all hearings held under this paragraph.

(c) The commencement of arbitration proceedings by an aggrieved party to settle disputes arising out of or relating to this Agreement is a condition precedent to the commencement of legal action by either party.

(d) The parties hereby waive to the fullest extent permitted by law, any right to or claim for punitive or exemplary damages against the other and agree that in a dispute between them each shall be limited to the recovery of any actual damages sustained by it, except to the extent punitive or exemplary damages are available as a remedy under a federal statute that applies to the applicable claim.

(e) Notwithstanding any provision of this Agreement relating to which state laws shall govern this Agreement, all issues relating to arbitration or the enforcement of the agreement to arbitrate shall be governed by the Federal Arbitration Act (9 U.S.C. § 1, *et. seq.*) and the federal common law of arbitration.

(f) The obligation herein to arbitrate shall not be binding upon either party with respect to claims relating to the Franchisor's trademarks, service marks, patents, or copyrights; requests by Franchisor to enforce the covenants not to compete contained in Section 20 of this Agreement; or requests by either party for temporary restraining orders, preliminary injunctions or other procedures; in a court of competent jurisdiction to obtain interim relief when deemed necessary by such court to preserve the *status quo* or prevent irreparable injury pending resolution by arbitration of the actual dispute between the parties.

26. Miscellaneous.

(a) Notices. All notices, requests, demands, payments, consents and other communications hereunder shall be transmitted in writing and shall be deemed to have been duly given when sent by registered or certified United States mail, postage prepaid.

To Franchisor: Signs Now Corporation  
4900 Manatee Avenue West  
Suite 201  
Bradenton, Florida 34209

To Franchisee: At the Center address unless  
otherwise specified in writing.

Either party may change its address by giving notice of such change of address to the other party. In the case of any notice required to be given hereunder, telegraphic notice with delivery verified shall be sufficient notice hereunder.

(b) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute but one agreement.

(c) Heirs, Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

(d) Entire Agreement. This Agreement represents the entire understanding between the parties with respect to the subject matter hereof and supersedes all other negotiations, agreements, representations and covenants, oral or written, except any lease or sublease executed in connection herewith. This Agreement may not be modified except by a written instrument signed by the party to be charged. FRANCHISEE HAS BEEN INFORMED BY FRANCHISOR, AND ACKNOWLEDGES HEREBY, THAT THERE CAN BE NO GUARANTY OF SUCCESS IN THE



FRANCHISED BUSINESS AND THAT FRANCHISEE'S BUSINESS ABILITY AND APTITUDE ARE PRIMARY IN DETERMINING FRANCHISEE'S SUCCESS. The parties intend this Agreement to be the entire integration of their agreements of any nature with respect to the subject matter hereof. No other agreements, representations, promises, commitments or the like of any nature exist between the parties except as set forth or otherwise referenced herein.

(e) Waiver. Failure by either party to enforce any rights shall not be construed as a waiver of such rights. Any waiver, including waiver of default, in any one instance shall not constitute a continuing waiver or a waiver in any other instance. Any acceptance of money or other performance by Franchisor from Franchisee shall not constitute a waiver of any default except as to the payment of the particular payments or performance so received.

(f) Interest on Past Due Accounts. Any monies past due to Franchisor from Franchisee shall bear interest at the highest lawful rate pertaining to loans between businesses in the state whose law governs this Agreement, or in the absence of a maximum rate specified by state law, eighteen percent (18%) per annum. The foregoing shall not affect any other right or remedy of Franchisor arising from such delinquency.

(g) Accord and Satisfaction. No payment by Franchisee or receipt by Franchisor of a lesser amount than the royalty and/or other fees herein stipulated shall be deemed to be other than on account of the earliest stipulated fee, royalty or other amount due to Franchisor; nor shall any endorsement or statement on any check or any letter accompanying any such check or payment be deemed an accord and satisfaction, and Franchisor may accept such check or payment without prejudice to Franchisor's right to recover the balance of such royalty and/or other fee due and payable under this Agreement or pursue any other remedy provided for in this Agreement or available at law or in equity.

(h) Franchisor's Self-Help. In addition to Franchisor's rights of self-help set forth elsewhere in this Agreement, if Franchisee at any time fails to perform any of its obligations under this Agreement in a manner reasonably satisfactory to Franchisor, Franchisor shall have the right but not the obligation, upon giving Franchisee at least ten (10) days' prior written notice of its election to do so (in the event of an emergency no prior notice shall be required) to perform such obligations on behalf of and for the account of Franchisee and to take all such action necessary to perform such obligations. In such event, Franchisor's costs and expenses incurred therein shall be reimbursed to Franchisor forthwith upon demand therefor plus interest thereon from the date Franchisor performs such work at the highest lawful rate pertaining to loans between businesses in the state whose law governs this Agreement, or in the absence of a maximum rate specified by state law, eighteen percent (18%) per annum. The performance by Franchisor of any such obligation shall not constitute a release or waiver of Franchisee therefrom.

(i) Security for Sums Owed By Franchisee. All fees and royalties due and payable under this Agreement constitute payment for performance of services as well as use of the Property. If Franchisee should become delinquent in payment of any such sums due to Franchisor, including

without limitation royalties and advertising fees, Franchisee hereby agrees to grant Franchisor as security for the payment of such delinquent sums, a security interest in the leasehold improvements, fixtures and equipment in such form as may be required to effect a lien in favor of Franchisor pursuant to and in accordance with the provisions of the Uniform Commercial Code or other applicable law.

(j) Severability. Any invalidity of any portion of this Agreement shall not affect the validity of the remaining portion, and unless substantial performance of this Agreement is frustrated by any such validity, this Agreement shall continue in effect.

(k) Headings and Gender. The headings used herein are for purposes of convenience only and should not be used in construing the provisions hereof. As used herein, the neuter shall include the male and female genders; the singular shall include the plural, and the plural the singular.

(l) Governing Law. This Agreement is accepted by Franchisor in the State of Florida and shall be governed by and construed in accordance with the laws of the State of Florida, excluding any laws regulating the sale of franchises or governing the relationship between a Franchisor and a franchisee, unless the jurisdictional requirements of such laws are met independently without reference to this section. However, if this Agreement concerns a Center located in a state other than Florida and the laws of that state require terms other than, or in addition to, those contained herein, then this Agreement shall be deemed modified so as to comply with the appropriate laws of such state, but only to the extent necessary to prevent the invalidity of this Agreement or any provision hereof, the imposition of fines or penalties, or the creation of civil or criminal liability on account thereof. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall as to that jurisdiction be ineffective to the extent of the prohibition or unenforceability without invalidating the remaining provisions of this Agreement. Any prohibition against, or unenforceability of, any provision of this Agreement in any jurisdiction, including the state whose law governs this Agreement, shall not invalidate the provision or render it unenforceable in any other jurisdiction. To the extent permitted by applicable law, Franchisee waives any provision of law which renders any provision of this Agreement prohibited or unenforceable in any respect. Franchisee agrees that the proper venue for any cause of action arising by virtue of the franchise relationship shall be Manatee County, Florida.

(m) Assignment by Franchisor. This Agreement may be assigned, in whole or in part, by Franchisor without prior approval of Franchisee and such assignment shall neither modify nor diminish Franchisee's obligations hereunder and any assignee of the Franchisor is intended as a beneficiary of this Agreement; particularly of Section 20.

(n) No Third Party Beneficiaries. Other than as stated in subsection 26(m) above, the parties intend to confer no benefit or right on any person or entity not a party to this Agreement, and no third party shall have the right to claim the benefit of any provision hereof as a third party beneficiary of any such provision.

(o) Acknowledgments. Franchisee acknowledges receipt of Franchisor's Offering Circular, that Franchisee has read it and understands the contents thereof, and has had an opportunity to discuss the transaction with Franchisee's legal and business advisors.

FRANCHISEE:

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

FRANCHISOR:

SIGNS NOW CORPORATION,  
A Florida Corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

STATE OF \_\_\_\_\_,  
COUNTY OF \_\_\_\_\_.

The foregoing instrument was acknowledged before me this \_\_\_\_\_, 2004,  
by \_\_\_\_\_. He/she is personally known to me or has  
produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: \_\_\_\_\_

STATE OF \_\_\_\_\_,  
COUNTY OF \_\_\_\_\_.

The foregoing instrument was acknowledged before me this \_\_\_\_\_, 2004,  
by \_\_\_\_\_. He/she is personally known to me or has  
produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: \_\_\_\_\_

STATE OF FLORIDA,  
COUNTY OF MANATEE.

The foregoing instrument was acknowledged before me this \_\_\_\_\_, 2004,  
by \_\_\_\_\_ as \_\_\_\_\_ of SIGNS  
NOW CORPORATION, a Florida corporation, on behalf of the corporation. He is personally known  
to me or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: \_\_\_\_\_