FRANCHISE DISCLOSURE DOCUMENT

Howard Hanna Real Estate Associates, LLC
a Pennsylvania Limited Liability Company
119 Gamma Drive
Pittsburgh, Pennsylvania 15238
(412) 967-9000
www.howardhanna.com

HOWARD HANNA

The franchise described in this disclosure document is for the establishment and operation of a real estate brokerage business.

The total investment necessary to begin operation of a Howard Hanna franchise is $45,000 to $258,500. This includes $25,000 to $36,500 that must be paid to the franchisor or its affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact us at 119 Gamma Drive, Pittsburgh, Pennsylvania 15238 and (412) 967-9000.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, such as an attorney or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “A Consumer's Guide to Buying a Franchise,” which can help you understand how to use this disclosure document, is available from the

Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

The issuance date of this disclosure document is April 27, 2026.

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by litigation only in Pennsylvania. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost more to litigate with the franchisor in Pennsylvania than in your own state.

2. **Mandatory Minimum Payments**. You must make minimum royalty and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

NOTICE REQUIRED BY
STATE OF MICHIGAN

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in the franchise documents, the provisions are void and cannot be enforced against you:

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

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

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

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

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

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

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

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

    ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.

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

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

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

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

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

Questions regarding this notice should be directed to the Michigan Attorney General's Office, Consumer Protection Division, Attn: Franchise Section, 525 W. Ottawa Street, Williams Building, 1st Floor, Lansing, Michigan 48933, (517) 373-7117.

DISCLOSURES REQUIRED BY NORTH CAROLINA LAW

The State of North Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

TABLE OF CONTENTS

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES 1
BUSINESS EXPERIENCE 4
LITIGATION 5
BANKRUPTCY 6
INITIAL FEES 7
OTHER FEES 8
ESTIMATED INITIAL INVESTMENT 14
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES 17
FRANCHISEE'S OBLIGATION 20
FINANCING 22
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING 23
TERRITORY 30
TRADEMARKS 32
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION 35
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS 37
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 38
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION 39
PUBLIC FIGURES 46
FINANCIAL PERFORMANCE REPRESENTATIONS 47
OUTLETS AND FRANCHISEE INFORMATION 48
FINANCIAL STATEMENTS 54
CONTRACTS 55
RECEIPTS 55

State Specific Addenda: Illinois, Indiana, Maryland, Michigan, New York, Virginia, Wisconsin

EXHIBITS TO THE FRANCHISE DISCLOSURE DOCUMENT

Exhibit A: List of Administrators

Exhibit B: Agents for Service of Process

Exhibit C: Table of Contents to Operating Manual

Exhibit D: Financial Statements

Exhibit E: Standard Franchise Agreement

Exhibit F: List of Current Franchisees

Exhibit G: List of Recent Former Franchisees

Exhibit H: Compliance Certification

Exhibit I: State Specific Addenda

Exhibit J: Sample General Release

Exhibit K: Franchise Location Addendum

Exhibit L: Receipt

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

The Franchisor

The Franchisor is Howard Hanna Real Estate Associates, LLC, referred to as "we," "us" or "our." We refer to a person who acquires a franchise from us as "you" or "your." We are a Pennsylvania limited liability company formed on October 5, 2010 and our principal business address is 119 Gamma Drive, Pittsburgh, Pennsylvania 15238. Our agent for service of process is Frederick "Duffy" Hanna, 119 Gamma Drive, Pittsburgh, Pennsylvania 15238, and if different in another state, if applicable, is disclosed in Exhibit B. Our phone number is (412) 967-9000 and our website address is www.howardhanna.com.

We conduct business under our corporate name and "Howard Hanna" and were formed for the purpose of offering and selling franchises for Howard Hanna brokerage businesses. We do not own or operate any Howard Hanna brokerage businesses, but we reserve the right to do so. We began offering franchises for Howard Hanna brokerage businesses as of October 25, 2010, and do not engage in other business activities and have not offered franchises in other lines of business.

Our Parent, Predecessors, and Affiliates

We are a subsidiary of our parent, Hanna Holdings, Inc. ("Hanna Holdings"). Hanna Holdings is a Pennsylvania corporation whose address and phone number is the same as ours.

We have no predecessors.

Hanna Holdings, through various subsidiaries and affiliates has operated Howard Hanna brokerage businesses since 1958. From 1996 until August 31, 2010, Howard Hanna Real Estate Associates, Inc., a wholly-owned subsidiary of our parent Hanna Holdings ("HHRAI"), was in the business of licensing the mark "Howard Hanna" to various real estate brokers for use in connection with the operation of their brokerage businesses ("Howard Hanna Licensed Offices"). There are no longer any Howard Hanna Licensed Office operated under a license agreement. HHRAI is a Pennsylvania corporation whose address and phone number are the same as ours.

Except as disclosed above with regards to HHRAI, our parent, predecessor, and affiliates have not offered franchises or licenses in this or any other lines of business.

Our parent and affiliates may engage in the supply of products and services to the System as an "approved supplier". See Item 8 of this disclosure document for a discussion of approved suppliers.

The Franchise Offered

The Howard Hanna brokerage franchise is the only franchise we offer. We sell franchises for the right to establish and operate a Howard Hanna brokerage business offering real estate brokerage services ("Services") in a distinctive and innovative environment in accordance with our standards and specifications (the "System"). The System includes distinctive designs, layouts, color schemes, and signs; standards and specifications for operations; rules, training and assistance, and other methods and procedures relating to the establishment and operation of a Howard Hanna brokerage business.

We grant to persons or entities which meet our qualifications, and who are willing to undertake the investment and effort, the right to open and operate a franchise (a "Franchisee")in accordance with our then current franchise agreement, a copy of which is attached to this disclosure document as Exhibit E (the "Franchise Agreement").

General Market and Competition

The residential real estate brokerage industry is a mature industry. Your competitors include other real estate brokerages, both independent and franchised. You will offer traditional real estate brokerage services, such as listing and selling real estate, assisting with the acquisition of real estate, and servicing referral and third-party relocation business. The residential real estate market tends to be cyclical and typically is affected by changes in general economic conditions.

Industry Regulation

You must know and remain in compliance with the licensing requirements of your state regulatory authority. Most states have specific laws and regulations covering real brokerage services and licenses. These laws, among other things, require that anyone who offers real estate brokerage services be a licensed real estate broker, a licensed associate broker, or a licensed salesperson affiliated with a licensed real estate broker. There may be similar laws in the cities and counties in which you are operating. Some states also require franchised real estate brokers to identify themselves as franchised real estate brokers when offering their services to the public. You must know your state's requirements and comply with them. In addition, there are various federal laws that could affect your real estate brokerage business, such

as the Real Estate Settlement Procedures Act and Fair Housing Laws. You should investigate these and other laws in order to understand your potential legal obligations.

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ITEM 2

BUSINESS EXPERIENCE

Unless otherwise noted, all officers are based at Hanna Holdings' principal office located in Pittsburgh, Pennsylvania.

Chairman: Howard W. "Hoddy" Hanna, III

Mr. Hanna has been employed as Chairman of Hanna Holdings since January 1, 2013.

President: Helen Hanna Casey

Ms. Casey has been employed as Chief Executive Officer of Hanna Holdings since January 1, 2013.

Vice President/Secretary: Annie Hanna Cestra

Ms. Cestra has been employed as Secretary of Hanna Holdings since January 1, 2013.

Treasurer: Tracy Rossetti Delvaux

Ms. Delvaux has been employed as Treasurer of Hanna Holdings since January 1, 2013.

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ITEM 3
LITIGATION

There is no litigation required to be disclosed in this Item except as set forth below.

Krista Bonecutter v Howard Hanna Real Estate Associates LLC, No. 2025 CV 0027 (Morrow Cty. C.P. filed March 5, 2025)

Our former franchisee J.C. Meyer LLC ("J.C. Meyer") and its principal owner Krista Bonecutter filed this complaint against us, Smythe, Cramer Co., a subsidiary of our parent Hanna Holdings ("Smythe Cramer"), and two former owners of J.C. Meyer, Cheyenne Peck ("Peck"), Tiffany Meyer ("Meyer") claiming (i) breach of the duty of loyalty against Peck and Meyer; (ii) tortious interference with business relationships against all defendants; (iii) civil conspiracy against all defendants; (iv) breach of contract against us; (v) fraudulent inducement against us; (vi) fraud in the inducement against Meyer and us; (vii) fraudulent concealment against Meyer and us; (viii) fraudulent concealment against us, Smythe Cramer, Peck, and Meyer; and (ix) negligent misrepresentation against Meyer, Peck, and us and seeking monetary damages and a temporary and permanent injunction. The complaint generally alleges that we made false representations to the plaintiffs to induce them to acquire certain former franchisees, to enter into a franchise agreement with us and to redeem the interest of Meyer in J.C. Meyer and that we and the other defendants have induced agents to leave J.C. Meyer and to join brokerage offices owned and operated by our parent Hanna Holdings.

On August 19, 2025, we filed an answer, counterclaim and third-party complaint generally denying the allegations, asserting defenses and claiming that J.C. Meyer and Krista Bonecutter are in breach of their covenants not to compete under their franchise agreement with us and seeking an injunction and monetary damages in an amount to be proven at trial. We also claimed that Rockwell Bonecutter, the husband of Krista Bonecutter, has tortuously interfered with our relationship with J.C. Meyer by causing J.C. Meyer to breach its covenant not to compete with us under the franchise agreement and seeking an injunction and monetary damages in an amount to be proven at trial. On December 19, 2025, the plaintiffs filed a motion for summary judgement on our counterclaim and third-party complaint and we filed a memorandum in opposition to the motion on January 21, 2026. Discover and depositions parties and witnesses are ongoing and a jury trial has been scheduled for September 14, 2026.

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ITEM 4

BANKRUPTCY

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

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ITEM 5

INITIAL FEES

An initial franchise fee of Twenty-Five Thousand ($25,000) is due in full when you sign the Franchise Agreement (the "Initial Franchise Fee"). The Initial Franchise Fee will be fully earned when paid, must be paid in one lump-sum amount, and is not refundable.

You must pay us a branch office fee of Ten Thousand and 00/100 Dollars ($10,000.00) for each additional office that we approve and you open (a "Branch Office Fee"). No Branch Office Fee is due for your first Office. Branch Office Fees are nonrefundable and are due in full before opening the applicable Office(s).

You must pay us $750 in tuition for each person who attends our Hanna Franchise Services Orientation before they begin the orientation. For your initial office, we will provide complimentary tuition for two individuals.

The Initial Franchise Fee, Branch Office Fee and orientation tuition are uniform as to all franchisees currently offered a Franchise.

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ITEM 6

OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS. See Note 2
Royalty	Royalties are a percentage of your Annual Gross Receipts calculated in accordance with the following formula: (a) 6% of the initial $1,000,000.00 of Annual Gross Receipts; plus (b) 5.5% of Annual Gross Receipts of $1,000,000.01 or more but less than $2,000,000.00; plus (c) 5% of Annual Gross Receipts in excess of $2,000,000.01 or more but less than $3,000,000.00; plus (d) 4% of Annual Gross Receipts of $3,000,000.01 or more but less than $4,000,000.00; plus (e) 3% of Annual Gross Receipts of $4,000,000.01 or more but less than $5,000,000.00; plus (f) 2% of Annual Gross Receipts of $5,000,000.01 or more, subject to a minimum annual royalty fee equal to $25,000 per office. See Note 1.	15th and the last day of each month. Exact date may vary due to holidays and weekends.	"Gross Receipts" means all revenue earned, derived or received from your Franchise and from all transactions involving the purchase, sale, leasing, or transfer of any interest in residential or commercial real property, and any listing, appraisals, land development, syndication, relocation referral, management, or consulting concerning residential or commercial real property done through your franchise or your sales representatives, employees, partners, shareholders, members, directors, officers, or agents, less referral fees paid by you.
Hanna Franchise Services Orientation tuition	$750 per attendee for each attendee other than the initial two, in addition to meals and travel expenses.	Prior to beginning the orientation.	For your initial office, we will provide complimentary tuition for two individuals. You will be responsible for meals and travel expenses.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS. See Note 2
Agent Services Fee	$75 per sales associate.	Monthly.	Based on number of associates on your roster the 1st of each month.
Interest on late payments	18% per annum or highest contract rate permitted by law, whichever is less.	As incurred.	You must pay interest on all amounts owing to us that are past due.
Late payment fees	$200 per occurrence.	As incurred for each delinquent payment.	
Branch Office Fees	$10,000 for each branch office.	Prior to office opening.	You must pay us this fee for each office that you open other than your first Office.
Office relocation fee	$3,000 plus expenses.	Thirty days after you close the original Office location.	If we approve your application to relocate an Office, you must pay us all expenses that we incur in connection with the relocation plus a site relocation fee of $3,000.
Renewal fee	$5,000	Prior to renewal.	
Office Materials	Will vary.	Upon receipt of an invoice.	During the term of the Franchise Agreement, we may require that you purchase from us or our affiliates certain fixtures, furnishings, equipment, flooring, software, apparel, supplies, signs, and advertising materials that conform to System Standards.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS. See Note 2
Audit	Will vary.	Within ten days of our demand for payment.	If we audit your business and determine that you have understated your Gross Receipts for any period by 2% or more, then you must reimburse us for the costs of the audit, including without limitation attorneys and accountants fees, travel expenses, room and board and compensation for our employees. You must also pay the shortfall in the amounts you owe us, including late fees and interest
Transfer fee	25% of our then current Initial Franchise Fee.	Prior to consummating the transfer.	In the event that you transfer any ownership interest in you, the Franchise Agreement, or your assets
Minimum Annual Royalty Fee	$25,000	January 15th of each year	See Note 1.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS. See Note 2
Death/disability management fee	Up to 10% of your weekly Gross Receipts.	Weekly on each Friday.	Upon the death or disability of you or your Principal Owner, we may appoint a person to manage your Franchise until a suitable replacement Principal Owner is appointed. We will charge a reasonable management fee (not exceeding 10% of your weekly Gross Receipts) during the period that our appointed manager manages your Franchise.
Non-solicitation damages	5% of the Gross Revenues generated by the former employee.	On the first and second anniversaries of the date that you hired the employee.	In the event that you hire an employee or sales representative who has been affiliated with us or our affiliates within six months prior to starting employment or affiliation with you without the consent of the former employer, you must pay to the former employer, an amount equal to 5% of the Gross Revenues generated by the former employee.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS. See Note 2
Supplemental programs and service fees	Will vary.	Upon your receipt of an invoice from us.	We have the right to charge you reasonable fees for additional programs and services that we may provide to you.
Trade Accounts and Tax reimbursement	Will vary.	On your receipt of an invoice from us.	If you fail to maintain your trade accounts in a current status, timely pay taxes or any other amount to third parties we may, but are not required to pay any and all such amounts and perform such obligations on your behalf. If we do so, then you will reimburse us for such amounts.
Default damages	Royalties you paid to us for the two-year period preceding termination of the Franchise Agreement.	Within 15 days of demand.	In the event the Franchise Agreement is terminated due to your default, you must pay to us damages we incur, including lost Royalties.
Indemnification	Will vary.	Within 15 days of demand.	You must indemnify us from any and all damages attributable to or arising out of your business. This amount includes court costs, attorney fees, and related expenses.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS. See Note 2
Insurance	Will vary	On demand.	If you fail to maintain the required insurance coverage, we may, at our option, obtain any required insurance coverage on your behalf. If we do so, you will reimburse us for any costs and premiums we incur.
Enforcement costs	Will vary	Within 15 days of demand.	If we prevail in any legal proceedings against you, you must reimburse us for our costs and expenses including accounting and attorney fees.

Note 1: If you have paid us Royalties in any calendar year of less than $25,000 per Office, then you shall pay to us the difference between the actual amount of the Royalties you paid us for such year and $25,000 per Office. This payment shall due and payable on or before January 15th of the next calendar year. Annual Gross Receipts for any calendar year must be reported to us by the third business day of the following calendar year or they will be included in that following calendar year's Annual Gross Receipts for purposes of determining the rates at which Royalties are payable for those calendar years.

Note 2: All fees are uniform, non-refundable, collected by and payable to us. However, we reserve the right to waive or adjust, in instances we deem appropriate and otherwise in our sole discretion, any fees payable to us or our affiliates.

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ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Initial Franchise Fee (Note 1)	$25,000	Lump sum	Upon signing Franchise Agreement	Franchisor
Branch Office Fee (Note 1)	$0 to $10,000	As incurred	Before opening each Branch Office	Franchisor
Training Fees (Note 2)	$0 to $1,500	As incurred	Prior to training	Franchisor
Leasehold Improvements (Note 3)	$0 to $50,000	As incurred	Before opening	Vendors
Real Estate (3 months' rent and security deposit) (Note 4)	$2,500 to $25,000	As incurred	Monthly	Landlord
Furniture, Fixtures and Equipment (including Computer Equipment and related Software) (Note 5)	$0 to $50,000	As incurred	Before opening	Vendors
Signage (Note 6)	$2,500 to $25,000	Lump sum	Before opening	Vendors
Miscellaneous Opening Costs (Note 7)	$3,000 to $30,000	As incurred	Before opening	Suppliers, utilities, vendors, etc.
Opening Inventory (Note 8)	$4,000 to $12,000	Lump sum	Before opening	Vendors
Additional Funds (3 months) (Note 9)	$8,000 to $30,000	As incurred	As incurred	Supplies, utilities, vendors, etc.
Totals (Notes 10 and 11)	$45,000 to $258,500			

Note 1: The Initial Franchise Fee is nonrefundable. You must pay a Branch Office Fee of $10,000 for each additional Office you open. Branch Office fees are nonrefundable and payable 30 days before the opening day of the additional Office(s).

Note 2: You or your Principal Owner and manager must complete our initial training program, known as Hanna Franchise Services Orientation, within 90 days of the date on which your Office first opens for business as a Howard Hanna franchise (the "Commencement Date"). We will provide complimentary tuition for you and one manager or other designated staff member (2 tuitions total) to attend the Hanna Franchise Services Orientation. We will also provide complimentary tuition for the manager of each of your branch Offices (if any) that we approve. You must pay us an orientation fee of $750 for each other person that you elect to send to the Hanna Franchise Services Orientation. The orientation fee is payable before the Hanna Franchise Services Orientation begins for any additional attendees. The high end of this range reflects the cost to you of sending a total of two additional people to the Hanna Franchise Services Orientation.

Note 3: Howard Hanna franchises are most often offered to established brokers. If you are the operator of an existing real estate brokerage, you already own or lease the Office facilities necessary to operate an Office, and additional Office facility requirements will not be as extensive as for the developer of a new Office. The high end of this range reflects the cost of opening a new Office. The actual cost of Office space improvements will also depend upon the size, condition, and location of your Office premises and how you choose to decorate the Office. All improvements are subject to our prior approval and must conform to our System Standards.

Note 4: Rent and security deposits depend upon the site size, condition and location and the demand among prospective tenants. However, we believe that an average range for lease space is $8-$30 per square foot per year, depending upon your location. A security deposit in an amount equal to one month to one and one-half month's rent is typically required. If you are converting your existing real estate brokerage office, you will not owe a supplemental security deposit and will continue to pay your current rent. If you are starting a new Office, we estimate that you will have 800 to 1,000 square feet of Office space for an Office with ten agents. We do not require any particular amount or type of Office space. The exact size of your Office will depend on the number of agents and the availability of Office space.

Note 5: The high end of this range assumes that you are not converting your existing real estate brokerage and is our estimate of the cost to you of purchasing all of the furniture, fixtures, and equipment (including between $2,000 and $20,000 for computer systems and related hardware and basic service contracts) necessary to operate an Office of between 800 to 1,000 square feet with ten agents. The actual costs to you will depend on the requirements of your business and on the quality of the furniture, fixtures, and equipment you chose to purchase. You may also be able to lease or rent some of these items. If you are

converting your existing real estate brokerage Office, you will be allowed to retain any furniture, fixtures, and equipment which conform to our System Standards. The low end of this range assumes that you are converting your existing real estate brokerage and that all of your furniture, fixtures, and equipment conforms to our System Standards and no additional furniture, fixtures, and equipment are necessary.

Note 6: This amount covers the cost of a standard building sign. Other types of building signs and offsite signage will increase your investment.

Note 7: Miscellaneous opening costs would include legal and accounting expense, insurance premiums, utility deposits, business licenses, ongoing maintenance, support, and service contracts for computer systems and related software and other prepaid expenses. You are required to obtain and maintain the insurance coverage we periodically require, as further described in Item 8. Your premiums for insurance will depend on certain factors such as location, staff size, business volume, claims experience, deductibles selected and if you elect to purchase more than the minimum required coverage limits. Your insurance premiums may be payable in annually in advance or in installments as required by the insurer.

Note 8: Opening inventory includes supplies, such as yard signs, stationery, publications, and agent identity materials, rather than inventory held for resale.

Note 9: Additional funds means the additional cash (working capital), necessary to pay other expenses you incur in operating the business during the first three months after becoming a Franchisee. This estimate is based the experience of subsidiaries of our parent Hanna Holdings in operating real estate brokerage offices and our knowledge of the operating experience of our franchisees. The figures are estimates and we cannot guarantee that you will not need to invest additional cash during the period of time immediately after you become a Franchisee. Your costs depend on many factors including your marketing and management methods, management skill, experience, business acumen, local economic and real estate market conditions, interest rates, and competition.

Note 10: Assumes one Office with ten agents; additional agents and/or Offices will increase the estimated total.

Note 11: Neither we nor any of our affiliates provides any financing for your initial investment.

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ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Unless we permit you to do otherwise, you must purchase all products, fixtures, furnishings, equipment, décor, signs, supplies and other items used or sold by your Franchise solely from suppliers designated or approved by us. Neither we nor any person affiliated with us is currently the only approved supplier of any of these items. For any of these items, we have the right in our sole discretion to designate ourselves, our affiliates, or a third-party as the sole supplier for a particular item. To the extent we do not designate a particular supplier, you must purchase these items solely from suppliers who demonstrate, to our continuing reasonable satisfaction, the ability to meet our reasonable standards and specifications for such items, and who possess adequate quality controls and capacity to supply your needs promptly and reliably. During 2025, neither we nor any person affiliated with us derived any revenues, rebates, or other material consideration from your purchase or lease of these items; however, we reserve the right to do so in the future.

None of our officers currently owns an interest in any approved supplier. There are no purchasing or distribution cooperatives. We do not currently, but reserve the right in the future to negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchises. We do not provide material benefits (e.g., renewal or granting additional licenses or Franchises) to a Franchisee based on its purchase of particular products or services or use of particular suppliers.

We do not have specific standards or specifications for the furniture, fixtures and equipment that you use in your Office. However, these items must be in good condition and create an overall professional image for your Office.

For any items from a supplier we have not previously approved, you must submit a written request for such approval to us, together with such evidence of conformity with our specifications as we may reasonably require, or you may ask the supplier to do so. We have the right to inspect and evaluate the supplier's facilities and products to be supplied, and you must pay in advance, all of our estimated reasonable expenses of doing so, with a final payment adjustment made after the completion of the inspection and evaluation. Suppliers must supply us with evidence of satisfactory insurance coverage including naming us an additional insured under the insurance coverage. We generally decide whether to approve the supplier within thirty days after completion of the inspection and evaluation and submission of all required documentation. Our criteria for approving suppliers are not made available to franchisees. Among the criteria we consider when approving alternative suppliers are their financial condition,

technical ability, reputation, references, and their ability to provide goods and services consistently and in a timely manner. We may revoke our approval at any time if we determine, in our sole discretion, that a supplier no longer meets our then-current System Standards and criteria for approving new suppliers. Upon receipt of written notice of such revocation, you must immediately cease purchasing from any disapproved supplier.

The cost of products or services required to be purchased or leased either from designated or approved sources of supply or in accordance with our specifications as set forth above represents from 25% to 34% of your total purchases or leases in the establishment and operation of the Office. These percentages may vary significantly from office to office depending on various factors including, for example, the geographic location of the Office, whether or not it is a conversion of an existing real estate office, the number of sales associates licensed with the Office, the type of tenant finish or improvement you choose and how you prefer to furnish and decorate the premises.

The insurance you obtain for the Franchise must conform to our minimum standards for coverage and amounts which are described in the Operating Manual (and which may be changed by us from time to time in our sole discretion), and be provided by insurers acceptable to us. We currently require you to obtain and maintain the following types and amounts of coverage:

- commercial general liability insurance against all claims arising out of the operation of your franchise; $1 million per occurrence/$2 million aggregate; $10,000 deductible;
- general casualty and property insurance including business interruption, fire, flood, hurricane, vandalism and malicious mischief, and extended coverage insurance with a full replacement value of the business personal property (BPP) of your franchise, covering such risks as are covered in the Special Form for Building and Personal Property Coverage; 100% coverage for property; $2,500 deductible;
- comprehensive motor vehicle insurance (including personal injury protection, uninsured motorist protection, as your franchise state allows, and “umbrella” or excess coverage as described below) for any motor vehicles operated by your franchise; $100,000 per occurrence /$300,000 aggregate; $1,000 deductible;
- workers’ compensation to the extent and in the amounts required by applicable state law for your franchise;
- “umbrella” or excess liability insurance; $5 million coverage; $10,000 deductible or $0 depending on carrier;

- insurance against liability for personal services care, Employment Practice Liability Insurance and negligence; $1 million per occurrence/$2 million aggregate; $5,000 deductible;
- comprehensive crime cyber liability, and blanket employee dishonesty insurance; $500,000; $5,000 deductible; and
- errors and omissions insurance; $1 million per occurrence/$2 million aggregate; $10,000 deductible.

We do not currently require that you buy or use a specific computer system. We reserve the right to require that you acquire and use certain equipment including computer hardware and software and webware and that this equipment and technology comply with our System Standards or be purchased from suppliers we approve, or both.

All advertising and promotion by you must be in such a media and in such type and format as we may approve, must be conducted in a dignified manner, and must conform to such standards and requirements as we may specify. Please see Item 11 under the heading "Advertising" for information about the procedure to obtain our approval for advertising and promotional materials prepared by you.

We consider a variety of factors when determining whether to renew or grant additional franchises. Among the factors we consider is compliance with the requirements described above.

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ITEM 9

FRANCHISEE'S OBLIGATION

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

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	2 and 4	7 and 11
b. Pre-opening purchase/leases	4	7 and 8
c. Site development and other pre-opening requirements	4 and 5	7 and 11
d. Initial and ongoing training	6	7 and 11
e. Opening	4	7 and 11
f. Fees	4, 5, 6, 14 and 16	5, 6 and 7
g. Compliance with standards and policies/operating manual	4, 7 and 10	11, 13 and 14
h. Trademarks and proprietary information	7 and 8	13 and 14
i. Restrictions on products/services offered	4, 9, 10 and 16	13 and 16
j. Warranty and customer service requirements	2, 4 and 10	Not Applicable
k. Territorial development and sales quotas	2, 10 and 15	12
l. Ongoing product/service purchases	4, 10 and 11	8
m. Maintenance, appearance, and remodeling requirements	4 and 10	8
n. Insurance	18	8
o. Advertising	11	11
p. Indemnification	17	6
q. Owner's participation/management/staffing	1, 6, 10 and 15	11 and 15
r. Records and reports	12	6
s. Inspections and audits	13	6
t. Transfer	14	17
u. Renewal	3	17

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
v. Post-termination obligations	14 and 16	17
w. Non-competition covenants	1, 9, 14 and 16	17
x. Dispute resolution	19	17
y. Referral obligations	10	6 and 11
z. Maintain license to sell real estate	4	1
aa. Provide us with real estate listing information	10	Not Applicable

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ITEM 10

FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

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

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

Pre-Opening Obligations

Before you commence operating your franchise:

1. If you and we have not already agreed upon a location for your Office before signing the Franchise Agreement, we will provide you with assistance in locating an Office site. We do not select your Office location. We approve or disapprove a site that you select. The Office location must meet our criteria for demographic characteristics, traffic patterns, parking, character of neighborhood, competition from and proximity to other real estate brokerage businesses, and other Howard Hanna offices, the nature of other businesses in proximity to the proposed site, and the size, appearance and other physical and commercial characteristics of the proposed site. We do not generally own the site and lease it to you. We do not provide you any assistance with conforming the premises to local ordinances and building codes and obtaining any required permits, and/or constructing, remodeling, or decorating the premises. We will approve or disapprove a site for your proposed Office within thirty days after we receive from you all of the materials we request concerning the proposed site. You must open the Office within ninety days of signing the Franchise Agreement. If we do not approve your proposed Office within ninety days of signing the Franchise Agreement, we may terminate the Franchise Agreement. (Franchise Agreement, Section 4.1)

2. We may specify certain fixtures, furnishings, equipment, flooring, apparel, signage and other goods and services necessary for your Office to begin or sustain operations, and provide you with a list of certain products, supplies, equipment, and services for use in developing the Office and operating your Franchise. We may sell some of these items to you directly, or the names of approved suppliers. In the alternative, we may elect to provide written specifications for some or all of these items. We do not deliver or install any of these items. (Franchise Agreement, Section 4.6)

Time to Opening

We estimate that there will be an interval of approximately thirty days to ninety days between the signing of the Franchise Agreement and the opening of your Office. The interval will vary based upon such factors as the availability of a suitable site for the Office, the extent by which any existing site must be upgraded or remodeled, the delivery schedule for equipment and supplies, delays in securing financing arrangements, and completion of training and/or compliance with applicable laws and regulations. You may not open your Office for business until: (1) we approve the Office as developed in accordance with our specifications and standards; (2) any required training has been completed to our satisfaction; (3) the Initial Franchise Fee has been paid; (4) we have received copies of all insurance policies required pursuant to the period; and (5) you have provided us with evidence that you are in compliance with all applicable laws and regulations. (Franchise Agreement, Section 4.10)

Continuing Obligations

As long as you remain in good standing under your Franchise Agreement:

1. We will permit you to use the Marks, our copyrights and the System solely in connection with operating your franchise. (Franchise Agreement, Section 2.2)
2. When your Office is first opened as a Howard Hanna franchise (the "Commencement Date"), we will enter into an agreement with you confirming that date and the expiration date of you Franchise. (Franchise Agreement, Section 2.3)
3. We will provide complementary tuition for you and your Manager or designated staff member (2 tuitions total) to attend Hanna Franchise Services Orientation within 90 days of the Commencement Date. Hanna Franchise Services Orientation will be conducted on a date mutually acceptable you and us at our offices located 119 Gamma Drive, Pittsburgh, Pennsylvania 15238 or, at our discretion, at one of the brokerage offices owned and operated by our parent, Hanna Holdings, or as live webinars. You must pay all travel and living expenses for you and your staff when attending any training program. Additional attendees approved by us will pay the regular tuition fee, which is currently $750, in addition to meals and travel expenses. This orientation fee for additional attendees is payable before their Hanna Franchise Services Orientation begins. We may make available additional training programs as we deem appropriate. Currently, no additional required training programs or refresher courses are required. (Franchise Agreement, Section 6.1)
4. We will advise you from time-to-time regarding the operation of your franchise based on information that you submit to us or inspections we make. We will furnish guidance to you with respect to the

operations of your franchise. Such guidance will, at our discretion, be furnished in our Manuals, bulletins or other verbal, written, or electronic communications or consultations. (Franchise Agreement, Section 6.2)

5. We will indemnify and defend you against and reimburse you for all damages for which you are held liable to third parties in any proceeding arising out of your authorized use of any Mark, pursuant to and in compliance with the Franchise Agreement, resulting from claims by third parties that your use of the infringes their trademark rights, and for all costs you reasonably incur in the defense of any such claim in which you are named as a party provided you have timely notified us of the claim and have otherwise complied with the terms of the Franchise Agreement. (Franchise Agreement, Section 7.9)
6. We will disclose Confidential Information to you and personnel of your franchise by furnishing the Manuals to you and by providing training, guidance, and assistance to you. (Franchise Agreement, Section 8.2)
7. We will make available online or via other electronic format, a copy of our Manual. (Franchise Agreement, Section 10.1).
8. We or our affiliates will host and maintain, and list your franchise on, the official Howard Hanna website. (Franchise Agreement, Section 11.4)
9. We will conduct, when and as frequently as we deem advisable, inspections of your Office and evaluations of your operations in order to assist you to maintain the Systems Standards of quality, appearance, and service. (Franchise Agreement, Section 13.1)

We do not manage your day-to-day operations including the hiring and training of your employees or sales associates. We reserve the right to provide additional products and services to you for prices which we establish from time to time. We also reserve the right to establish referral fees and other charges for referrals within and without the System.

Advertising

We may, but are not obligated to, spend a portion of the fees we collect for the purpose of providing marketing and advertising relative to the System for customer acquisition, service, and to enhance the reputation of the System generally. We are not obligated to spend any amount on marketing or advertising in the area or territory in which you are located. All advertisements are subject to our prior approval. If you do not receive written disapproval within thirty days after our receipt of such materials from you with a request for approval, you will be deemed to have been given the required approval. All advertising, promotion and marketing you conduct must be completely clear and factual and not misleading and

otherwise conform to the highest standards of ethical marketing and the promotion policies we prescribe from time to time. You are required to conduct a Grand Opening for each Office; however, we do not require that you spend a specific amount on the Grand Opening program. You are not required to participate in any advertising fund, nor are you required to participate in a local or regional advertising cooperative. However, we do recommend that you develop a marketing program and engage in advertising programs designed to fully develop your businesses potential. There is no advertising council composed of franchisees that advises us on advertising policies.

Services

We may provide each of your sales associates with a customizable website along with access to certain technology tools, online training, and access to certain company meetings and events. You and/or your sales associates are responsible for any travel related expenses associated with company meetings and events.

We may provide each Office with a website.

Computer and Technology Systems

We do not currently require that you buy or use a specific computer system. We reserve the right to require that you acquire and use certain equipment including computer hardware, software and webware and that this equipment and technology comply with our System Standards or be purchased from suppliers we approve, or both. We do not currently require that you provide us with access to your computer system. We reserve the right to require you to provide us with independent access to the information that will be generated or stored on your computer system. We do not have any obligation to provide ongoing maintenance, repairs, upgrades, or updates for your computer system. You are required to upgrade or update your computer system in accordance with System Standards. There are no contractual limitations on the frequency or cost of this type of obligation. The specific type of equipment and software you will need varies depending upon the number of agents and Offices you have. If you are converting your existing real estate brokerage office, you will be allowed to retain and use any of your computer equipment and related software which conform to our System Standards. The current approximate cost to acquire a computer system and related software to be used by a Franchise Office having up to ten agents range from $2,000 to $20,000, including basic service contracts. Ongoing maintenance, support, and service contracts for the software and hardware may be acquired for market prices, which currently range from $1,500 to about $5,000 annually. We require that you use, update, or upgrade the software or webware programs that interface with our technology systems. If you receive

approval from us for a website that you develop and maintain, it must interface with our technology systems and otherwise comply with System Standards, which shall evolve from time to time.

Broker Reporting System

Reporting is completed through a web-based broker reporting system. We currently provide the broker reporting system to you free of charge but we reserve the right to charge for the system in the future. You are required to obtain, maintain and upgrade computer systems and programs that allow you to access and interface with the broker reporting system. If we require a system upgrade or replacement then, within ninety days after we notify you, you must purchase and install the computer equipment and programs necessary to ensure that your computer and technology system is capable of operating the broker reporting system and is otherwise fully compatible with our technology system. For the broker reporting system, you must (1) continuously maintain a software support system, (2) promptly rectify all problems that interfere with the proper operation of the brokerage reporting system, (3) install updated versions as they become available and (4) enter promptly (within 48 hours of listing, settlement or closing, and fees based on Gross Revenues), and accurately present all information requested, including information related to listings, pending transactions, Offices and agents. You must furnish to us an ongoing updated roster of sales agents, brokers and other persons associated with you who are authorized and/or licensed to conduct real estate sales activities. The roster shall include, as to each sales agents and broker, the name, address, real estate license number (with a copy of the license, if requested), date of association, date of termination, location of Office from which the sales agent is operating and other items that we may designate.

Hanna Franchise Services Orientation

You or your Principal Owner and manager must complete our initial training program, known as Hanna Franchise Services Orientation, within 90 days of the of the date on which your Office first opens for business as a Howard Hanna franchise (the "Commencement Date"). The Hanna Franchise Services Orientation will be conducted on a date mutually acceptable you and us at our offices located 119 Gamma Drive, Pittsburgh, Pennsylvania 15238 or, at our discretion, at one of the brokerage offices owned and operated by our parent, Hanna Holdings, or as live webinars. The Hanna Franchise Services Orientation must be completed by you or your Principal Owner and manager to our satisfaction.

We will provide complimentary tuition for you and one Manager or designated staff member (2 tuitions total) to attend Hanna Franchise Services Orientation. We will also provide complimentary tuition for the

Manager of each of your branch Offices (if any) we approve. You must pay all travel and living expenses for you and your staff when attending any training program. We typically use manuals, handouts, and other printed training aids as the instructional materials for our training programs.

Training Instructor Experience

Training instructors have expertise in the marketing technology tools for which they provide training. Experience in these tools is gained through use, discussions, tutorials, and study of Howard Hanna specific marketing technologies.

All training programs are presently conducted under the supervision of Mr. Thomas Schoeller. Mr. Schoeller has served as our Senior Vice President Franchising since December 31, 2012. From May 2010 through December 2012, he served as Regional Vice President for United Country Real Estate Company in Kansas City, Missouri. From October 1998 through November 2009, he served as National Vice President for Realogy Holdings Corp. in Parsippany, New Jersey. Some specific subjects may be taught by employees of Howard Hanna or its affiliates who have daily management responsibility or practical experience in the subject being taught. Our instructors have a minimum of one year of experience in the subjects they teach and generally have between two and five years of experience in those subjects.

Hanna Franchise Services Orientation

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Company Philosophy	2	--	Our offices
Web Marketing Tools	5	--	Our offices
Leads Program	1	--	Our offices
Hanna U	1	--	Our offices
System Programs	6	--	Our offices

We may require participation by you, your Principal Owner, managers or your sales associates in other training programs we may periodically offer. These programs may be presented at our offices located at 119 Gamma Drive, Pittsburgh, Pennsylvania 15238 or, at our discretion, at one of the brokerage offices owned and operated by our parent, Hanna Holdings, or as live webinars. We do not currently charge fees for optional training programs but reserve the right to do so in the future. You must pay all travel and living expenses associated with your attendance at optional training programs.

Optional Training Programs

We currently provide optional manager and agent training at certain company events and programs that take place at varying locations throughout each year. There is currently no additional charge to participate in these optional training programs. If you choose to participate in any optional training, you are responsible for any travel and/or lodging expenses for you and your sales associates.

The table of contents of the Operating Manual, as of the date of this disclosure document, is attached to this disclosure document as Exhibit C. As of that date, the Operating Manual contained a total of 27 pages.

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ITEM 12
TERRITORY

The location of your Office is subject to our prior approval. The location of your Office may be approved by us at the time you enter into the Franchise Agreement and in that case it will be designated in the Franchise Agreement. If the specific location of your Office is not designated in the Franchise Agreement, we will provide you with a "Targeted Development Area". Your Targeted Development Area is a geographical area in which you must develop your Office and open within ninety days of the date of the Franchise Agreement.

Your "Protected Area" will be a circle with a diameter of three miles whose center lies at the location of your Office. Your Protected Area is the geographic area in which, so long as you are in full compliance with the Franchise Agreement, we will not open or license another Howard Hanna brokerage business franchise to open an Office. Your Protected Area is non-exclusive and you will not receive an exclusive territory. You may face competition from other franchises and from outlets that we own, or from other channels of distribution or competitive brands that we control. There are no restrictions on the ability of us or other franchisees to conduct sales activities within your Protected Area. Neither we nor any other franchisee has any obligation to pay you any compensation for soliciting or accepting business inside your Protected Territory. There are no restrictions on you from soliciting or accepting business from customers outside your Protected Area or from using other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to solicit and/or make sales outside of your Protected Area.

The continuation of your exclusive right to locate your Office within your Protected Area is not dependent on achieving a certain sales volume, market penetration or other contingency. However, in the event the number of sales representatives associated with your franchise at any time following the third anniversary of your Franchise Agreement drops below 50% of the average number of sales representatives associated with your franchise at the end of the preceding 36 months, we have the right to terminate your Franchise Agreement. The phrase "sales representatives associated with your franchise" means all persons associated with your franchise who are employed or authorized by you to directly or indirectly, trade in real estate and received fees or commissions attributable to and conditioned upon not less than three real estate closings for which your franchise received a broker's fee or other sales commission.

If you wish to open additional Offices, you must apply to us for approval to do so by submitting a written application for additional Offices at least ninety days (90) before the planned date of opening. We will approve, conditionally approve, or disapprove your expansion request at our sole discretion. We may require that you execute a separate Franchise Agreement for each new Office. If we do not require that you execute a separate Franchise Agreement for a new Office, then before you open the new Office your existing Franchise Agreement will be amended to add the new Office by your execution of a franchise location addendum in the form attached hereto as Exhibit K. You have no options, rights of first refusal, or similar rights to acquire additional franchises.

We have no pre-determined specific conditions under which we will approve relocation. Whether or not we would permit an office to relocate depends on the circumstances at the time of the application and what is in the Offices' and our System's best interests.

We and our affiliates reserve the right to license other real estate brokers to use the Marks anywhere other than in your Protected Area. Additionally, we and our affiliates reserve the right to establish anywhere, franchises or company-owned businesses or other channels of distribution (including the internet, catalog sales, telemarketing, or other direct marketing) that:

(a) Lease similar products or services under trademarks, service marks, trade names, logos, designs, colors or other commercial symbols different from the Marks; or

(b) Offer other products or services under the Marks such as mortgage, title insurance or relocation operations.

However, we have not established other channels of distribution, and we have no present plans to operate or franchise a business under a different trademark, that sells or will sell goods or services similar to those you will sell, whether within or outside your Protected Area. Before October 25, 2010, Howard Hanna Real Estate Associates, Inc. offered licenses to operate substantially similar businesses. Howard Hanna no longer offers such licenses, but continues to maintain the Howard Hanna license program, subject to and in accordance with the license programs agreements provisions.

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ITEM 13

TRADEMARKS

We grant you the right to use certain trademarks, service marks and other commercial symbols in connection with the operation of your franchise, but only in the manner authorized and permitted by us. Our parent, Hanna Holdings, Inc., licenses to us the right to use and further license to you and other franchisees the following trademarks and service marks that Hanna Holdings, Inc. registered with the principal register of the United States Patent and Trademark Office (PTO):

MARK	REGISTRATION NO.	CLASS	REGISTRATION DATE
HOWARD HANNA	2381125	036, 041 and 042	August 29, 2000
HOWARD HANNA	2531196	036	January 22, 2002

In addition to those marks listed above, Hanna Holdings, Inc. claims common law service or trademark rights to other words, phrases, or designs that you may use in the operation of your franchise. We do not have a federal registration for some of our principal trademarks and service marks. The following statements apply solely to any unregistered trademarks and service marks: We do not have a federal registration for these trademarks. As such, these trademarks do not have as many legal benefits and rights as federally registered trademarks. If our right to use these trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

We have timely filed all affidavits and renewals required to keep our federal registrations in force. There are no agreements currently in effect which limit our right to license the use of the proprietary marks that are in any manner material to you.

There are no currently effective material determinations of the PTO, the Trademark Trial, and Appeal Board, any state trademark administrator or any court involving our principal trademarks. There are no pending infringement, opposition, or cancellation proceedings involving our principal trademarks.

We license use of each of the Marks from Hanna Holdings, Inc., pursuant to a written license agreement (the "Trademark License"). Under the Trademark License we have full rights to grant you a license to use the Marks in accordance with your Franchise Agreement. There are no material limitations on your use imposed by the Trademark License, nor any relevant circumstances under which the Trademark License may be cancelled or modified in a manner material to the franchise. The Trademark License is for an

unstated term and may be cancelled or modified by agreement of the parties, provided that no such cancellation or modification will impair any franchisee's rights under any Franchise Agreement.

You must follow our rules when you use the Marks. You cannot use any Mark as part of the name of your legal entity or with modifying words, designs or symbols (except for those we license). You cannot use any Mark in connection with the performance or sale of any unauthorized services or products or in any other manner we have not expressly authorized in writing.

Infringements

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or any claim by any person of any rights in any Mark, and you may not communicate with any person other than us, our attorneys, and your attorneys in connection with any such infringement, challenge, or claim. We have the right to control any administrative proceedings or litigation involving a Mark. We have sole discretion to take any action (including no action) as we deem appropriate and the right to control exclusively any litigation, PTO proceeding or any other administrative proceeding arising from such infringement, challenge or claim or otherwise relating to any Mark. You must sign any instructions and documents, provide such assistance and take any action that, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interest in any litigation or PTO or other proceeding, or otherwise to protect and maintain our interests in the Marks. We will indemnify and defend you against and reimburse you for all damages for which you are held liable to third parties in any proceeding arising out of your authorized use of any Mark so long as you have timely notified us of the claim and have otherwise complied with the terms of the Franchise Agreement. We will have the right to defend any such claim and, if we do so, we will have no obligation to indemnify or reimburse you for any fees or disbursements of any attorney(s) retained by you. If we elect to defend the claim, we will have the right to manage the defense of the claim including the right to compromise, settle, or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

Changes to the Marks

If it becomes advisable at any time in our sole discretion for us and/or you to modify or discontinue the use of any Mark and/or use one more additional or substitute trade or service marks or trade dress, you must comply with our directions within a reasonable time after receiving notice. If so, we will reimburse you for your reasonable direct costs of changing the Office sign. However, we will not be obligated to

reimburse you for any loss of revenue attributable to any modified or discontinued Mark or any expenditure you make to promote and modify or substitute trademarks, service marks, or trade dress.

Other than as described above, we do not actually know of any superior rights or infringing uses that could materially affect your use of our Marks in any state.

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ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

There are no patents that are owned or licensed by us and material to the franchise. Neither we nor our affiliates have any pending patent applications that are material to the franchisees.

We claim common law copyright protection and proprietary rights in all copyrightable aspects of the System, including our Manual, website, correspondence, and communications with you or other franchisees, relating to the System, training, advertising, and promotional materials and other written materials used in operating a franchise. Neither we nor any of our affiliates have filed an application for a copyright registration with the U.S. Registrar of Copyrights for these materials, but need not do so at this time to protect them. We may register any of these items or copyrightable materials in the future.

There currently are no effective determinations of the Copyright Office (Library of Congress), or any court regarding any of the copyrighted materials. There are no agreements currently in effect that limit our right to use and/or authorize franchisees to use the copyrighted materials. There are no infringing uses actually known to us which could materially affect use of the copyrighted materials in any state. We are not required by any agreement to protect or defend copyrights or confidential information, although we intend to do so when in the best interest of the System. We need not participate in your defense, and/or indemnify you for damages or expenses in proceedings involving a copyright.

The Manual and other materials and information we may give you access to contain our confidential information that we treat as trade secrets. This information may include, but is not limited to, methods, formats, specifications, standards, procedures, sales and marketing techniques, knowledge of and experience in developing and operating real estate brokerages, knowledge of specifications for and suppliers of certain fixtures, equipment, materials and supplies, and knowledge of the operating results and financial performance of franchisees. You and your owners must not communicate or use our confidential information for the benefit of anyone else. After the Franchise Agreement terminates or expires, you and your owners may no longer use the confidential information and must return it to us. We may require that your employees, independent contractors or agents sign a form of nondisclosure agreement. We may regulate the form of agreement that you use and may require that we may be made a third party beneficiary of that agreement with independent enforcement rights.

If developing any new ideas, concepts, processes, techniques, or improvements relating to the operation or promotion of your franchise, you must promptly notify us and give us all necessary information about

such ideas, concepts, processes, techniques, or improvements without compensation. These ideas, concepts, processes, techniques, and improvements will be considered our property, and part of the System, and will be considered works made-for-hire for us. You and your owners must sign whatever documents we request to evidence our ownership to assist us in securing intellectual property rights and such ideas, concepts, processes, techniques or improvements.

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

If you are an individual you must personally direct the operation of your franchise. If you are business entity, you must designate one of your owners to be the point of contact between us and you (the "Principal Owner"). The Principal Owner must (1) faithfully, honestly and diligently perform your duties in connection with, and devote his full time and best efforts to operating, your Franchise; (2) be present at the Office at least fifty percent of the hours the Office is open to the public for business; and (3) satisfactory complete any initial training program and any other training programs we may require. You cannot delegate this responsibility, except in special circumstances subject to our prior approval.

Because every state requires that brokerage activities be directly supervised by a broker of record who meets its real estate licensing requirements, you must designate a broker of record. You must identify your broker of record in the Franchise Agreement and you must notify us in writing of any change.

Each of your owners must execute and deliver an agreement undertaking to guarantee and otherwise to be bound jointly and severally by all provisions of the Franchise Agreement, including the provisions pertaining to confidentiality and noncompetition.

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ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must use your Office(s) solely for the operation of your franchise. You must operate your franchise in strict conformity with our standards and must not operate in any manner that reflects adversely on the Marks or the System. You must sell only products and services that have been approved by us. You must sell all the products and services that we specify in the Manual or otherwise in writing. We have the right to modify the types of authorized goods or services and there are no limits on our right to make these changes.

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ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

The Franchise Relationship

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

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT. NOTE: 1	SUMMARY
a. Length of the franchise term	Section 2.3	Ten years from the Commencement Date.
b. Renewal or extension of the term	Section 3.1	Subject to applicable state law, neither party has the right to renew or extend upon expiration of the term. We may allow you to renew for an additional term subject to your compliance with the conditions below.
c. Requirements for franchisee to renew or extend	Section 3.1	Compliance with Franchise Agreement; sign franchise agreement that may contain materially different terms and conditions than the original Franchise Agreement; pay $5,000 renewal fee; and you and your owners deliver a general release of any claims against us and our affiliates.
d. Termination by franchisee	Section 15.1	For cause; only upon our failure to correct or commence correction of a material default within sixty days of notice.
e. Termination by franchisor without cause	Not applicable	Not applicable.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT. NOTE: 1	SUMMARY
f. Termination by franchisor with cause	Section 15.6	We can terminate only if you default your obligations under the Franchise Agreement or any other agreement you or your owners have with us or our affiliates.
g. "Cause" defined – curable defaults	Section 15.2	Five days to cure a violation of law; ten days to cure a payment default to us or any supplier; thirty days to cure a bankruptcy, insolvency or attachment default; thirty days after failure to comply with System Standard or comply with any other provision in the Franchise Agreement that is not specified in Sections 15.2(a) through (r).

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT. NOTE: 1	SUMMARY
h. “Cause” defined – non-curable defaults	Section 15.2	You receive no notice or right to cure if you: make a material misrepresentation in connection with your purchase of the franchise; you or your personnel fail to successfully complete initial training or fail to comply with any of our management conditions; fail to commence operation within ninety days of the Effective Date; abandon or fail to actively operate any Office for two consecutive business days; transfer control without our consent; are convicted, plead guilty to or no contest to a felony or offense that is likely, to adversely affect the System’s reputation; engage in dishonest or unethical conduct; make any unauthorized transfer; fail to complete an authorized transfer to a successor in the event of the death or disability of an owner with a controlling interest within sixty days of the date of death or disability; fail to timely open additional Offices as required by the Agreement; lose possession of any Office; make an unauthorized disclosure of confidential information or improper use of the Manual; fail to pay taxes; or fail to timely cure a curable default referenced in (g) above.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT. NOTE: 1	SUMMARY
i. Franchisee's obligations on termination/non-renewal	Section 16	Pay amounts due; complete de-identification; cease use of Marks; surrender certain materials; assign telephone numbers to us; maintain confidentiality of confidential information; comply with competitive restrictions; comply with indemnification and dispute resolution provisions; comply with nonsolicitation provisions.
j. Assignment of contract by franchisor	Section 14.1	Transferee must agree to be bound by and assume our obligations under the Franchise Agreement.
k. "Transfer" by franchisee – defined	Sections 14.2, 14.4 and 14.5	You may not transfer or pledge any interest in your assets, the Franchise Agreement, or you without our consent.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT. NOTE: 1	SUMMARY
l. Franchisor approval of transfer by franchisee	Section 14.3	Transfer is permitted if: the transferee and its owners are of good character and meet our standards; the transferee has sufficient business experience, aptitude, licenses and financial resources; you have paid all amounts owing to us and third parties; you have submitted all required reports; the transferee completes and agrees to be bound by the Franchise Agreement and guarantee; you pay patrons for fee equal to twenty-five percent of our then current Initial Franchise Fee; delivery of general release; our approval of the terms of transfer including price and payment terms; subordination of any owner financing to payments owing to us; transferee to be bound by confidentiality and restrictive covenant provisions contained in Sections 8 and 9 of Franchise Agreement; and upgrade offices to current standards.
m. Conditions for franchisor approval of transfer	Section 14.3	See (l) above.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 14.8	We have the right to purchase your ownership interest/assets under the same conditions proposed by a third party subject to certain specified modifications.
o. Franchisor's option to purchase franchisee's business	Not applicable	Not applicable.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT. NOTE: 1	SUMMARY
p. Death or disability of franchisee	Sections 14.5 and 14.6	Treated as a transfer by you subject to the same conditions set forth in (m) above. We may appoint an interim operator of the business and charge a management fee.
q. Non-competition covenants during the term of the franchise	Section 9	Neither you nor your owners may engage in a competitive business. You may not solicit or hire any System employee or sales representative (or former employee or sales representative) without satisfying certain conditions, including procuring consent of the employer and paying a specified fee.
r. Non-competition covenants after the franchise is terminated or expires	Section 16	If the Franchise Agreement is terminated by us for cause, you and your owners must not engage in a competitive business within your Protected Area or twenty-five miles beyond, for what would have been the remainder of the term or two years, whichever is greater; if the Franchise Agreement is terminated for cause you and your owners may not solicit System employees or sales representatives, your employees or customers for what would have been the balance of the term or two years, whichever is greater.
s. Modification of the agreement	Section 19.13	The Franchise Agreement is the entire agreement between the parties and may only be modified in writing signed by you and us.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT. NOTE: 1	SUMMARY
t. Integration/merger clause	Section 19.13	See (s) above. Nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	Sections 19.3, 19.5, 19.6, 19.7, 19.8, 19.9, 19.10, 19.11 and 19.20	There are limitations upon when litigation must commence, punitive damages, liability, jury trials, class actions, and remedies. The prevailing party is entitled to attorney's fees and court costs.
v. Choice of forum	Section 19.8	Subject to applicable state law, suit may only be brought where our principal office is then located.
w. Choice of law	Section 19.7	Subject to applicable state law, the Lanham Act and Pennsylvania Law controls.

Note 1: All references are to Sections of the Franchise Agreement, unless otherwise noted.

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ITEM 18

PUBLIC FIGURES

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

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ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchise outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you received any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mr. Frederick "Duffy" Hanna, 119 Gamma Drive, Pittsburgh, PA 15238, (412) 967-9000, the Federal Trade Commission, and the appropriate regulatory agencies.

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ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

The tables below reflect information about outlets operating under the Howard Hanna brand. Hanna Holdings, through various subsidiaries and affiliates operates brokerage businesses under the Howard Hanna brand. HHRAI previously licensed unaffiliated brokers to operate their businesses under the Howard Hanna Marks (the "Licensing Program"). HHRAI no longer offers licenses under the Licensing Program and no licenses entered into pursuant to the Licensing Program remain in effect. References to "Company-owned" in the charts below refer solely to brokerage offices operated by subsidiaries controlled by our parent Hanna Holdings, Inc. Unaffiliated brokers operating under the Licensing Program operate pursuant to contracts with materially different terms than the provisions set forth in our standard Franchise Agreement.

Table No. 1

Systemwide Outlet Summary

For years 2023 to 2025

OUTLET TYPE	YEAR	OUTLETS AT START OF YEAR	OUTLETS AT END OF YEAR	NET CHANGE
Franchised	2023	48	45	-3
	2024	45	44	-1
	2025	44	40	-4
Company-Owned	2023	409	410	1
	2024	410	407	-3
	2025	407	425	18
Total Outlets	2023	457	455	-2
	2024	455	451	-4
	2025	451	465	14

Table No. 2

Transfers of Outlets from Franchisee to New Owners (other than the Franchisor)
For years 2023 to 2025

STATE	YEAR	NUMBER OF TRANSFERS
Ohio	2023	0
	2024	0
	2025	0
New York	2023	0
	2024	0
	2025	0
Pennsylvania	2023	0
	2024	0
	2025	0
West Virginia	2023	0
	2024	0
	2025	0
Michigan	2023	0
	2024	0
	2025	0
Indiana	2023	0
	2024	0
	2025	0
North Carolina	2023	0
	2024	0
	2025	0
Totals	2023	0
	2024	0
	2025	0

Table No. 3

Status of Franchised Outlets
For years 2023 to 2025

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS OTHER REASONS	OUTLETS AT END OF YEAR
Indiana	2023	2	0	0	0	0	1	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Michigan	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
New York	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	1	0	0	0	0	8
North Carolina	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Ohio	2023	4	0	0	0	0	1	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	1	2
Pennsylvania	2023	29	1	0	0	0	2	28
	2024	28	0	0	0	0	1	27
	2025	27	0	2	0	0	2	23
West Virginia	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Totals	2023	48	1	0	0	0	4	45
	2024	45	0	0	0	0	1	44
	2025	44	1	2	0	0	3	40

Table No. 4

Status of Company-Owned Outlets
For years 2023 to 2025

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE NOTE 1	OUTLETS AT END OF YEAR
Ohio	2023	133	0	0	15	0	118
	2024	118	11	0	0	0	129
	2025	129	31	0	19	0	141
Michigan	2023	11	0	0	0	0	11
	2024	11	0	0	2	0	9
	2025	9	0	0	0	0	9
North Carolina	2023	57	4	0	0	0	61
	2024	61	3	0	0	0	64
	2025	64	1	0	3	0	62
Pennsylvania	2023	46	0	0	1	0	45
	2024	45	0	0	0	0	45
	2025	45	0	0	1	0	44
Virginia	2023	17	0	0	2	0	15
	2024	15	0	0	2	0	13
	2025	13	0	0	0	0	13
New York	2023	100	19	0	3	0	116
	2024	116	0	0	9	0	107
	2025	107	2	0	0	0	109
Indiana	2023	14	0	0	1	0	13
	2024	13	0	0	0	0	13
	2025	13	1	0	0	0	14
Connecticut	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
New Jersey	2023	13	0	0	0	0	13
	2024	13	0	0	4	0	9
	2025	9	0	0	1	0	8
Kentucky	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2

	2025	2	0	0	0	0	2
South Carolina	2023	13	0	0	0	0	13
	2024	13	0	0	0	0	13
	2025	13	6	0	0	0	19
West Virginia	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
Georgia	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	1	0	0	0	1
Totals	2023	409	23	0	22	0	410
	2024	410	14	0	17	0	407
	2025	407	42	0	24	0	425

Table No. 5

Projected Openings As Of December 31, 2025

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLETS IN THE NEXT FISCAL YEAR
Florida	0	0	0
Georgia	0	0	0
Maryland	0	0	0
Michigan	0	1	0
New York	0	0	0
New Jersey	0	1	0
North Carolina	0	0	0
Ohio	0	0	0
Pennsylvania	0	1	0
West Virginia	0	0	0
Wisconsin	0	0	0
Total	0	3	0

We are required by law to disclose the names of all current franchisees and the address and telephone number of each of their outlets. Please see Exhibit F for a list of our current franchisees.

We are also required to disclose the name, city and state, and, if known, the current business telephone number or, if unknown, the last known telephone number of every franchisee who has a franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement for the most recently completed fiscal year, or has not communicated with us within ten weeks of the disclosure document issuance date. Please see Exhibit G for a list of all such former franchisees. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No franchisees have signed confidentiality clauses with us required to be disclosed in this Item during the last three fiscal years that would restrict them from speaking openly about their experiences as a franchise in our System. There are no trademark-specific franchisee organizations associated with the franchise system being offered in this disclosure document.

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit D are our audited financial statements for the fiscal years ended December 31, 2025, 2024 and 2023.

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ITEM 22

CONTRACTS

Copies of all proposed agreements regarding this franchise offering are included as Exhibits to this disclosure document. These include:

Exhibit E to the Franchise Disclosure Document: Standard Franchise Agreement
Exhibit H to the Franchise Disclosure Document Compliance Certification
Exhibit I to the Franchise Disclosure Document: State Specific Addenda
Exhibit J to the Franchise Disclosure Document: Sample General Release
Exhibit K to the Franchise Disclosure Document: Franchise Location Addendum

ITEM 23

RECEIPTS

You will find copies of a printable receipt in Exhibit L at the very end of this disclosure document.

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EXHIBIT A
TO THE FRANCHISE DISCLOSURE DOCUMENT
LIST OF ADMINISTRATORS

Listed here are the names, addresses, and telephone numbers of the state agencies who have responsibility for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the applicable state franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents employed in some of the states listed:

CALIFORNIA
California Corporation Commissioner
Department of Corporations
320 West Fourth Street, Suite 750
Los Angeles, California 90013-2344
(213) 876-7500
Toll Free: (866) 275-2677

HAWAII
Commissioner of Securities of the State of Hawaii
Department of Commerce & Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS
Franchise Bureau
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

NEW YORK
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8211

NORTH DAKOTA
North Dakota Securities Department
600 Boulevard Avenue, State Capitol
Fifth Floor, Dept. 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

RHODE ISLAND
Department of Business Regulation
Securities Division
Bldg. 69, First Floor
John O. Pastore Center
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9527

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INDIANA
Indiana Secretary of State
Franchise Section
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

MICHIGAN
Consumer Protection Division
Franchise Section
Attn: Katharyn A. Barron
670 G. Mennen Williams Building
Lansing, Michigan 48913
(517) 373-7117

MINNESOTA
Commissioner of Commerce
Department of Commerce
85 7th Place East
Suite 500
St. Paul, Minnesota 55101
(651) 296-4026

SOUTH DAKOTA
Director of Division of Securities
445 E. Capitol Avenue
Pierre, South Dakota 57501-2017
(605) 773-4013

VIRGINIA
Director, Securities and Retail
Franchising Division
State Corporation Commission
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON
Department of Financial Institutions
Securities Division – 3rd Floor
150 Israel Road, S.W.
Tumwater, Washington 98501
(360) 902-8760

WISCONSIN
Office of the Commissioner of Securities
345 West Washington Avenue
Fourth Floor
Madison, Wisconsin 53703
(608) 261-9555

EXHIBIT B

TO THE FRANCHISE DISCLOSURE DOCUMENT

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a "franchise" in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in those states:

CALIFORNIA
California Corporations Commissioner
Department of Corporations
320 West Fourth Street, Suite, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500
Toll Free: (866) 276-2677

HAWAII
Commissioner of Securities of the State of Hawaii
Department of Commerce & Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA
Indiana Secretary of State
201 State House
Indianapolis, Indiana 46204
(317) 232-6681

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NEW YORK
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8211

NORTH DAKOTA
North Dakota Securities Commissioner
600 Boulevard Avenue, State Capitol
Fifth Floor
Bismarck, North Dakota 58505-0510

RHODE ISLAND
Director of Department of Business Regulation
Department of Business Regulation
Securities Division
Bldg. 69, First Floor
John O. Pastore Center
1511 Pontiac Center
Cranston, Rhode Island 02920
(401) 462-9527

SOUTH DAKOTA
Director of Division of Securities
445 East Capitol Avenue
Pierre, South Dakota 57501-2017
(605) 773-4013

MARYLAND
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

MICHIGAN
Michigan Department of Commerce
Corporations and Securities Bureau
6546 Mercantile Way
P. O. Box 30222
Lansing, Michigan 48910
(517) 373-7117

MINNESOTA
The Commissioner of Commerce
85 7th Place East
Suite 500
St. Paul, Minnesota 55101
(651) 296-4026

VIRGINIA
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9733

WASHINGTON
Director of Department of Financial Institutions
Securities Division – 3rd Floor
150 Israel Road, S.W.
Tumwater, Washington 98501
(360) 902-8760

WISCONSIN
Commissioner of Securities
345 West Washington Avenue
Fourth Floor
Madison, Wisconsin 53703
(608) 261-9555

EXHIBIT C

TO THE FRANCHISE DISCLOSURE DOCUMENT

TABLE OF CONTENTS FOR OPERATING MANUAL

The number of pages per section of the Table of Contents may change due to periodic updates of the Operations Manual.

Table of Contents	Total Pages 27
Introduction | Welcome to Howard Hanna Franchising	1
Operations Manual: Purpose and Relationship to the Franchise Agreement	1
Use of the Manual	1
Amendments to the Operations Manual	1
Procedural Guides and Resources	1
Prominent Notice of Independence	1
Notification of Claims against Trademarks or Claims of Infringement	1
Notices and Addresses	1
Chapter One | Brokerage Support Services	1
Technology Support: Howard Hanna IT Help Desk	1
Transaction Reporting: Profit Power® Transaction Reporting Software	1
Education & Training: Brokerage Onboarding	1
Education & Training: Resources for Agents, Management, and Staff	1
Marketing Support: Brokerage Marketing	1
Marketing Support: Hanna Luxury	1
Marketing Support: Promotional Items	1
MLS-driven Tools & Services: Establishing Third Party Data Agreements	1
Chapter Two | Brokerage Administration Policies	1
Policies & Procedures for Associates	1
Software Recommendations	1
Answering the Telephone	1
Profit Power® Transaction Reporting Software	1
Personnel/Contractor Management and Status Updates	1
Terminated Associates	1
Email Policy	1
Email Signatures	1
Retention of Office Records	1
Document Retention & Auditing	1
Record Accuracy and Use of Information	1
Audit Procedures	1
Royalty Payments	1
Agent Services Fees	1
Corporate Relocation and Referrals from non-Howard Hanna Brokerages	1
Determining Relocation Referral Fees	1
Referrals: Franchise Brokerage to Franchise Brokerage	1

Referrals: Franchise Brokerage to Howard Hanna Corporate	1
Rapid Response Leads & Referral Fees	1
Referrals: Howard Hanna Corporate to Franchise Brokerage	1
Insurance Policy Requirements and Recommendations	1
Evidence of Insurance Coverage	1
Legal Standards Equal Employment Opportunity	1
Open Housing	1
Commission Agreements	1
Ethical Standards National Association of Realtors Code of Ethics	1
Chapter Three | Office Standards & Location Management	1
Office Design and Appearance Standards	1
Minimum Required Open Office Days and Hours	1
Branch Office(s)	1
Office Locations	1
Adding or Relocating an Office	1
Adding Offices	1
Relocating an Office	1
Closing an Office	1
Chapter Four | Marketing & Advertising	1
Howard Hanna Brand Identity	1
Advertising Policy	1
Email & Phone Marketing Compliance	1
Do Not Call List	1
Marketing Materials	1
Brokerage & Sales Associate Profiles and Websites	1
Sales Associate Marketing: Photography Guidelines	1
Property Marketing: Photography Requirements	1
Realty-related Reality TV Appearances	1
Social Media: Facebook, Twitter, Instagram	1
Social Media Policy	1
Chapter Five | Special Events & Incentive Programs	1
Franchise Participation in Howard Hanna Special Events	1
Franchise Conference	1
Howard Hanna Convention	1
Howard Hanna Managers' Symposium	1
Howard Hanna Agent Award Shows	1
Howard Hanna Incentive Trips	1
Howard Hanna Champions Club Events	1
Office and Associate Perks & Discount Programs	1
Chapter Six | Specialized Services, Tools, and Programs	1
Hanna Gold Advantage	1
Howard Hanna Find it First ™	1
Howard Hanna's Apartment Dwellers Trade-In Program	1

Howard Hanna's Money Back Guarantee 1
Income Advantage 1
Profit Sharing 1
Hannamobile 1

EXHIBIT D

TO THE FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

HOWARD HANNA REAL ESTATE ASSOCIATES, LLC
Pittsburgh, Pennsylvania

Financial Statements
For the years ended December 31, 2025, 2024 and 2023

and Independent Auditor's Report Thereon



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CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Balance Sheets, December 31, 2025, 2024 and 2023	3
Statements for the years ended December 31, 2025, 2024 and 2023:	
Operations and Changes in Member's Equity	4
Cash Flows	5
Notes to Financial Statements	6

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INDEPENDENT AUDITOR'S REPORT

To the Member
Howard Hanna Real Estate Associates, LLC
Pittsburgh, Pennsylvania

Opinion

We have audited the accompanying financial statements of Howard Hanna Real Estate Associates, LLC (Company), which comprise the balance sheets as of December 31, 2025, 2024 and 2023, and the related statements of operations and changes in member's equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025, 2024 and 2023, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Schneider Downs & Co., Inc.

Pittsburgh, Pennsylvania
March 23, 2026

HOWARD HANNA REAL ESTATE ASSOCIATES, LLC

BALANCE SHEETS

	December 31		
	2025	2024	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 916,661	$ 1,278,555	$ 1,144,925
Accounts receivable	165,265	76,177	147,495
Current portion of notes receivable	42,033	42,033	42,033
Current portion of contract asset	40,300	42,441	43,560
Prepaid expenses	30,200	29,000	-
Due from affiliates	39,782	-	290
Total Current Assets	1,234,241	1,468,206	1,378,303
Contract asset	79,075	119,375	161,816
Notes receivable, net of unamortized net present value discount	103,438	143,194	182,601
Total Assets	$ 1,416,754	$ 1,730,775	$ 1,722,720
LIABILITIES AND MEMBER'S EQUITY			
CURRENT LIABILITIES			
Current portion of deferred fee income	$ 30,894	$ 31,980	$ 34,449
Due to affiliates	-	4,148	-
Accounts payable and accrued expenses	11,936	21,297	10,913
Accrued bonus	82,531	60,806	15,096
Total Current Liabilities	125,361	118,231	60,458
Deferred fee income	95,030	125,924	157,904
Total Liabilities	220,391	244,155	218,362
MEMBER'S EQUITY	1,196,363	1,486,620	1,504,358
Total Liabilities and Member's Equity	$ 1,416,754	$ 1,730,775	$ 1,722,720

See notes to financial statements.

HOWARD HANNA REAL ESTATE ASSOCIATES, LLC

STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	2025	2024	2023
FEE INCOME	$ 2,500,956	$ 2,324,417	$ 2,414,023
OPERATING EXPENSES			
Other operating expenses	1,051,389	969,103	1,076,769
Salaries and related expenses	443,193	432,388	540,047
Professional fees	48,994	12,635	24,009
Advertising expenses	64,946	50,444	62,835
Total Operating Expenses	1,608,522	1,464,570	1,703,660
INTEREST INCOME	17,309	22,415	-
Net Income	$ 909,743	$ 882,262	$ 710,363
MEMBER'S EQUITY, BEGINNING	$ 1,486,620	$ 1,504,358	$ 793,995
Net income	909,743	882,262	710,363
Distributions paid	(1,200,000)	(900,000)	-
MEMBER'S EQUITY, ENDING	$ 1,196,363	$ 1,486,620	$ 1,504,358

See notes to financial statements.

HOWARD HANNA REAL ESTATE ASSOCIATES, LLC

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 909,743	$ 882,262	$ 710,363
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization of notes receivable	39,756	42,623	36,121
Changes in operating assets and liabilities:			
Accounts receivable	(89,088)	71,318	(82,302)
Deferred fee income	(31,980)	(34,449)	(35,911)
Prepaid expenses and other current assets	(1,200)	(29,000)	-
Contract asset	42,441	43,560	44,324
Due to/from affiliates	(43,930)	4,438	8,798
Accounts payable and accrued expenses	(9,361)	10,384	(3,302)
Accrued bonus	21,725	45,710	(138,018)
Net Cash Provided By Operating Activities	838,106	1,036,846	540,073
CASH FLOWS FROM INVESTING ACTIVITIES			
Notes receivable	-	(3,216)	(78,439)
Net Cash Used In Investing Activities	-	(3,216)	(78,439)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distributions paid to member	(1,200,000)	(900,000)	-
Net Cash Used In Financing Activities	(1,200,000)	(900,000)	-
Net (Decrease) Increase In Cash And Cash Equivalents	(361,894)	133,630	461,634
CASH AND CASH EQUIVALENTS Beginning of year	1,278,555	1,144,925	683,291
End of year	$ 916,661	$ 1,278,555	$ 1,144,925

See notes to financial statements.

NOTE 1 - DESCRIPTION OF BUSINESS

Howard Hanna Real Estate Associates, LLC (Company), a Pennsylvania Limited Liability Company, was formed on October 5, 2010, as a franchising company from which independently owned and operated real estate offices are allowed to incorporate Howard Hanna programs and services into their business. Franchise offices are granted licenses to own and operate a Howard Hanna brokerage business offering the products and services the Company authorizes and approves, utilizing Howard Hanna's trademarks, copyrights and systems. The Company is a wholly owned subsidiary of Hanna Holdings, Inc. (Parent). The Parent is the sole member of the Company and fully supports operations.

Accounts receivable of approximately $68,000, or 51% of accounts receivable, was from two franchise offices as of December 31, 2025. Accounts receivable of approximately $17,000, or 23% of accounts receivable, was from two franchise offices as of December 31, 2024. Accounts receivable of approximately $32,000, or 22% of accounts receivable, was from two franchise offices as of December 31, 2023.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied by management in the preparation of the accompanying financial statements follows:

Use of Estimates - Management uses estimates and assumptions in preparing financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition - The Company enters franchise agreements with independently owned real estate offices. The duration of the agreements is generally five to 10 years. At inception, the Company assesses the services promised in a contract and identifies, as a separate performance obligation, each distinct promise to transfer services to the customer. The transaction price attributable to each separate and distinct performance obligation is recognized as the performance obligations are satisfied. Franchise agreements generally include one distinct performance obligation. The Company recognizes upfront fees over the term of the franchise agreement; royalty fees are recognized over the term of the agreement as the underlying sales occur; and agent service fees are recognized on a monthly basis over the term of the agreement.

Contract Costs - Costs to obtain a contract consist of a bonus that is paid upon execution of a new franchise license, renewal fee or new office location for existing franchisee as a form of compensation. This is a cost that would not be incurred if not for the contract with the customer and is now capitalized and amortized over the life of the agreement. This contract cost is recorded as a contract asset in the balance sheets.

Deferred Fee Income - Deferred fee income represents upfront franchise fees received but not earned and is considered a contract liability under Financial Accounting Standards Board (FASB) Accounting Standard Codification, Topic 606, Revenue Recognition.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract Balances - The following table provides information about the Company's various contract balances resulting from contracts with customers. The Company refers to these balances as notes receivable and deferred fee income:

	December 31, 2025	December 31, 2024	December 31, 2023	January 1, 2023
Contract Assets:				
Notes receivable, net	$ 145,471	$ 185,227	$ 224,634	$ 182,316
Contract asset	119,375	161,816	205,376	249,700
Contract Liabilities:				
Deferred fee income	$ 125,924	$ 157,904	$ 192,353	$ 228,264

Fee Income - The Company recognizes revenue over the duration of the franchise agreement, which includes an upfront franchise fee, a royalty fee based on a percentage of gross revenue earned by the franchise office from home sales each year and a monthly agent services fee earned based on the number of agents at each franchise office.

Cash and Cash Equivalents - The Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents. The Company maintains its cash in bank deposit accounts, which at times may exceed federally insured limits.

Accounts Receivable - Accounts receivable consist of amounts due from the independently owned real estate offices under franchising agreements. Management considers the following factors when determining the collectability of specific accounts: creditworthiness, past transaction history, current economic industry trends and changes in payment terms. The Company provides an allowance for expected credit losses equal to the estimated uncollectible amounts as considered necessary. Receivables are written off after all avenues of collection have been exhausted. There was no allowance for expected credit losses recorded as of December 31, 2025, 2024 and 2023.

Notes Receivable - Notes receivable as of December 31, 2025, 2024 and 2023 are due from five entities, five entities and six entities, respectively, with whom the Company has franchise agreements. The original notes were provided, interest-free, in amounts ranging from $10,000 to $100,000 to offset their transition costs. The notes receivable are amortized in 120 equal monthly installments ranging from $83 to $833, through the year ended December 31, 2031, which correlates with the expiration of each respective franchise agreement. The net present value discount was calculated at the 10-year U.S. Treasury bill rate at the time of issuance. The remaining net present value discount is $13,448, $16,316 and $19,532 as of December 31, 2025, 2024 and 2023, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes - The Company is recognized as a single-member Limited Liability Corporation under the Internal Revenue Code, therefore the member ultimately pays federal and state income tax on the Company's taxable income. Accordingly, no income tax liability or provision has been recorded by the Company. The statutory tax years of 2022, 2023, and 2024 remain open.

The Company accounts for uncertainty in income taxes with a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold is met. Management determined there were no tax uncertainties that met the recognition threshold in 2025, 2024 and 2023. Interest and penalties, if any, would be recorded in other operating expenses on the statements of operations.

Advertising - The Company uses advertising to promote franchising services. Advertising costs are expensed as incurred.

Subsequent Events - The Company has evaluated subsequent events for recognition or disclosure through March 23, 2026, which is the date the financial statements were issued.

Recent Accounting Pronouncements - The FASB issued Accounting Standards Update (ASU) 2025-05, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets, which simplifies the process of applying Topic 326 by allowing companies to forego developing economic condition forecasts as part of the determination of an allowance for credit losses. The amendments are effective for fiscal years beginning after December 15, 2025. Early adoption is permitted, including adoption in an interim period. The Company is currently assessing the impact of ASU 2025-05 on its financial statements.

NOTE 3 - RELATED-PARTY TRANSACTIONS

The Company shares administrative staff, office space and other administrative costs with the Parent and other affiliates owned by the same Parent. During the years ended December 31, 2025, 2024 and 2023, approximately $129,000, $123,000 and $115,000, respectively, of costs were allocated to the Company related to these services. As of December 31, 2025, the Company had an asset due from the Parent and other affiliates of approximately $40,000 for revenue earned by the Company but received by the Parent and other affiliates. As of December 31, 2024, the Company had a payable due to the Parent and other affiliates of approximately $14,000 for expenses paid by the Parent and other affiliates on behalf of the Company, which is recorded in due to affiliate and accounts payable and accrued expenses. As of December 31, 2023, the Company had an insignificant amount due from the Parent. There are no specified repayment terms related to these amounts.

NOTE 4 - MEMBER'S EQUITY

Member's equity consists of common units at December 31, 2025, 2024 and 2023.

EXHIBIT E

TO THE FRANCHISE DISCLOSURE DOCUMENT

STANDARD FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

TABLE OF CONTENTS

1. INTRODUCTION 1
1.1 The Howard Hanna Real Estate Brokerage System 1
1.2 Acknowledgments 2
1.3 Representations 2
1.4 No Warranties 3
1.5 Business Organization 3
2. GRANT AND TERM 4
2.1 Office and Protected Area 4
2.2 Grant 4
3. RENEWAL 5
3.1 Renewal Conditions 5
4. OFFICE SELECTION AND DEVELOPMENT 6
4.1 Office Selection 6
4.2 Relocation of the Office 7
4.3 Office Development 7
4.4 Décor 8
4.5 Transition Package 8
4.6 Operating Assets and Office Materials 8
4.7 Compliance with Laws and Good Business Practices 9
4.8 Broker of Record 9
4.9 Business Management System 9
4.10 Office Opening 10
5. FEES 10
5.1 Initial Franchise Fee 10
5.2 Royalty 10
6. TRAINING AND ASSISTANCE 13
6.1 Training 13
6.2 General Guidance 13
7. MARKS 14
7.1 Ownership and Goodwill of Marks 14
7.2 Limitations on Your Use of Marks 14

7.3 Notification of Infringements and Claims 15
7.4 Discontinuance of Use of Marks 15
7.5 Notification of Infringements and Claims 15
7.6 Copyrights 15
7.7 Copyright Infringements 16
7.8 Discontinuance 17
7.9 Marks and Copyright Indemnification 17
8. CONFIDENTIAL INFORMATION 17
8.1 Types of Confidential Information 17
8.2 Disclosure and Limitations on Use 18
8.3 Confidentiality Obligations 18
8.4 Exceptions to Confidentiality 19
9. RESTRICTIVE COVENANTS 19
9.1 No Conflicting Interest 19
9.2 Non-solicitation 19
9.3 Your Employees and Customers 20
10. OPERATION AND SYSTEM STANDARDS 20
10.1 Operations Manuals 20
10.2 Compliance with System Standards 21
10.3 Modification of System Standards 22
10.4 Interior and Exterior Upkeep 22
10.5 Hours of Operation 23
10.6 Accounting, Computers, and Records 23
10.7 Technology System 23
10.8 Trade Accounts and Taxes 24
10.9 Personnel 24
10.10 Referrals 24
10.11 Real Estate Listings 24
11. MARKETING AND PROMOTION 25
11.1 Advertising and Promotion 25
11.2 Local Advertising Expenditures 25
11.3 E-Commerce 25
11.4 Marketing & Communications 25

12. RECORDS, REPORTS, AND FINANCIAL STATEMENTS 26
12.1 Accounting System 26
12.2 Reports 26
12.3 Access to Information 26
12.4 Copies of Reports 27
13. INSPECTIONS AND AUDITS 27
13.1 Our Right to Inspect the Franchise 27
13.2 Our Right to Audit 27
14. TRANSFER 28
14.1 By Us 28
14.2 By You 28
14.3 Conditions for Approval of Transfer 29
14.4 Transfer to a Business Entity 30
14.5 Transfer upon Death or Disability 30
14.6 Operation upon Death or Disability 30
14.7 Effect of Consent to Transfer 31
14.8 Our Right of First Refusal 31
15. TERMINATION OF AGREEMENT 33
15.1 By You 33
15.2 By Us 33
15.3 Cross-Default 35
16. RIGHTS AND OBLIGATIONS UPON TERMINATION 35
16.1 Payment of Amounts Owed To Us 35
16.2 Brokerage Listings 35
16.3 Marks 35
16.4 Confidential Information 36
16.5 Competitive Restrictions 36
16.6 Damages Attributable to Nonpayment of Royalties 36
16.7 Continuing Obligations 37
17. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION 37
17.1 Independent Contractors 37
17.2 No Liability for Acts of Other Party 37
17.3 Taxes 38

17.4 Indemnification 38
18. INSURANCE 39
18.1 Types Required 39
18.2 Coverage Requirements 39
18.3 Policy Terms 39
18.4 Evidence of Coverage 40
19. ENFORCEMENT 40
19.1 Severability; Substitution of Valid Provisions 40
19.2 Waivers 41
19.3 Limitation of Liability 41
19.4 Approval and Consents 41
19.5 Waiver of Punitive Damages 42
19.6 Limitations of Claims 42
19.7 Governing Law 42
19.8 Jurisdiction 43
19.9 Waiver of Jury Trial 43
19.10 Cumulative Remedies 43
19.11 Costs and Attorneys' Fees 43
19.12 Binding Effect 44
19.13 Entire Agreement 44
19.14 No Liability to Others; No Other Beneficiaries 44
19.15 Counterparts 44
19.16 Certain Definitions 44
19.17 Timing is of the Essence 45
19.18 Confidentiality of Terms 45
19.19 Withholding Payment 45
19.20 No Class Actions 45
19.21 Guaranty 45
20. NOTICES AND PAYMENTS 46

EXHIBITS TO THE FRANCHISE AGREEMENT

Exhibit A: Office Locations, Development Area, Broker of Record Designation, and Approved Company Name

Exhibit B: Transition Package

Exhibit C: Guaranty, Indemnification, and Acknowledgement

Exhibit D: Declaration of Ownership

Exhibit E: Commencement Date Agreement

HOWARD HANNA

FRANCHISE AGREEMENT

This Franchise Agreement (this "**Agreement**") is entered into on this date: _____ (the "**Effective Date**"). The parties to this Agreement are Howard Hanna Real Estate Associates, LLC, a Pennsylvania limited liability company, with its principal business address at 119 Gamma Drive, Pittsburgh, Pennsylvania 15238 (referred to in this Agreement as "**we**," "**us**" or "**our**"), and the individual/ business entity named: _____, a _____ (entity type), with a principal address of _____ (referred to in this Agreement as "**you**," "**your**", or "**Franchisee**").

1. INTRODUCTION

1.1 The Howard Hanna Real Estate Brokerage System

Through the expenditure of considerable time and effort, we and our affiliates have developed a distinctive system for the development and operation of an integrated real estate brokerage services business, using our systems, copyrights, and marks ("**Howard Hanna Brokerage Businesses**"). These businesses operate under and use distinctive business formats, methods, procedures, signs, products and service requirements, standards, all of which we may improve, further develop or otherwise modify from time-to-time (the "**System**").

We use, promote and license certain trademarks, service marks and other commercial symbols in the operation of Howard Hanna Brokerage Businesses, including the trade and service mark "**HOWARD HANNA**" (wordmark and design mark), and other associated logos, designs, symbols and trade dress, which have gained and continue to gain public acceptance and goodwill, and we may create, use and license additional trademarks, service marks and commercial symbols in conjunction with the operation of these businesses (collectively, the "**Marks**").

We also use, promote and license in the operation of Howard Hanna Brokerage Businesses certain information capable of being rendered into tangible form that we claim as our copyrights, including spreadsheets, forms, marketing materials, labels, manuals, pricing lists, vendor lists, advertisements, our

website, and any other written materials, marketing materials, advertisements, or slogans (collectively, the "**Copyrights**").

We grant to persons who meet our qualifications and are willing to undertake the investment and effort to own and operate a Howard Hanna Brokerage Business, and offer the products and services we authorize and approve, utilize the Marks, Copyrights, and System (a "**Franchise**") at locations that we designate.

1.2 Acknowledgments

You acknowledge and agree that:

(a) you have read this Agreement and our Franchise Disclosure Document;

(b) you understand and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards for each franchise and to protect and preserve the System, Copyrights and goodwill of the Marks;

(c) you have conducted an independent investigation of the business venture contemplated by this Agreement and recognize that, like any other business, the nature of the business conducted by a Howard Hanna Brokerage Business may evolve and change over time;

(d) an investment in a franchise involves business risks and that your business abilities and efforts are vital to the success of the venture;

(e) any information you acquire from other System franchisees relating to their sales, profits or cash flows does not constitute information obtained from us, nor do we make any representation as to the accuracy of any such information;

(f) in all of their dealings with you, our officers, directors, employees and agents act only in a representative, and not in an individual, capacity. All business dealings between you and such persons as a result of this Agreement are solely between you and us; and

(g) we have advised you to have this Agreement reviewed and explained to you by an attorney.

1.3 Representations

You represent to us, as an inducement to our entry into this Agreement, that:

(a) all statements you have made and all materials you have submitted to us in connection with your purchase of a franchise are accurate and complete and that you have made no misrepresentations or material omissions;

(b) you will comply with and/or assist us to the fullest extent possible in our efforts to comply with Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war (the "**Anti-Terrorism Laws**"); and

(c) neither you nor any of your owners, employees, agents, property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that neither you nor they are otherwise in violation of any of the Anti-Terrorism Laws.

(d) We have approved your request to purchase a license to operate a franchise in reliance on all of your acknowledgements and representations.

1.4 No Warranties

We expressly disclaim the making of, and you acknowledge that you have not received or relied upon, any warranty or guaranty, express or implied, as to the revenues, sales, profits, or success of the business venture contemplated by this Agreement or the extent to which we will continue to develop and expand the System. You acknowledge and understand the following:

(a) any statement regarding the potential or probable revenues, sales or profits of the business venture are made solely in our Franchise Disclosure Document delivered to you prior to signing this Agreement;

(b) any statement regarding the potential or probable revenues, sales or profits of the business venture or statistical information regarding any existing Howard Hanna Brokerage Business owned by us or our affiliates, or that is not contained in our Franchise Disclosure Document, is unauthorized, unwarranted and unreliable and should be reported to us immediately; and

(c) you have not received or relied on any representations about us, our franchise system, or policies made by us, or our officers, directors, employees or agents, that are contrary to the statements made in our Franchise Disclosure Document or to the terms of this Agreement. If there are any exceptions to any of the foregoing, you agree to: (i) immediately notify our President in writing; and (ii) note such exceptions by attaching a statement of exceptions to this Agreement prior to signing it.

1.5 Business Organization

If you are, at any time, a business organization (like a corporation, limited liability company, or partnership) ("**Business Entity**"), you agree and represent that:

(a) you have the authority to execute, deliver and perform your obligations under this Agreement and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(b) your organizational or governing documents will recite that the issuance and transfer of any ownership interests in you are restricted by the terms of this Agreement, and all certificates and other documents representing ownership interests in you will bear a legend referring to the restrictions of this Agreement;

(c) the Declaration of Ownership, attached as Exhibit D completely and accurately describe all of your owners and their interests in you;

(d) you and your owners shall revise the Declaration of Ownership as may be necessary, to reflect any ownership changes and to furnish such other information about your organization or formation as we may request;

(e) an owner identified on the Declaration of Ownership as having full authority to act on your behalf (your "**Principal Owner**") must: have management responsibility and authority over your franchise on a day-to-day basis; be actively employed on a full-time basis to manage your Office's operations; be present at the Office for at least fifty percent (50%) of the hours the Office

is open to the public for business; and attend the Hanna Franchise Services Orientation and any other training programs we may require during the Term (defined in Section 2.2);

(f) each of your owners, during the Term, will sign and deliver to us our standard form of Owner's Guaranty, Indemnification and Acknowledgement ("**Owner's Guaranty**") undertaking to be bound jointly and severally by all provisions of this Agreement and any other agreements between you and us. A copy of our current form of Owner's Guaranty is attached as Exhibit C to this Agreement; and

(g) at our request, you will furnish true and correct copies of all documents and contracts governing the rights, obligations and powers of your owners and agents (e.g., Articles of Incorporation or organization and partnership, operating or shareholder agreements, etc.).

2. GRANT AND TERM

2.1 Office and Protected Area

You have applied for a franchise operating from one or more specific office locations (the "**Office**" or "**Offices**"). Unless the location of the Office is designated in Exhibit A to this Agreement, the location must be selected by you and approved by us in accordance with Section 4 of this Agreement. You must operate solely from the location we approve. During the Term and so long as you are in full compliance with the term of this Agreement, we will not operate or permit another franchise to operate from an Office or Offices within a specific area that we designate as your "Protected Area". If the location of your Office(s) is designated in Exhibit A, your Protected Area is also designated in Exhibit A If the location of your Office(s) is not designated in Exhibit A, you agree to select a site and develop and open an Office within the targeted development area designated in Exhibit A (the "**Targeted Development Area**") in accordance with Section 4 of this Agreement. We will assign a Protected Area to you once we approve your Office location(s). You agree that the size and location of your Protected Area is to be determined in our sole discretion.

2.2 Grant

Subject to the terms of, and upon the conditions contained in this Agreement, we grant you a franchise (the "**Franchise**") to: (a) operate a Howard Hanna Brokerage Business under the business name set forth on Exhibit A (the "**Approved Name**") from the Office(s) and at no other location (temporary or permanent); and (b) use the Marks, Copyrights and System solely in connection with operating the franchise. No business name other than the Approved Name may be used in connection with operating the franchise.

2.3 Term

The term of the Franchise (the "**Term**") begins on the date on which the Office is first opened for business as a Howard Hanna Brokerage Business (the "**Commencement Date**") and expires at 12:00

noon Eastern Time as of the last business day before the 10th anniversary of the Commencement Date (the "**Expiration Date**"). When the Commencement Date occurs, we will enter into an agreement with you in the form attached as Exhibit E to the Franchise Agreement confirming the Commencement Date and the Expiration Date. This Agreement may be terminated before the Expiration Date in accordance with Section 15.

2.4 Performance

You agree that you will at all times faithfully, honestly and diligently perform your obligations, continuously exert your best efforts to promote and enhance your franchise, and not engage in any other business or activity that conflicts with your obligations to operate your franchise in compliance with this Agreement.

2.5 Rights We Reserve

Subject to the provisions of Section 2.1, nothing in this Agreement shall preclude you, us or our affiliates or other Howard Hanna Brokerage Businesses from listing, selling or advertising any real estate, wherever it or the owner of the real estate may be located, including any areas serviced by you, us, our affiliates or other Franchisees, as applicable. We and our affiliates reserve the right: (i) to license other real estate brokers to use the Mark and System anywhere, (subject to the provisions of Section 2.1 above), including areas adjacent to, or in proximity with your Office(s); (ii) for us and our affiliates to conduct activities, including real estate brokerage activities, mortgage, title insurance and relocation operations, in areas adjacent to, or in proximity with your Office(s) under the Marks or other marks; and (iii) for us and our affiliates to establish other franchises or Company-owned operations or other channels of distribution, selling or leasing dissimilar products or services under the Marks, or similar products or services under different marks; and (iv) for us and our affiliates to engage in any other acts and exercise any rights not expressly and exclusively granted to you under this Agreement.

3. RENEWAL

3.1 Renewal Conditions

Subject to applicable state law, neither party has the right to renew this Agreement upon expiration of the Term. We may, in our sole discretion, offer to allow you to renew this Agreement if the following conditions are met:

(a) You are in full compliance with the provisions of this Agreement, including the payment of all amounts owing to us as of the 180th day prior to the last day of the Term.

(b) No later than thirty (30) days prior to the expiration of the Term, you and your owners execute our then-current form of franchise agreement (the "**New Franchise Agreement**") and related agreements that we then require as a condition to renewal. You and your owners acknowledge and agree that any New Franchise Agreement may contain materially different terms, including but not limited to different and/or additional Royalties, fees, Protected Areas (if any) and development and marketing obligations.

(c) Contemporaneously with the execution of a New Franchise Agreement, you pay to us a renewal fee equal to Five Thousand and No/100 Dollars ($5,000.00) for the renewal term.

(d) Contemporaneously with the execution of a New Franchise Agreement, you and your owners execute and deliver to us a general release, in form satisfactory to us, of any and all claims against us and our owners, officers, directors, employees, agents, successors and assigns.

(e) In the event that the Term of this Agreement expires without agreement to a new Franchise Agreement, this Agreement will remain in effect on a month-to-month basis, which may be terminated by either party with thirty (30) days written notice.

4. OFFICE SELECTION AND DEVELOPMENT

4.1 Office Selection

If you have not done so prior to signing this Agreement, you must, within ninety (90) days of the Effective Date, open an Office for your franchise that we have approved. The site must meet our criteria for demographic characteristics, traffic patterns, parking, character of neighborhood, competition from and proximity to other real estate brokerage offices and other Howard Hanna Offices, the nature of other businesses in proximity to the site and the size, appearance and other physical and commercial characteristics of the proposed site. We will approve or disapprove a site you propose for an Office within thirty (30) days after we receive from you all of the materials we request concerning the proposed site. If you do not select, or we do not approve, the sites reviewed during the initial site selection trip, you must pay to us or our designees all expenses we or our designees incur for follow-up site selection trips. You acknowledge and agree that:

(a) our recommendation or approval of the site, does not imply, guarantee, assure, warrant or predict profitability or success, express or implied;

(b) our recommendation or approval of the site indicates only that we believe that the site falls within the acceptable criteria for sites and premises that we have established as of the time of our recommendation or approval of these site;

(c) application of criteria that have appeared effective with respect to other sites may not accurately reflect the potential for all sites, and, after our approval of a site, demographic and/or other factors included in or excluded from our criteria could change to alter the potential of a site; and

(d) the uncertainty and instability of such criteria are beyond our control, and we will not be responsible for the failure of a site for your Office we have recommended or approved to meet your expectations as to potential revenue or operational criteria.

4.2 Relocation of the Office

You may not operate the Office(s) from any other location(s) without our prior written consent. If the lease for any Office expires or terminates without expiration or termination being your fault, if any Office is destroyed, condemned or otherwise rendered unusable as a Howard Hanna Brokerage Business in accordance with this Agreement, or if, in our sole judgment, there is a change in character of the location of any Office sufficiently detrimental to its business potential to warrant an Office's relocation, we will permit you to relocate the Office to another location within the Protected Area, provided that the location is not situated within the Protected Area of another Howard Hanna Brokerage Business; that you comply with all of our System Standards for an Office relocation; and such relocation site meets our then current Office criteria for relocation Offices. Any relocation of the Office will be at your sole expense and you must pay us all expenses we incur in connection with the relocation, plus a site relocation fee of Three Thousand and No/100 ($3,000) ("**Office Relocation Fee**"). If you obtain our approval of the replacement Office in accordance with our then current approval process, you must reopen the Office at the replacement site as soon as practicable, but in no event more than thirty (30) days after the closing of the original Office.

4.3 Office Development

You must obtain our approval for and open the Office for business as a Howard Hanna Brokerage Business within ninety (90) days of the Effective Date.

You are solely responsible for complying with all laws, ordinances, rules and regulations relating directly or indirectly to the construction and development of the Office, including the Americans with Disabilities Act and any other laws, rules or regulations regarding public accommodations for persons with disabilities. As between you and us and our affiliates, you are solely responsible, as between us (and our affiliates or other franchise owners) and you, for any and all claims, liabilities and costs relating to non-compliance or alleged non-compliance with any such laws, rules, ordinances or regulations, and you must remedy, at your expense, any such non-compliance or alleged non-compliance. Without limiting your foregoing obligations, you agree, at your own expense, to do the following with respect to developing any Office:

(a) secure and provide us proof of your securing all financing required to develop and operate the Office;

(b) obtain all building, utility, sign, health, sanitation, business and other permits and licenses required to construct, develop and operate the Office; and

(c) purchase and install signage and décor as to comply with Brand Standards.

4.4 Décor

You agree that all décor of your Office must be previously approved by us and must comply with our standards as described in the Manuals or other communications, which may be periodically revised. We own all Copyrights in and to all forms of art or other visual media displayed in the Office (the "**Art**"), as well as all intellectual property rights in and to the Art. You will not, without our prior written permission, allow any of the Art to become a fixture to the Office and you will not display or use the Art in any Competitive Business or elsewhere. Your failure to maintain the Office's décor in compliance with our System and the standards described in the Manuals or otherwise constitutes a material breach of this Agreement.

4.5 Transition Package

We may require you to must purchase certain products, supplies, equipment, and services for use in developing and operating your franchise (the "**Transition Package**"). If applicable, the contents of your Transition Package are attached as Exhibit B and made a part hereof by reference. We may require that you acquire certain Transition Package items from certain designees that we specify. We do not provide any warranty or service guaranty for the products, services or installation services we our affiliates or designees provide.

4.6 Operating Assets and Office Materials

In addition to the Transition Package, we may specify other fixtures, furnishings, equipment (including facsimile machines, telephones, computer hardware and software) (the "**Operating Assets**"), flooring and other surface products, materials, inventory, equipment, apparel, supplies and signs, emblems, lettering, logos and display materials, advertising, and financial and accounting services, necessary for your Office to begin or sustain operations (collectively, the "**Office Materials**"), the minimum standards and specifications that must be satisfied and the suppliers from whom these items may be purchased or leased (including us and/or our affiliates). You agree to acquire all Office Materials and Operating Assets from suppliers we have previously approved, which may include us or our affiliates. If we do not designate or approve a supplier for the Operating Assets or Office Materials, you must purchase them in accordance with, and they must meet our System Standards. We may designate quantities, models, brands, and inventory levels of Operating Assets and Office Materials. We may require you to purchase only from us or designated suppliers Operating Assets or Office Materials that bear our Marks. We will only approve suppliers whose Office Materials and Operating Assets meet the quality standards that we establish from time-to-time. You agree to only place or display at the Site (interior and exterior) such signs, emblems, lettering, logos, and display materials that we periodically approve. While our affiliates or designees may

deliver and set-up some or all of the items in the Transition Package, you must pay for the cost of obtaining and installing any Office Materials and Operating Assets we require that are not contained in the Transition Package.

4.7 Compliance with Laws and Good Business Practices

You will secure and maintain in force in your name all required licenses, permits, and certificates relating to the operation of your franchise. You will operate your franchise in full compliance with all applicable laws, ordinances and regulations, including, without limitation, all government regulations relating to real estate brokerage services, occupational hazards and health, construction warranties, worker's compensation insurance, immigration, unemployment insurance, construction permitting, workplace safety, and withholding and payment of federal and state income taxes, social security taxes and sales taxes. You will, in all dealings with customers, suppliers, us and the public, adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct. You agree to refrain from any business or advertising practice that may be injurious to our business and the goodwill associated with our System, the Marks, and other Howard Hanna Brokerage Services Businesses.

4.8 Broker of Record

You will engage a duly qualified "**Broker of Record**" (or equivalent) as necessary to comply with all applicable licensing laws. The name of the Broker of Record as of the Effective Date is listed on Exhibit A. You agree to promptly notify us, with a broker change form, of the identity of any substitute Broker of Record.

4.9 Business Management System

You must use and follow all of the rules and regulations, specifications and System Standards for the Computer System (defined in Section 10.7), business management, and accounting system we designate from time-to-time (collectively, the "**Business Management System**"). You must utilize the Computer System, if any, which we may designate or approve, in the manner we approve in your utilization of the Business Management System. You must use our standard forms and software related to the Business Management System that we designate from time-to-time. The Business Management System may or will incorporate and consist of such functions as we designate from time-to-time. Through, and as part of, the Business Management System we may require that you establish an operating account with a bank or other financial institution that we designate or approve (the "**Operating Account**"). We may require that the Operating Account be the sole bank account utilized by your Sales Representatives, and we may be granted the right to issue checks or withdrawal orders from the Operating Account. We in our sole

judgment may designate one of our officers to have signature rights to the Operating Account. You must utilize the Operating Account in accordance with the System Standards as we designate. We may change, alter, or amend the functions, components, System Standards, Computer System, and any other aspect of the Business Management System from time-to-time.

4.10 Office Opening

(a) You agree not to open any Office for business until: we approve the Office as developed in accordance with our specifications and standards;
(b) any required training has been completed to our satisfaction;
(c) the Initial Franchise Fee has been paid;
(d) we have approved all persons associated with your franchise who are employed or otherwise authorized or engaged by you to trade, directly or indirectly, in real estate ("**Sales Representatives**") and you have demonstrated to us that the conditions of Section 1.5(e) have been fulfilled; and
(e) we have been furnished with copies of all insurance policies required by this Agreement, or such other evidence of insurance coverage and payment of premiums as we request or accept.

5. FEES

5.1 Initial Franchise Fee

You agree to pay us a non-recurring and non-refundable Initial Franchise Fee in the amount of Twenty-Five Thousand and No/100 Dollars ($25,000.00) which is fully earned when paid. The Initial Franchise Fee is due in a lump sum payment on the Effective Date.

5.2 Royalty

You agree to pay us royalty fees ("**Royalty(ies)**") calculated as a percentage of the Franchise's Annual Gross Receipts (defined in Section 5.6) twice a month on the fifteenth (15th) and last day of the month in accordance with the following:

(a) Six percent (6%) of the initial One Million Dollars ($1,000,000.00) of Annual Gross Receipts; plus
(b) Five and one-half percent (5.5%) of Annual Gross Receipts of more than One Million Dollars ($1,000,000.01), but less than Two Million Dollars ($2,000,000.00); plus
(c) Five percent (5%) of Annual Gross Receipts Two Million Dollars ($2,000,000.01) or more but less than Three Million Dollars ($3,000,000.00); plus
(d) Four percent (4%) of Annual Gross Receipts of Three Million Dollars ($3,000,000.01) or more but less than Four Million Dollars ($4,000,000.00); plus
(e) Three percent (3%) of Annual Gross Receipts of Four Million Dollars ($4,000,000.01) or more but less than Five Million Dollars ($5,000,000.00); plus

(f) Two percent (2%) of Annual Gross Receipts of Five Million Dollars (5,000,000.01) or more.

Annual Gross Receipts for any calendar year must be reported to us by the third business day of the following calendar year or they will be included in that following calendar year's Annual Gross Receipts for purposes of determining the rates at which Royalties are payable for those calendar years.

Annual Gross Receipts are calculated on a calendar year basis. We must receive Royalties within three business days of our invoice period (the "**Payment Date**"). If either of those falls on a national holiday, the payment is due on the following business day.

If the aggregate Royalties you pay us for any calendar year in accordance with the preceding formula are less than $25,000 per Office, then you shall pay to us the difference between the actual amount of the Royalties you paid us for such year and $25,000 per Office. This payment shall due and payable on or before January 15th of the next calendar year.

You agree to pay us a monthly Agent Services Fee on behalf of each of your Sales Associates. The current amount is Seventy-Five and No/100 Dollars ($75.00) per month per real estate license in your office, the fee may vary from year to year and is dependent on our costs as determined by contracts that we have with service vendors.

We require you to pay all payments of the Royalties to us by electronic funds transfer known as Automated Clearing House (ACH). You agree to sign and deliver such documents as may be necessary to accomplish payment by this method. You will give us authorization with the form that we designate or approve to initiate debit entries or credit correction entries to the bank account you designate for payments of Royalties and other amounts due under this Agreement including any applicable late fees and interest charges. You will make the funds available in the bank account that you designate for withdrawal by electronic transfer no later than the Payment Due Date.

If you have not reported your Franchise's Gross Receipts to us for any reporting period, we will calculate a reasonable estimate of your Franchise's Gross Receipts during any such reporting period. If we determine at any time that you have under-reported Gross Receipts or underpaid Royalties or other amounts due to us, we will be authorized to immediately initiate a withdrawal from the bank account in the estimated amount in accordance with the foregoing procedures, including applicable interest and late

charges. Any overpayment will be credited to the Account through a credit after you and we determine that such credit is due.

As used in this Agreement, "**Gross Receipts**" means all revenue earned, derived, or received during the Term from your franchise and from all transactions involving the purchase, sale, leasing, or transfer of any interest in residential or commercial real property, and any listings, appraisals, land development, syndication, relocation referral, management, or consulting concerning residential real property done through your franchise or its Sales Representatives, employees, partners, shareholders, members, directors, officers, or agents, less any referral fees paid by you.

All amounts which you owe us, or our affiliates will bear interest after their due date at the annual rate of eighteen percent (18%) or the highest contract rate of interest permitted by law, whichever is less. You acknowledge that we do not agree to accept any payments after they are due nor commit to extend credit to, or otherwise finance your operation of your franchise. Your failure to pay us all amounts on the Payment Due Date constitutes grounds for termination of this Agreement by us.

All Royalties, amounts due for purchases by you from us or our affiliates, and any interest accrued thereon, and any other amounts which you owe us or our affiliates, are subject to a "**Late Payment Fee**" of two hundred dollars ($200.00) for each separate fee that is not timely paid. The Late Payment Fee is due immediately upon any delinquent payments and is in addition to any other fees due and payable to us. The provision in this Agreement concerning Late Payment Fees does not mean that we accept or condone late payments, nor does it indicate that we are willing to extend credit to, or otherwise finance the operation of, your franchise.

Notwithstanding any designation you might make, we have sole discretion to apply any of your payments to any of your past due indebtedness to us.

You acknowledge and agree that we have the right to set-off from any amounts that we may owe you or your owners or any amount that you owe to us, or our affiliates, for any reason whatsoever, including without limitation, Royalties, Late Payment Fees and late payment interest, amounts owed to us or our affiliates for purchases or services or for any other reason. Thus, payments that we or our affiliates may make to you may be reduced, in our discretion, by amounts that you owe to us or our affiliates from time-to-time. We will notify you monthly if we elect to do so.

If you do not timely pay amounts due us under this Agreement, we may discontinue any services to you, without limiting any of our other rights at law, equity, or otherwise pursuant to this Agreement.

In addition to the fees and payments listed in this section 5, we have listed other fees, payments and amounts due for services and other items elsewhere within this Agreement, and you agree to pay such fees, payments, and amounts in accordance with the terms and conditions of the Sections in which they appear. Unless otherwise stated in this Agreement, all fees due us are due within fifteen (15) days of our invoice to you.

6. TRAINING AND ASSISTANCE

6.1 Training

We will provide complementary tuition for you and your Manager or designated staff member (2 tuitions total) to attend Hanna Franchise Services Orientation. You and your Manager or designated staff member must complete the Hanna Franchise Services Orientation to our satisfaction within ninety (90) days of the Commencement Date. Hanna Franchise Services Orientation will be conducted on a date mutually acceptable you and us at our offices located 119 Gamma Drive, Pittsburgh, Pennsylvania 15238 or, at our discretion, at one of the brokerage offices owned and operated by our parent, Hanna Holdings, or as live webinars. You must pay all travel and living expenses for you and your staff when attending any training program. Additional attendees approved by us will pay the regular tuition fee, which is currently $750, in addition to meals and travel expenses.

We may require or make available to you additional training courses at such times and locations that we designate, at your expense.

6.2 General Guidance

We will advise you from time-to-time regarding the operation of your franchise based on information that you submit to us or inspections we make. In addition, we will furnish guidance to you with respect to:

(a) standards, specifications and operating procedures and methods utilized by Howard Hanna Brokerage Businesses;

(b) required fixtures, furnishings, equipment, signs, services, materials and supplies; and

(c) administrative, bookkeeping and accounting procedures.

Such guidance will, at our discretion, be furnished in our Manuals, bulletins or other verbal, written, or electronic communications or consultations. At your request, we will furnish additional guidance and

assistance. If your requests for additional or special training and guidance are, in our opinion, excessive we may charge you a fee to cover expenses that we incur in connection with such training or guidance, including per diem charges and travel and living expenses for our personnel.

7. MARKS

7.1 Ownership and Goodwill of Marks

Your right to use the Marks is derived solely from this Agreement and limited to your operation of your franchise pursuant to and in compliance with this Agreement and all System Standards we prescribe from time-to-time. Your unauthorized use of the Marks will be a breach of this Agreement and an infringement of our rights in and to the Marks. You acknowledge and agree that your usage of the Marks and any goodwill established by such use will be exclusively for our benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate your franchise in compliance with this Agreement). All provisions of this Agreement applicable to the Marks apply to any additional proprietary trade and service marks and commercial symbols we authorize you to use.

7.2 Limitations on Your Use of Marks

You agree to use the Marks as the sole identification of your franchise, except that you agree to identify yourself as the independent owner in the manner we prescribe in the Manuals or otherwise. We will place a conspicuous notice at a place we designate in your Office identifying you as its independent owner and operator. You agree not to remove, destroy, cover, or alter that notice without our prior consent. If you do not comply, we may accomplish this task as we see fit and place the notice or identification anywhere we see fit, and you agree to reimburse us for doing so. You may not use any Mark as part of any corporate or legal business name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we license to you), or in any modified form, nor may you use any Mark in connection with the performance or sale of any unauthorized services or products or in any other manner we have not expressly authorized in writing. No Mark may be used in any advertising concerning the transfer, sale, or other disposition of your franchise or an ownership interest in you. You agree to display the Marks prominently in the manner we prescribe at the Office, on listing signs, supplies, or materials we designate, and in connection with forms and advertising and marketing materials. You agree to give such notices of trade and service mark registrations as we specify and to obtain any fictitious or assumed name registrations required under applicable law.

7.3 Notification of Infringements and Claims

You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any claim by any person of any rights in any Mark, and you agree not to communicate with any person other than us, our attorneys and your attorneys in connection with any such infringement, challenge or claim. We have sole discretion to take such action as we deem appropriate and the right to control exclusively any litigation, U.S. Patent and Trademark Office proceeding or any other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark. You agree to sign any and all instruments and documents, render such assistance and do such acts and things as, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain our interests in the Marks.

7.4 Discontinuance of Use of Marks

If it becomes advisable at any time in our sole discretion for us and/or you to modify or discontinue the use of any Mark or trade dress and/or use one or more additional or substitute trade or service marks or trade dress, you agree to comply with our directions within a reasonable time after receiving notice. We will reimburse you for your reasonable direct expenses of changing the franchise signs. However, we will not be obligated to reimburse you for any loss of revenue attributable to any modified or discontinued Mark or for any expenditures you make to promote a modified or substitute trademark or service mark, or trade dress.

7.5 Notification of Infringements and Claims

If it becomes advisable at any time for us and/or you to modify or discontinue the use of any Marks, and/or for your franchise to use one or more additional or substitute trademarks or service marks or trade dress, you agree to comply with our directions, within a reasonable time after receiving notice, to notify or otherwise discontinue the use of such Marks, or use one or more additional trademarks or service marks or trade dress. We have no liability or obligation to you for such modification or discontinuance.

7.6 Copyrights

You recognize that the various other materials we give you are subject to copyrights we own or license from others. Your right to use any information capable of being rendered into a tangible form that we claim as our copyrights, including spreadsheets, pro forma documents, forms, marketing materials, manuals, pricing lists, vendor lists, modifications to software, our website, and any marketing materials, advertisements, TV ads, radio commercials and the like (including the look, compilation, feel and

content) (collectively, the "**Copyrights**") are derived solely from this Agreement and limited to your operation of your franchise. Your, your agents', employees' and affiliates' unauthorized copying, transmission, use or derivative of the Copyrights in any manner will be a breach of this Agreement and constitute your and their infringement of our rights in and to the Copyrights. This Agreement does not confer any rights to the Copyrights in you other than the right to use them in connection with the operation of your franchise. You must follow all of the policies and procedures we designate from time-to-time for the protection of any Copyrights and any other materials that could be subject to Copyright protection. All provisions of this Agreement applicable to your use of the Copyrights apply to any additional Copyrights we authorize you to use during the Term. You must place Copyright notices on all of the other materials that we designate, in the manner we require. You recognize that we will grant other franchises the right to use the Copyrights as well. You agree to sign and deliver to us such forms of Copyright assignments or licenses we specify for any Copyrights you develop or modify for use in your franchise and to cause all persons you engage to do so also. We may, and you must assist us with our efforts to file in our name, and indicating our ownership in, Copyright registrations on all copyrightable materials created or modified by you. We may, without notice to you, immediately suspend or terminate your access to or use any services, Copyrights or other information or systems contemplated under this Agreement if we determine that you, your agents, employees or affiliates have violated our Copyrights or otherwise breached this Agreement with respect to protecting our Confidential Information (defined in Section 8.1).

7.7 Copyright Infringements

You must notify us immediately, in writing, of any apparent infringement of any of the Copyrights, or any challenge to your use of any of the Copyrights, or of any claim by any person of any rights in the Copyrights. You agree not to communicate with any person other than us, our attorneys, and your attorneys in connection with any such infringement, challenge, or claim. We have sole discretion to take such action as we deem appropriate. We have the right to control exclusively any dispute, litigation, U.S. Copyright Office proceeding or any other proceeding arising out of any such infringement, challenge or claim or otherwise relating to any of the Copyrights, including the right to direct any settlement of such claim. You will sign any and all instruments and documents, or render such assistance and do such acts and things as, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any dispute, litigation or administrative proceeding involving the Copyrights or otherwise to protect and maintain our interests in the Copyrights. You may not at any time during the Term or thereafter, contest the validity or ownership of any of the Copyrights, or assist any person in contesting the validity of ownership of any of the Copyrights.

7.8 Discontinuance

You must immediately modify or discontinue the use of any Copyrights as we direct. We will use commercially reasonable efforts to give you as much notice as possible before requiring you to stop use of any of the Copyrights. However, we have no liability or obligation to you for doing so.

7.9 Marks and Copyright Indemnification

We will indemnify and defend you against and reimburse you for all damages for which you are held liable to third parties in any proceeding arising out of your authorized use of any Mark or Copyright we develop, pursuant to and in compliance with this Agreement, resulting from claims by third parties that your use of the Marks or Copyrights we develop infringes their trademark rights or Copyrights, and for all costs you reasonably incur in the defense of any such claim in which you are named as a party, so long as you have timely notified us of the claim and have otherwise complied with the terms of this Agreement. We will not indemnify you against the consequences of your use of the Marks, or any Copyrights: (a) for any Marks or other Copyrights that you develop or submit to us (regardless if they become, or have become our property); or (b) unless your use of such Marks or Copyrights we provide was and is accordance with the requirements of this Agreement. You must provide written notice to us of any such claim within ten (10) days of your receipt of such notice and you must tender the defense of the claim to us. We will have the right to defend any such claim and, if we do so, we will have no obligation to indemnify or reimburse you for any fees or disbursements of any attorney(s) retained by you. If we elect to defend the claim, we will have the right to manage the defense of the claim including the right to compromise, settle, or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim. We are not responsible to you for any other claims of any nature arising out of or related to the Copyrights, regardless of whether the loss associated is by you, any of your customers or third parties.

8. CONFIDENTIAL INFORMATION

8.1 Types of Confidential Information

We possess (and will continue to develop and acquire) certain confidential information (the "**Confidential Information**") relating to the development and operation of Howard Hanna Brokerage Businesses, which includes (without limitation):

(a) the System and the know-how related to its use;

(b) plans, specifications, size, and physical characteristics of Offices;

(c) site selection criteria;

(d) design of equipment, furniture, forms, materials, and supplies;

(e) training;

(f) methods, techniques, formats, specifications, procedures, information and systems related to and knowledge of and experience in the development, operation and licensing of Howard Hanna Brokerage Businesses; and

(g) knowledge of operating results and financial performance of Howard Hanna Brokerage Businesses, other than those operated by you (or your affiliates).

8.2 Disclosure and Limitations on Use

We will disclose much of the Confidential Information to you and personnel of your franchise by furnishing the Manuals to you and by providing training, guidance, and assistance to you. In addition, in the course of the operation of your franchise, you or your employees may develop ideas, concepts, methods, techniques, or improvements ("Improvements") relating to your franchise, which you agree to disclose to us. We will be deemed to own the Improvements and may use them and authorize you and others to use them in the operation of your franchise. Improvements will then also constitute Confidential Information.

8.3 Confidentiality Obligations

You agree that your relationship with us does not vest in you any interest in the Confidential Information other than the right to use it in the development and operation of your franchise, and that the use or duplication of the Confidential Information in any other business would constitute an unfair method of competition. You acknowledge and agree that the Confidential Information is proprietary, includes trade secrets belonging to us and is disclosed to you or authorized for your use solely on the condition that you agree, and you therefore do agree, that you:

(a) will not use the Confidential Information in any other business or capacity;

(b) will maintain the absolute confidentiality of the Confidential Information during and after the Term;

(c) will not make unauthorized copies of any portion of the Confidential Information disclosed via electronic medium, in written form or in other tangible form, including, for example, the Manuals; and

(d) will adopt and implement all reasonable procedures we may prescribe to prevent unauthorized use or disclosure of the Confidential Information, including, restrictions on disclosure to your employees and the use of non-disclosure and non-competition agreements we may prescribe for employees or others who have access to the Confidential Information.

8.4 Exceptions to Confidentiality

The restrictions on your disclosure and use of the Confidential Information will not apply to the following:

(a) disclosure or use of information, processes, or techniques that are generally known and used in your business (as long as the availability is not because of a disclosure by you), provided that you have first given us written notice of your intended disclosure and/or use; and

(b) disclosure of the Confidential Information in judicial or administrative proceedings when and only to the extent you are legally compelled to disclose it, provided that you have first given us the opportunity to obtain an appropriate protective order or other assurance satisfactory to us that the information required to be disclosed will be treated confidentially.

9. RESTRICTIVE COVENANTS

9.1 No Conflicting Interest

During the Term neither you nor any of your owners shall, directly or indirectly, become employed, associated or affiliated with, establish, have an interest in, or provide services to any real estate brokerage business or real estate referral business that is not licensed by us or our affiliates. In the event this Agreement is terminated prior to the end of the Term as the result of an event of default attributable to you or any of your owners, the restrictions set forth in this section shall (a) apply to a geographic area consisting of your Protected Area and extending 25 miles beyond the perimeter of your Protected Area, and, (b) remain in effect for the remainder of what would have been the full Term in effect immediately prior to the termination or for a period of two years, whichever is greater.

9.2 Non-solicitation

During the Term and ending one year following the last date of the Term (or any renewal Term) (the "**Post-Term Non-Solicitation Period**"), neither you nor any of your owners (a "**Transferring Employer**"), shall directly or indirectly, solicit, hire, or independently contract with (for employment or association) any employee or Sales Representative (a "**Transferring Employee**"), who has been affiliated or associated with us, our affiliates or another Howard Hanna Brokerage Business (the "**Prior Employer**") within six months prior to starting employment, affiliation or contracting with the Transferring Employer, unless otherwise agreed to between the Prior Employer, the Transferring Employer and the Transferring Employee. In the event that this Agreement is terminated prior to the end of the Term (or any renewal Term), as the result of an Event of Default attributable to you or your owners, the restrictions set forth in this section shall remain in effect for the remainder of what would have been the full Term (or renewal Term) in effect immediately prior to the termination, or a period of two (2) years, whichever is greater. In the event that the terms of this section are violated, you shall pay to

the Prior Employer, on the first and second anniversaries of the date on which the Transferring Employee was hired Transferring Employer (the "**Hire Date**"), five percent (5%) of the Gross Receipts directly or indirectly earned for the Transferring Employer by the Transferring Employee in the twelve (12) month period immediately preceding the applicable anniversary date and/or, if the Transferring Employee is compensated on a salary basis, five percent (5%) of the salary earned by the Transferring Employee during the relevant period.

9.3 Your Employees and Customers

In the event that this Agreement is terminated prior to the end of the Term (or any renewal Term) as a result of an event of default attributable to you or your owners, then, in addition to the other restrictions set forth in 9.1 and 9.2 above, neither you nor any of your owners, shall directly or indirectly, solicit, hire or independently contract with (for employment or association), any employee or Sales Representative or independent contractor, who has been employed by or associated with you or any of your affiliates during that period beginning on the Effective Date and continuing until the date this Agreement is terminated, or solicit any customers or prospective customers of yours that were customers or prospective customers during the period beginning on the Effective Date and continuing until the date this Agreement is terminated. The restrictions set forth in this section 9.3 shall remain in effect for the remainder of what would have been the full Term (or renewal Term) in effect immediately prior to the terminations, or for a period of two (2) years, whichever is less.

10. OPERATION AND SYSTEM STANDARDS

10.1 Operations Manuals

We will make available online or via other electronic format, a copy of our manuals (the "**Manuals**"), The Manuals contain mandatory and suggested specifications, standards, operating procedures and rules ("**System Standards**") that we prescribe from time-to-time for the operation of a franchise and information relating to your other obligations under this Agreement and related agreements. You agree to follow the standards, specifications, and operating procedures we establish periodically for the System that are described in the Manuals. You also must comply with all updates and amendments to the System as described in newsletters or notices either distributed by mail or email. The Manuals may be modified or updated and revised periodically to reflect changes in System Standards. You are responsible for routinely monitoring any online version (or electronic format) of the Manuals for changes to them. Any form of the Manuals accessible to you online is our proprietary information and will be deemed Confidential Information for purposes of this Agreement. You agree to maintain the Manuals as

confidential and maintain the information in the Manuals as secret and confidential. If you print the manuals, you agree to keep your printed copy of the Manuals (if any) current and in a secure location at your Office. In the event of a dispute relating to the contents the most recent online Manuals will control any disputes. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Manuals.

10.2 Compliance with System Standards

You acknowledge and agree that your operation and maintenance of your franchise in accordance with System Standards is essential to preserve the goodwill of the Marks and all Howard Hanna Brokerage Businesses. Therefore, at all times during the Term, you agree to operate and maintain your franchise in accordance with each and every System Standard, as we periodically modify and supplement them during the Term. System Standards may regulate any one or more of the following with respect to your franchise:

(a) design, layout, decor, appearance and lighting; periodic maintenance, cleaning and sanitation; periodic remodeling; replacement of obsolete or worn-out leasehold improvements, fixtures, furnishings, equipment and signs; periodic painting; and use of interior and exterior signs, emblems, lettering and logos, and illumination;

(b) quantities, types, models and brands of fixtures, furnishings, equipment, signs, materials and supplies used in establishing and operating your franchise;

(c) designated or approved suppliers of fixtures, furnishings, equipment, and other items we require for the operation of your franchise;

(d) sales, marketing, advertising and promotional programs and materials that are required or approved for use by your franchise;

(e) use and display of the Marks;

(f) staffing levels for your franchise, and qualifications, training, dress and appearance of employees and Sales Representatives;

(g) days and hours of operation of the Office(s);

(h) payment systems and check verification services;

(i) bookkeeping, accounting, data processing and record keeping systems, including software, and forms; methods, formats, content and frequency of reports to us of sales, revenue, financial performance and condition; and furnishing tax returns and other operating and financial information to us;

(j) types, terms and conditions of insurance coverage required to be carried for your franchise and standards for underwriters of policies providing required insurance coverage; our protection and rights under such policies as an additional named insured; required or impermissible insurance contract provisions; assignment of policy rights to us; periodic verification of insurance coverage that must be furnished to us; our right to obtain insurance coverage for your franchise at your expense if you fail to obtain required coverage; our right to defend claims; and similar matters relating to insured and uninsured claims;

(k) complying with applicable laws; obtaining required licenses and permits; adhering to good business practices; observing high standards of honesty, integrity, fair dealing and ethical business conduct in all dealings with customers, suppliers and us; and notifying us if any action, suit or proceeding is commenced against you or your franchise; and

(l) regulation of such other aspects of the operation and maintenance of your franchise that we determine from time-to-time to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks.

You agree that System Standards prescribed from time-to-time in the Manuals, or otherwise communicated to you in writing or other tangible form, constitute provisions of this Agreement as if fully set forth. All references to this Agreement include all System Standards as periodically modified. You acknowledge that we have the right to require that you purchase from us, our affiliates, or vendors various programs, goods and services we may approve or adopt from time-to-time for use within the System. You agree to pay all fees charged or otherwise adopted by us for providing these programs, goods and services whether the fees are payable to us, our affiliates, or approved vendors, in the manner specified in the Manuals.

10.3 Modification of System Standards

We may periodically modify System Standards, which may accommodate regional or local variations as we determine. Such modifications may obligate you to invest additional capital in one or more of your Offices ("**Capital Modifications**") and/or incur higher operating costs. However, such modifications will not alter your fundamental status and rights under this Agreement. We will not obligate you to make any Capital Modifications when such investment cannot, in our reasonable judgment, be amortized during the remaining Term, unless such investment is necessary in order to comply with applicable laws. We agree to give you ninety (90) days to comply with Capital Modifications we require. You are obligated to comply with all modifications to System Standards, including Capital Modifications, within the time period we specify. In no event will we require you to spend in excess of twenty-five percent (25%) of our high estimate of the cost of the sum of leasehold improvements and furniture, fixtures and equipment from our Franchise Disclosure Document during the Term in connection with Capital Modifications.

10.4 Interior and Exterior Upkeep

You agree, at all times, to maintain the Office's interior and exterior and the surrounding area in the highest degree of cleanliness, orderliness and sanitation and comply with the requirements regarding the upkeep of the Office established in the Manuals and by federal, state, and local laws.

10.5 Hours of Operation

You agree to operate the Offices(s) during the hours and on the days prescribed by us in the Manuals or otherwise approved in advance in writing by us.

10.6 Accounting, Computers, and Records

It is your responsibility to obtain accounting services and any required hardware or software related to them. You will at all times maintain the records reasonably specified in the Manuals, including, without limitation, sales, inventory and expense information. To the extent we require support for accounting software used by you, such support will only be provided with respect to the accounting software then used by us in the operation of our own (or our affiliates' own) Howard Hanna Brokerage Businesses.

10.7 Technology System

We may require that you acquire and use in developing and operating your franchise a computer system consisting of the computer services, components, equipment, computer hardware, telecommunications equipment or services, webware and software used in connection with the Business Management System and other operating or communications webware and software we designate or approve for use by Howard Hanna Brokerage Businesses (collectively, the "**Software**") that we may periodically specify in the manner we designate (collectively, the "**Technology System**"). We may require you to obtain specified computer and communications hardware, equipment, components or Software and services (like DSL, T-1, or Cable Modem) and may modify specifications for and components of the Technology System from time-to-time. We require you to acquire high speed internet capabilities (like DSL, T-1, or Cable Modem). Our and our designees' modifications and specifications for components, equipment, services and operating or communications of the Technology System may require you to incur cost to purchase, lease, or license new or modified Software or computer or communications hardware, equipment, components or Software and to obtain service and support for the Technology System during the Term. You agree to incur such costs in connection with obtaining the computer hardware and Software comprising the Technology System (or additions or modifications) operating it in accordance with our System Standards and ensuring that it is compatible with, and capable of participation in and performing the functions we designate for the Business Management System and engaging in any form of e-commerce we designate or approve, as long as the Technology System we specify for use is the same Technology System that we or our affiliates then currently use in Howard Hanna Brokerage Businesses that we or they own and operate. The Technology System must be capable of connecting with our Technology System performing the functions we designate for the Business Management System, permitting us to review the results of your franchise's operations, and engaging in any e-commerce

activities that we designate or approve. We also have the right to charge you a reasonable systems fee for modifications of and enhancements made to any proprietary Software that we license to you and other maintenance and support services that we or our affiliates furnish to you related to the Technology System. From time-to-time, upon our notice to you, you must enter into the then current form of such Technology System or Software related agreements as we may designate. You must not use the Technology System for any purposes not authorized by us or our affiliates.

10.8 Trade Accounts and Taxes

You agree to maintain your trade accounts in a currently-paid status and seek to resolve any disputes with trade suppliers promptly. You agree to timely pay all taxes incurred in connection with your franchise operations. If you fail to maintain your trade accounts in a current status, timely pay such taxes or any other amounts owing to any third parties or perform any non-monetary obligations to third parties, we may, but are not required to, pay any and all such amounts and perform such obligations on your behalf. If we elect to do so, then you agree to reimburse us for such amounts. You agree to repay us immediately upon receipt of our invoice. We may also set-off the amount of any such reimbursement obligations against all amounts which we may owe you.

10.9 Personnel

You agree to hire, train, and supervise employees, sales representatives and agents, in accordance with the specifications set forth in the Manuals. All personnel must meet every requirement imposed by applicable federal, state, and local law as a condition to their employment.

10.10 Referrals

You agree to refer all real estate business (incoming and outgoing) that you and your Sales Representatives are not capable or authorized to handle to us for reassignment by us elsewhere, whether inside or outside the System to another Howard Hanna Brokerage Business that is capable and authorized to handle such referral. You agree to pay any and all referral fees that we establish from time-to-time and otherwise comply with the referral procedures as described from time-to-time in the Manuals.

10.11 Real Estate Listings

You agree to arrange, at your sole expense, for us to receive a minimum of two direct electronic feeds, one to Howard Hanna IBAS Tools and the other to our website vendor, of all real estate listings and closed properties, including all supporting content, on each of the multiple listing service(s) used by you (collectively, the "**Listings**") in compliance with our then-effective System Standards and any real estate

transaction standards adopted the National Association of Realtors® or such other standards and procedures we may periodically specify. Additional MLS feeds, at your sole expense, may be required in order to participate fully in all tools and services that Howard Hanna provides and/or our vendors provide.

11. MARKETING AND PROMOTION

11.1 Advertising and Promotion

You agree that any advertising, promotion and marketing you conduct will be completely clear and factual and not misleading and conform to the highest standards of ethical marketing and the promotion policies that we prescribe from time-to-time. Samples of all advertising, promotional, and marketing materials that we have not prepared or previously approved must be submitted to us for approval before you use them. If you do not receive written disapproval within thirty (30) days after our receipt of such materials, they will be deemed to have been given the required approval. You may not use any advertising or promotional materials that we have disapproved.

11.2 Local Advertising Expenditures

You are required to develop and conduct at your expense, a grand opening program within sixty (60) days of the opening of each Office. Each grand opening program is subject to our prior approval.

11.3 E-Commerce

We have the right to approve, control, or limit all aspects of your franchised business' use of online purchasing cooperatives, marketplaces, barter exchanges, and related technologies, methods, techniques (collectively, "**e-commerce**"). You may not advertise or sell services using e-commerce, unless previously approved by us. We may require you to coordinate your e-commerce activities with the Business Management System. You recognize and agree that between you and us, we own all rights to all interest in and to any data collected via e-commerce related to the System or the Marks, including any customer data, click-stream data, cookies, user data, hits, and the like: such information is deemed by us to be and constitutes our Confidential Information. You must follow all of our policies and procedures for the use and regulation of e-commerce. We may restrict your use of e-commerce to a centralized website, portal or network or other form of e-commerce designated by us operated by us or our designee.

11.4 Marketing & Communications

We have the right to approve, control, or limit all aspects of your franchised business' use of Internet marketing, email, email addresses, websites, URL's, domain names, social media, social media accounts,

and any other means of electronic communication and identification ("**e-names**") associated with your Howard Hanna franchise. We have the right to monitor you and your employees' and sales representatives' use of e-names and electronic communication activities and you agree to provide us access to any medium through which you discuss our franchise system or your relationship with us. You must not use any Mark as part of any domain name or email address, or any other identification of you in any electronic medium or with any prefix, suffix or other modifying words, terms, designs, or symbols, or in any modified form of your Howard Hanna franchise business name without our written consent. We or our affiliates will provide and be responsible for the hosting and maintenance of the official Howard Hanna website ("**Official Website**"). Your franchise will be listed on the Official Website. You cannot host or operate a separate website for your franchise or offer or sell any services via e-commerce, without our prior written consent, which may be withheld, conditioned, or later withdrawn at our discretion. Prior to commencing operation of your franchise, you must forward your current website to our website. The landing page is subject to our prior approval and is to be developed at your cost.

12. RECORDS, REPORTS, AND FINANCIAL STATEMENTS

12.1 Accounting System

You agree to establish and maintain at your own expense a bookkeeping, accounting and recordkeeping system conforming to the requirements and formats we prescribe. We may require you to use approved computer hardware and software in order to maintain certain sales data and other information. You agree that we may have access to such sales data and other information at all times.

12.2 Reports

You agree to furnish to us through forms, software, or webware that we prescribe:

(a) On an ongoing basis, the written, listed, and closed transactions, which will be used to calculate Royalty payment; and
(b) within ten (10) days after our request: (i) exact copies of federal and state income and other tax returns; and (ii) such other forms, records, books and other information we may periodically require.

12.3 Access to Information

You agree to verify and sign each report and financial statement in the manner we prescribe. We have the right to disclose data derived from such reports without identifying you or the location of your Office(s). We also have the right to require you to have reviewed or audited financial statements prepared on an annual basis if we reasonably believe that the reports are incorrect. Moreover, we have the right, as often

as we deem appropriate, including on a daily basis, to access all computer registers and other Computer Systems that you maintain in connection with the operation of the franchise and to retrieve all information relating to the Franchise's operations.

12.4 Copies of Reports

You agree to furnish us with a copy of all sales, income, and other tax returns relating to your franchise, at our request. You will also send us copies of any sales or other reports sent to any landlord or governmental agency, at our request.

13. INSPECTIONS AND AUDITS

13.1 Our Right to Inspect the Franchise

To determine whether you are complying with this Agreement and all System Standards, we and our designated agents have the right at any time during your regular business hours, and with five (5) days prior notice to you, but without prior notice if we have reason to believe the franchise is not operating in compliance, to:

(a) inspect your Office(s);

(b) observe, photograph, and videotape the operations of your Office(s) for such consecutive or intermittent periods as we deem necessary;

(c) interview personnel and customers of the franchise; and

(d) inspect and copy any books, records, websites, electronic communications, and documents relating to your operation of your franchise.

You agree to cooperate with us fully in connection with any such inspections, observations, photographing, videotaping, and interviews. You agree to present to your customers such evaluation forms that we periodically prescribe and to participate and/or request your customers to participate in any surveys performed by us or on our behalf. You agree to correct or repair any unsatisfactory conditions we specify within five (5) days.

13.2 Our Right to Audit

We have the right at any time during your business hours, and with three (3) days prior notice to you, to inspect and audit, or cause to be inspected and audited, your bookkeeping and accounting records, sales and income tax records and returns and other records. You agree to cooperate fully with our representatives and independent accountants we hire to conduct any such inspection or audit. If our inspection or audit is made necessary by your failure to furnish reports, supporting records or other information we require, or to furnish such items on a timely basis, or if the information is not accurate (i.e., your Gross

Receipts for any period are understated by two percent (2%) or more), you agree to reimburse us for the cost of such inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and compensation of our employees. You also must pay us any shortfall in the amounts you owe us, including late fees and interest, within ten (10) days of our notice. The foregoing remedies are in addition to our other remedies and rights under this Agreement and applicable law.

14. TRANSFER

14.1 By Us

This Agreement is fully transferable by us, and inures to the benefit of any transferee or other legal successor to our interests, as long as such transferee or successor agrees to be bound by, and assumes all of our continuing obligations under, this Agreement.

14.2 By You

You understand and acknowledge that the rights and duties created by this Agreement are personal to you (or, if you are a Business Entity, to your owners) and that we have granted the Franchise to you in reliance upon our perceptions of your (or your owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, neither this Agreement (or any interest in it) nor any ownership or other interest in you or substantially all of its assets may be transferred without our prior written approval. Any transfer without such approval constitutes a breach of this Agreement and is void and of no effect. As used in this Agreement, the term "transfer" includes your (or your owners') voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition of any interest in: (a) this Agreement; (b) you; or (c) substantially all of your assets. An assignment, sale, gift, or other disposition includes, but is not limited to, the following events:

(a) transfer of ownership of capital stock or a partnership or membership interest;

(b) merger or consolidation or issuance of additional securities or interests representing an ownership interest in you;

(c) any issuance or sale of an ownership interest or any security convertible to an ownership interest;

(d) transfer of an interest in you, this Agreement or the franchise in a divorce, insolvency or corporate or partnership dissolution proceeding or otherwise by operation of law;

(e) transfer of substantially all of your assets, in one or more of a series of transfers;

(f) transfer of an interest in you, this Agreement or the franchise, in the event of your death or the death of one of your owners, by will, declaration of or transfer in trust or under the laws of intestate succession; or

(g) pledge of this Agreement (to someone other than us) or of an ownership interest in you as security, foreclosure upon the franchise or your transfer, surrender or loss of possession, control or management of your franchise or its assets.

14.3 Conditions for Approval of Transfer

Our approval to any transfer is subject to satisfaction of the following conditions:

(a) the transferee(s) and it/their direct and indirect Owners are of good character and otherwise meet our then applicable standards for new franchises;

(b) the transferee has sufficient business experience, aptitude, licenses, and financial resources to operate the franchise;

(c) you have paid all Royalties, contributions, amounts owed for purchases from us and all other amounts owed to us and to third-party creditors and have submitted all required reports and statements;

(d) the transferee (or its manager) and its managerial employee (if different from your manager) have agreed to complete our standard training program;

(e) the transferee has agreed to be bound by all of the terms and conditions of this Agreement;

(f) you or the transferee pay us a transfer fee equal to twenty-five percent (25%) of the then current Initial Franchise Fee to defray expenses we incur in connection with the transfer;

(g) you (and your transferring owners) have executed a general release, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents;

(h) we have approved the material terms and conditions of such transfer and determined that the price and terms of payment will not adversely affect the transferee's operation of the franchise;

(i) if you or your owners finance any part of the sale price of the transferred interest, you and/or your owners have agreed that all of the transferee's obligations pursuant to any promissory notes, agreements or security interests that you or your owners have reserved in the franchise are subordinate to the transferee's obligation to pay Royalties, contributions and other amounts due to us and otherwise to comply with this Agreement;

(j) you and your transferring owners have executed a confidentiality and non-competition agreement in favor of us and the transferee agreeing to be bound, commencing on the effective date of the transfer, by the confidentiality and restrictive covenant provisions contained in Sections 8 and 9 of this Agreement; and

(k) you and your transferring owners have agreed that you and they will not directly or indirectly at any time or in any manner (except with respect to any other franchises you own and operate) identify yourself or themselves or any business as a current or former Howard Hanna Brokerage Business, or as one of our franchisees or licensees use any Mark, any colorable imitation of a Mark, or other indicia of a Howard Hanna Franchise in any manner or for any purpose or utilize for any purpose any trade name, trade or service mark or other commercial symbol that suggests or indicates a connection or association with us.

If the proposed transfer is solely among your owners, Sections 14.3(d) and (e) will not apply, although the transferee is required to reimburse us for any administrative costs we incur in connection with the transfer.

14.4 Transfer to a Business Entity

Notwithstanding Section 14.3, if you are in full compliance with this Agreement, you may transfer this Agreement to a Business Entity that conducts no business other than the franchise so long as you own, control and have the right to vote all of its issued and outstanding ownership interests (like stock or partnership interests) and you guarantee its performance under this Agreement. All other owners are subject to our approval. The organizational or governing documents of the Business Entity must recite that the issuance and transfer of any ownership interests in the Business Entity are restricted by the terms of this Agreement, are subject to our approval, and all certificates or other documents representing ownership interests in the Business Entity must bear a legend referring to the restrictions of this Agreement. As a condition of our approval of the issuance or transfer of ownership interests to any person other than you, we may require (in addition to the other requirements we have the right to impose) that the proposed owner execute an agreement, in a form provided or approved by us, agreeing to be bound jointly and severally by, to comply with, and to guarantee the performance of, all of the your obligations under this Agreement.

14.5 Transfer upon Death or Disability

Upon your death or disability or, if you are a Business Entity, the death or disability of the owner of a controlling interest in you, your or such owner's executor, administrator, conservator, guardian or other personal representative must transfer your interest in this Agreement or such owner's interest in you to a third party. Such disposition of this Agreement or the interest in you (including, without limitation, transfer by bequest or inheritance) must be completed within a reasonable time, not to exceed sixty (60) days from the date of death or disability, and will be subject to all of the terms and conditions applicable to transfers contained in this Section. A failure to transfer your interest in this Agreement or the ownership interest in you within this period of time constitutes a breach of this Agreement. For purposes of this Agreement, the term "disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent you or an owner of a controlling interest in you from managing and operating your franchise.

14.6 Operation upon Death or Disability

If, upon your death or disability (or, if you are an entity, the death or disability of your Principal Owner), your franchise is not being managed by a trained manager, your or such owner's executor, administrator, conservator, guardian or other personal representative must, within a reasonable time not to exceed forty five (45) days from the date of death or disability, appoint a person (or, if you are an entity, a successor Principal Owner) to operate your franchise. Such person may be required to complete training at your

expense. Pending the appointment of a person as provided above or if, in our judgment, your franchise is not being managed properly any time after your death or disability or after the death or disability of your Principal Owner, we have the right, but not the obligation, to appoint a manager for your franchise. All funds from the operation of your franchise during the management by our appointed manager will be kept in a separate account, and all expenses of your franchise, including compensation, other costs and travel and living expenses of our manager, will be charged to this account. We also have the right to charge a reasonable management fee (in addition to the Royalty and contributions payable under this Agreement) during the period that our appointed manager manages your franchise, which will not exceed ten percent (10%) of your monthly Gross Receipts. Operation of your franchise during any such period will be on your behalf, provided that we only have a duty to utilize our best efforts and will not be liable to you or your owners for any debts, losses or obligations incurred by your franchise or to any of your creditors for any products, materials, supplies or services your franchise purchases during any period it is managed by our appointed manager.

14.7 Effect of Consent to Transfer

Our consent to a transfer of this Agreement and your franchise or any interest in you does not constitute a representation as to the fairness of the terms of any contract between you and the transferee, a guarantee of the prospects of success of your franchise or transferee or a waiver of any claims we may have against you (or your owners) or of our right to demand the transferee's exact compliance with any of the terms or conditions of this Agreement.

14.8 Our Right of First Refusal

If you (or any of your owners) at any time determine to sell, assign, or transfer for consideration an interest in this Agreement, your franchise, an ownership interest in you, or substantially all of your assets, you (or such owner) agree to obtain a bona fide, executed written offer and earnest money deposit (in the amount of five percent (5%) or more of the offering price) from a responsible and fully disclosed offeror (including lists of the owners of record and all beneficial owners of any corporate or limited liability company offeror and all general and limited partners of any partnership offeror) and immediately submit to us a true and complete copy of such offer, which includes details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be denominated in a dollar amount. The offer must apply only to an interest in you or in this Agreement and your franchise and may not include an offer to purchase any of your (or your owners') other property or rights. However, if the offeror proposes to buy any other property or rights from you (or your owners) under a separate, contemporaneous offer, such separate,

contemporaneous offer must be disclosed to us, and the price and terms of purchase offered to you (or your owners) for the interest in you or in this Agreement and your franchise must reflect the bona fide price offered and not reflect any value for any other property or rights. We have the right, exercisable by written notice delivered to you or your selling owner(s) within thirty (30) days from the date of the delivery to us of both an exact copy of such offer and all other information we request, to purchase such interest for the price and on the terms and conditions contained in such offer, provided that:

(a) we may substitute cash for any form of payment proposed in such offer (with a discounted amount if an interest rate will be charged on any deferred payments);

(b) our credit will be deemed equal to the credit of any proposed purchaser;

(c) we will have not less than sixty (60) days after giving notice of our election to purchase to prepare for closing;

(d) in the event that the proposal transaction is structured as a sale of substantially all of the ownership interests in you, we may restructure the transaction as an asset sale, provided that the selling owner(s) receive the same net after tax proceeds they would realize in the proposed transaction; and

(e) we are entitled to receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the capital stock of an incorporated business, as applicable, including, without limitation, representations and warranties as to:

(i) Ownership and condition of and title to stock or other forms of ownership interest and/or assets;

(ii) Liens and encumbrances relating to the stock or other ownership interest and/or assets; and

(iii) validity of contracts and the liabilities, contingent or otherwise, of the corporation whose stock is being purchased.

If we exercise our right of first refusal, you and your selling owner(s) agree that, for a period of two (2) years commencing on the date of the closing, you and they will be bound by the non-competition covenant contained in Section 16.4 of this Agreement. You and your selling owner(s) further agree that you and they will, during this same time period, abide by the restrictions of Section 14.3(k) of this Agreement.

If we do not exercise our right of first refusal, you or your owners may complete the sale to such purchaser pursuant to and on the exact terms of such offer, subject to our approval of the transfer as provided in Sections 14.3 and 14.4, provided that, if the sale to such purchaser is not completed within one hundred twenty (120) days after delivery of such offer to us, or if there is a material change in the terms of the sale (which you agree promptly to communicate to us), we will have an additional right of first refusal during the thirty (30) day period following either the expiration of such one hundred twenty (120) day period or notice to us of the material change(s) in the terms of the sale, either on the terms originally offered or the modified terms, at our option.

15. TERMINATION OF AGREEMENT

15.1 By You

If you and your owners are in compliance with this Agreement and we materially fail to comply with this Agreement and do not correct or commence correction of such failure within sixty (60) days after written notice of such material failure is delivered to us, you may terminate this Agreement effective sixty (60) days after delivery to us of written notice of termination. Your termination of this Agreement for any other reason or without such notice will be deemed a termination without cause.

15.2 By Us

We have the right to terminate this Agreement, effective upon delivery of written notice of termination to you, if:

(a) you (or any of your owners) have made any material misrepresentation or omission in connection with your purchase of the Franchise;

(b) you or the required number of your personnel fail to successfully complete initial training to our satisfaction or you have not fulfilled all of the conditions for management of your franchise described in Sections 1.5(e) and 6;

(c) you fail to commence operation of your franchise from the Office(s) within ninety (90) days of the Effective Date;

(d) you abandon or fail to actively operate any Office for two (2) or more consecutive business days, unless the Office has been closed for a purpose we have approved or because of casualty or government order;

(e) you surrender or transfer control of the operation of your franchise without our prior written consent;

(f) you (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded no contest, or guilty, to, a felony or other serious crime or offense that is likely to adversely affect your reputation, our reputation or the reputation of any other Howard Hanna Brokerage Business;

(g) you (or any of your owners) engage in any dishonest or unethical conduct which may adversely affect the reputation of your franchise or another Howard Hanna Brokerage Business or the goodwill associated with the Marks;

(h) you (or any of your owners) make an unauthorized assignment of this Agreement or of an ownership interest in you or your franchise;

(i) in the event of your death or disability or the death or disability of the owner of a controlling interest in you, this Agreement or such owner's interest in you is not assigned as required under this Agreement;

(j) you fail to timely open additional Offices as may be required by this Agreement or lose the right to possession of any Office;

(k) you (or any of your owners) make any unauthorized use or disclosure of any Confidential Information or use, duplicate or disclose any portion of the Manuals in violation of this Agreement;

(l) you violate any law, ordinance or regulation (including suspension, revocation or non-renewal of your brokerage license) and do not begin to cure the non-compliance or violation immediately, and correct such non-compliance or violation within five (5) days, after written notice is delivered to you;

(m) you fail to make payments of any amounts due to us and do not correct such failure within ten (10) days after written notice of such failure is delivered to you;

(n) you fail to make payments of any amounts due to approved suppliers of products or services and do not correct such failure within ten (10) days after written notice of such failure is delivered to you by such supplier;

(o) you fail to pay when due any federal or state income, service, sales or other taxes due on the operations of your franchise, unless you are in good faith contesting your liability for such taxes;

(p) you fail to comply with any other material provision of this Agreement within thirty (30) days after written notice of such failure is delivered to you.

(q) you (or any of your owners) fail on two (2) or more separate occasions within any period of twelve (12) consecutive months or on three (3) occasions during the Term to submit when due reports or other data, information or supporting records, to pay when due any amounts due to us or otherwise to comply with this Agreement, whether or not such failures to comply were corrected after written notice of such failure was delivered to you.

(r) you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee or liquidator of all or the substantial part of your property; any assets of your franchise are attached, seized, subjected to a writ or distress warrant or levied upon, unless such attachment, seizure, writ, warrant or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee or liquidator of you or the franchise is not vacated within thirty (30) days following the entry of such order(s);

(s) the number of Sales Representatives associated with your franchise at any time following the third anniversary of the Effective Date drops below 50% of the average number of Sales Representatives associated with your franchise as of the end of each of the preceding thirty-six (36) months;

(t) you (or any of your owners) fail to comply with any other provision of this Agreement or any System Standard and do not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to you; or

For the purpose of this section, the phrase "Sales Representatives associated with your Franchise" means all persons associated with your franchise who are employed, affiliated as independent contractors, or authorized by you to directly or indirectly trade in real estate (on estates or interests in real estate) and received fees or commissions attributable to and conditioned upon not less than three (3) real estate closings for which your franchise received a broker's fee or other sales commission.

15.3 Cross-Default

Notwithstanding any contrary provision of this Agreement or any other agreement between you and/or your owners or affiliates and us or our affiliates (each of which is a "**Affiliate Agreement**"), any occurrence of an event specified in Section 15.2 of this Agreement shall constitute a default or an event of default under each Affiliate Agreement and any occurrence of default under an Affiliate Agreement shall constitute a default or an event of default under this Agreement which may only be cured (it at all) by strictly complying with the cure provisions specified in the applicable Affiliate Agreement.

16. RIGHTS AND OBLIGATIONS UPON TERMINATION

16.1 Payment of Amounts Owed To Us

You agree to pay us within fifteen (15) days after the effective date of termination or expiration of this Agreement, or on such later date that we determine amounts are due to us, all amounts due for Royalties, agent service fees, MLS fees, past due amounts, interest, any and all other amounts owed to us which are then unpaid. You agree to pay us royalties within three (3) days of the sale closing date for those transactions that are pending with your brokerage as of the effective date of termination.

16.2 Brokerage Listings

You agree not to transfer any properties listed with your office within ninety (90) days of the expiration date of this agreement and you agree to pay us within fifteen (15) days after the effective date of termination or expiration of this Agreement, or on such later date that we determine amounts are due to us, all amounts due for Royalties. If you transfer properties to another brokerage within 90 days of the expiration of this agreement, royalties are estimated based on the average list price over ninety (90) days and due to us immediately on the effective termination date.

16.3 Marks

Upon the termination or expiration of this Agreement:

(a) you may not directly or indirectly at any time or in any manner (except with respect to other Howard Hanna franchise that you own and operate) identify yourself or any business as a current or former licensee or franchisee, use any Mark, any colorable imitation of a Mark or other indicia of a Howard Hanna Brokerage Business in any manner or for any purpose or utilize for any purpose any trade name, trade or service mark or other commercial symbol that indicates or suggests a connection or association with us;

(b) you agree to take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

(c) you agree that after the effective date of expiration of this Agreement, you will promptly and at your own expense make such alterations we specify to distinguish the Office clearly from its former appearance and from other Howard Hanna Brokerage Business so as to prevent confusion by the public;

(d) you agree that after the effective date of expiration of this Agreement, you will notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone, or other numbers and any regular, classified or other telephone directory listings associated with any Mark, authorize the transfer of such numbers and directory listings to us or at our direction and/or instruct the telephone company to forward all calls made to your telephone numbers to numbers we specify; and

(e) you agree that after the effective date of expiration of this Agreement, you will notify or terminate (depending on your access level to edit information) all online directories, social media accounts, and other web-based collections of information that reference your former Howard Hanna franchise business.

(f) you agree to furnish us, within thirty (30) days after the effective date of expiration of this Agreement, with evidence satisfactory to us of your compliance with the foregoing obligations.

16.4 Confidential Information

You agree that, upon termination or expiration of this Agreement, you will immediately cease to use any of our Confidential Information in any business or otherwise and return to us all copies of the Manuals and any other confidential materials that we have loaned to you.

16.5 Competitive Restrictions

Upon termination or expiration of this Agreement, you and your owners agree to comply with the restrictive covenants specified in Section 9 of this Agreement. If any person restricted by this section refuses voluntarily to comply with the foregoing obligations, the restricted period will commence with the entry of an order of an arbitrator, or court if necessary, enforcing this provision. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this section will not deprive you of your personal goodwill or ability to earn a living.

16.6 Damages Attributable to Nonpayment of Royalties

Upon termination of this Agreement pursuant to Section 15.2 or 15.3, the parties agree that it would be difficult, if not impossible, to determine the amount of damages attributable to lost Royalties that we, the Franchisor would suffer. Therefore, the parties agree that a reasonable estimate of damages solely attributable to lost Royalties is the net present value of the Royalties that would have become due from the date of termination through the earlier of: (a) the scheduled expiration date of this Agreement or (b) the second anniversary of the termination date. For this purpose, damages attributable to lost Royalties

shall be calculated based on average monthly Gross Receipts of the franchise for the twelve (12) months preceding the termination date. In the event you have not operated your franchise for at least twelve (12) months preceding the termination date, Royalties shall be calculated based on the average monthly Gross Receipts of all Howard Hanna franchises during our most recent complete fiscal year. You agree to pay damages attributable to lost Royalties in accordance with the foregoing formula within fifteen (15) days following receipt of our written demand for payment. This provision relates solely to damages for lost Royalties and does not act to limit our right to pursue and collect non-Royalty related damages. In addition, we shall be entitled to pursue any other rights to which we may be entitled at law, equity, or otherwise pursuant to this Agreement.

16.7 Continuing Obligations

All of our and your (and your owners' and affiliates') obligations which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire. Examples include indemnification, non-competition, payment, de-identification, and dispute resolution provisions.

17. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION

17.1 Independent Contractors

You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that we and you are and will be independent contractors and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venture, partner, or employee of the other for any purpose. You agree to conspicuously identify yourself in all dealings with customers, suppliers, public officials, personnel and others as the owner of your franchise under a license we have granted and to place such notices of independent ownership on such forms, business cards, stationery and advertising and other materials as we may require. If you do not do so, we may place the notices and accomplish the foregoing as we see fit, and you must reimburse us for doing so.

17.2 No Liability for Acts of Other Party

You agree not to employ any of the Marks in signing any contract or applying for any license or permit, or in a manner that may result in our liability for any of your indebtedness or obligations, and that you will not use the Marks in any way we have not expressly authorized. Neither we nor you will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or

on behalf of the other, represent that our respective relationship is other than franchisor and licensee or be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized in writing. We will not be obligated for any damages to any person or property directly or indirectly arising out of your franchise operation or the business you conduct pursuant to this Agreement.

17.3 Taxes

We will have no liability for any sales, business privileges, use, alcohol surcharge, service, occupation, excise, gross receipts, income, payroll, property or other taxes, whether levied upon you, your franchise, or its assets in connection with the business you conduct (except any taxes we are required by law to collect from you with respect to purchases from us). Payment of all such taxes is your responsibility.

17.4 Indemnification

You and your owners agree, jointly and severally, to indemnify, defend and hold harmless us, our affiliates, our parents, and our and our affiliates' and parents' respective shareholders, members, directors, officers, employees, agents, successors and assignees (the "Indemnified Party(ies)") against and to reimburse any one or more of the Indemnified Parties for all claims, obligations and damages described in this Section, any and all taxes described in Section 17.3 and any and all claims and liabilities directly or indirectly arising out of your franchise operation (even if our negligence is alleged, but not proven) or your breach of this Agreement. For purposes of this indemnification, "claims" includes all obligations, damages (actual, consequential or otherwise) and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, reasonable accountants', arbitrators', attorneys', paralegals' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and travel and living expenses. We have the right to defend any such claim against us. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

18. INSURANCE

18.1 Types Required

During the Term and all renewal Terms, you must maintain in force, at your expense and under policies of insurance issued by carriers approved by us, naming Hanna Holdings, Inc. and Howard Hanna Company (this will depend on state and it should name the Franchisor) as an additional insured the following types of insurance coverage:

(a) commercial general liability insurance against all claims arising out of the operation of your franchise;

(b) general casualty and property insurance including fire, flood, hurricane, vandalism and malicious mischief, and extended coverage insurance with a full replacement value of your inventory and contents of your franchise, covering such risks as are covered in the Special Form for Building and Personal Property Coverage;

(c) comprehensive motor vehicle insurance (including personal injury protection, uninsured motorist protection, as your franchise state allows, and "umbrella" or excess coverage as referenced in (e) below) for any motor vehicles operated by your franchise; recommended limits are 100,000/300,000;

(d) workers' compensation to the extent and in the amounts required by applicable state law for your franchise;

(e) "umbrella" or excess liability insurance;

(f) liability insurance against liability for personal services care, Employment Practice Liability Insurance and negligence;

(g) business interruption insurance;

(h) comprehensive crime and blanket employee dishonesty insurance; and

(i) errors and omissions insurance.

18.2 Coverage Requirements

You must maintain the insurance coverages in the minimum amounts (and maximum deductibles) we prescribe in our System Standards. We may periodically increase or decrease the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes and circumstances. You may not reduce the policy limits, restrict coverage, cancel or otherwise alter or amend the required insurance policies without our prior written consent.

18.3 Policy Terms

All insurance policies must:

(a) be occurrence policies and contain no provision that in any way limits or reduces coverage for us in the event of any claim by us or any of our affiliates, directors, officers or agents and we must have the benefit of the same extended reporting period as you;

(b) provide indemnity for all obligations assumed by you under this Agreement and all items for which you are required to indemnify us under the provisions of this Agreement or otherwise;

(c) name us and our affiliates as additional insureds as above;

(d) contain a waiver of the insurance company's right of subrogation against us;

(e) provide that the coverage afforded applies separately to each insured against whom a claim is brought as though a separate policy had been issued to each insured;

(f) provide that the insurance company must provide us with at least thirty (30) days' prior written notice of termination, expiration, cancellation or material modification of any policy; and

(g) provide that you cannot reduce the policy limits, restrict coverage, cancel or otherwise alter or amend the policies without our prior written consent.

18.4 Evidence of Coverage

You must provide us with copies of the required insurance before you open your Office and thereafter evidence that you are maintaining the required insurance policies upon renewal and upon our request. Before the expiration of the term of each insurance policy, you must furnish us with a copy of each new, renewal or replacement policy you have obtained to extend your coverage, along with evidence of the premium payment. If you do not maintain the required insurance coverage, or do not furnish us with satisfactory evidence of insurance coverage and premium payments, we may obtain, at our option and in addition to our other rights and remedies under this Agreement, any required insurance coverage on your behalf. If we do so, you must fully cooperate with us in our effort to obtain the insurance policies and must promptly sign all forms required to obtain or maintain the insurance. You must also allow any inspections of your Offices required to obtain or maintain the insurance. Finally, you must pay us, on demand, any costs and premiums we incur in obtaining insurance on your behalf. Neither your obligation to maintain insurance coverage nor our maintenance of insurance on your behalf will reduce or absolve you of any obligations of indemnification described in this Agreement.

19. ENFORCEMENT

19.1 Severability; Substitution of Valid Provisions

Except as otherwise stated in this Agreement, each term of this Agreement, and any portion of any term, are severable. The remainder of this Agreement will continue in full force and effect. To the extent that any provision restricting your competitive activities is deemed unenforceable, you and we agree that such provision will be enforced to the fullest extent permissible under governing law. This Agreement will be

deemed automatically modified to comply with such governing law if any applicable law requires: (a) a greater prior notice of the termination of or refusal to renew this Agreement; or (b) the taking of some other action not described in this Agreement; or (c) if any System Standard is invalid or unenforceable. We may modify such invalid or unenforceable provision to the extent required to be valid and enforceable. In such event, you will be bound by the modified provisions. If any covenant in this Agreement which restricts competitive activities is unenforceable by virtue of its scope in terms of geographic area, type of activity prohibited and/or the length of time, but could be rendered enforceable by reducing any part or all of it, the parties agree that it will be enforced to the fullest extent permissible under applicable law and public policy.

19.2 Waivers

We will not be deemed to have waived our right to demand exact compliance with any of the terms of this Agreement, even if at any time: (a) we do not exercise a right or power available to us under this Agreement; or (b) we do not insist on your strict compliance with the terms of this Agreement; or (c)if there develops a custom or practice which is at variance with the terms of this Agreement; or (d) if we accept payments which are otherwise due to us under this Agreement. Similarly, our waiver of any particular breach or series of breaches under this Agreement or of any similar term in any other agreement between you and us or between us and any other franchise owner, will not affect our rights with respect to any later breach by you or anyone else.

19.3 Limitation of Liability

Neither of the parties will be liable for loss or damage or deemed to be in breach of this Agreement if failure to perform obligations results from:

(a) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state or municipal government or any department or agency thereof;

(b) acts of God; or

(c) acts or omissions of a similar event or cause.

(d) However, such delays or events do not excuse payments of amounts owed at any time.

19.4 Approval and Consents

Whenever this Agreement requires our advance approval, agreement, or consent, you agree to make a timely written request for it. Our approval or consent will not be valid unless it is in writing. Except where expressly stated otherwise in this Agreement, we have the absolute right to refuse any request by you or to withhold our approval of any action or omission by you. If we provide to you any waiver, approval, consent, or suggestion, or if we neglect or delay our response or deny any request for any of

those, we will not be deemed to have made any warranties or guarantees which you may rely on, and will not assume any liability or obligation to you.

19.5 Waiver of Punitive Damages

EXCEPT FOR YOUR OBLIGATIONS TO INDEMNIFY US PURSUANT TO SECTION 17.4 OF THIS AGREEMENT AND CLAIMS FOR UNAUTHORIZED USE OF THE MARKS OR CONFIDENTIAL INFORMATION, YOU AND WE EACH WAIVE TO THE FULL EXTENT PERMITTED BY LAW ANY RIGHT TO, OR CLAIM FOR, ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER. YOU AND WE ALSO AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN YOU AND US, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

19.6 Limitations of Claims

ANY AND ALL CLAIMS ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP AMONG YOU AND US MUST BE MADE BY WRITTEN NOTICE TO THE OTHER PARTY WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM (REGARDLESS OF WHEN IT BECOMES KNOWN); EXCEPT FOR CLAIMS ARISING FROM: (A) UNDER-REPORTING OF GROSS SALES; (B) UNDER-PAYMENT OF AMOUNTS OWED TO US OR OUR AFFILIATES; (C) CLAIMS FOR INDEMNIFICATION; AND/OR (D) UNAUTHORIZED USE OF THE MARKS. HOWEVER, THIS PROVISION DOES NOT LIMIT THE RIGHT TO TERMINATE THIS AGREEMENT IN ANY WAY.

19.7 Governing Law

EXCEPT TO THE EXTENT THIS AGREEMENT OR ANY PARTICULAR DISPUTE IS GOVERNED BY THE U.S. TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §1051 AND THE SECTIONS FOLLOWING IT) OR OTHER FEDERAL LAW, THIS AGREEMENT AND THE FRANCHISE ARE GOVERNED BY PENNSYLVANIA LAW, EXCLUDING ANY LAW REGULATING THE SALE OF FRANCHISES OR BUSINESS OPPORTUNITIES OR GOVERNING THE RELATIONSHIP BETWEEN A LICENSOR AND LICENSEE, UNLESS THE JURISDICTIONAL REQUIREMENTS OF SUCH LAWS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION. References to any law or regulation also refer to any successor laws or regulations and any impending regulations for any statute, as in effect at the relevant time. References to a governmental agency also refer to any successor regulatory body that succeeds to the function of such agency.

19.8 Jurisdiction

YOU AND WE CONSENT AND IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION SITTING WHERE OUR PRINCIPAL OFFICE IS THEN LOCATED AND WAIVE ANY OBJECTION TO THE JURISDICTION AND VENUE OF SUCH COURTS. THE EXCLUSIVE CHOICE OF JURISDICTION DOES NOT PRECLUDE THE BRINGING OF ANY ACTION BY THE PARTIES OR THE ENFORCEMENT BY THE PARTIES IN ANY JUDGMENT OBTAINED IN ANY SUCH JURISDICTION, IN ANY OTHER APPROPRIATE JURISDICTION OR THE RIGHT OF THE PARTIES TO CONFIRM OR ENFORCE ANY ARBITRATION AWARD IN ANY APPROPRIATE JURISDICTION.

19.9 Waiver of Jury Trial

YOU AND WE EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER YOU OR US.

19.10 Cumulative Remedies

The rights and remedies provided in this Agreement are cumulative and neither you nor we will be prohibited from exercising any other right or remedy provided under this Agreement or permitted by law or equity. We have the right, without the posting of any bond or security, to apply for specific performance of the terms of this Agreement, by petitions for temporary and permanent injunctions or other similar equitable relief. Our rights to apply for such relief are in addition to all other remedies available to us under applicable law or this Agreement.

19.11 Costs and Attorneys' Fees

If a claim for amounts owed by you to us or any of our affiliates is asserted in any legal or arbitration proceeding or if either you or we are required to enforce this Agreement in a judicial or arbitration proceeding, the party prevailing in such proceeding will be entitled to reimbursement of its costs and expenses, including reasonable accounting and attorneys' fees. Attorneys' fees will include, without limitation, reasonable legal fees charged by attorneys, paralegal fees, and costs and disbursements, whether incurred prior to, or in preparation for, or contemplation of, the filing of written demand or claim, action, hearing, or proceeding to enforce the obligations of the parties under this Agreement.

19.12 Binding Effect

This Agreement is binding on and will inure to the benefit of our successors and assigns. Except as otherwise provided in this Agreement, this Agreement will also be binding on your successors and assigns, and your heirs, executors and administrators.

19.13 Entire Agreement

This Agreement, including the introduction, addenda, and exhibits to it, constitutes the entire agreement between you and us. There are no other oral or written understandings or agreements between you and us concerning the subject matter of this Agreement. Except as expressly provided otherwise in this Agreement, this Agreement may be modified only by written agreement signed by both you and us. However, nothing contained in this Section will limit your right to rely on statements made in our Franchise Disclosure Document.

19.14 No Liability to Others; No Other Beneficiaries

We will not, because of this Agreement or by virtue of any approvals, advice, or services provided to you, be liable to any person or legal entity who is not a party to this Agreement. Except as specifically described in this Agreement, no other party has any rights because of this Agreement.

19.15 Counterparts

This Agreement, and all addenda hereto and each and every other agreement, instrument, certificate or other document delivered pursuant to this Agreement, may be executed in one or more counterparts, each one of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A signed copy of this Agreement, or any addenda hereto or any other agreement, instrument, certificate or other document delivered pursuant to this Agreement, delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement or such other document.

19.16 Certain Definitions

The term "affiliate" means any Business Entity directly or indirectly owned or controlled by a person, under common control with a person or controlled by a person. The terms "licensee, license franchise, franchise owner, you and your" are applicable to one or more persons, a Business Entity, as the case may be. The singular use of any pronoun also includes the plural and the masculine and neuter usages include the other and the feminine. The term "person" includes individuals and Business Entities. You and we are sometimes referred to individually as a "party" and collectively as "parties." The term "section" refers to

a section or subsection of this Agreement. The word "control" means the power to direct or cause the direction of management and policies. The word "owner" means any person holding a direct or indirect, legal or beneficial ownership interest or voting rights in another person (or a transferee of this Agreement or an interest in you), including any person who has a direct or indirect interest in you or this Agreement and any person who has any other legal or equitable interest, or the power to vest in himself any legal or equitable interest, in the revenue, profits, rights or assets. The word "Term" includes all renewal Terms exercised by you.

19.17 Timing is of the Essence

It will be a material breach of this Agreement to fail to perform any obligation within the time required or permitted by this Agreement. In computing time periods from one date to a later date, the words "from" and "commencing on" (and the like) mean "from and including"; and the words "to," "until" and "ending on" (and the like) mean "to but excluding." Indications of time of day mean Eastern Time.

19.18 Confidentiality of Terms

Except as may be required by law, you and your owners agree not to publicize or disclose to any third party without our prior written consent, the terms of this Agreement or any other agreements entered into between you and us or either of our respective affiliates in furtherance of this Agreement.

19.19 Withholding Payment

You agree that you will not, on grounds of the alleged non-performance by us of our obligations under this Agreement, withhold payment of any amount due to us or our affiliates.

19.20 No Class Actions

You further agree that, for the System to function properly, we must not be burdened by the cost of litigating or arbitrating System-wide disputes. Accordingly, any disagreement between you, us, and/or any of your owners shall be considered unique as to its facts and shall not be brought as a class action, and you and each owner waive any right to proceed against us by way of class action.

19.21 Guaranty

Each of your owners, jointly and severally, agrees to be individually bound by any provisions specifically referencing the owners in this Agreement and to guarantee your performance of all of your obligations and agreements set forth in this Agreement. Each owner shall execute and deliver, contemporaneously with the execution of this Agreement, the guaranty attached as Exhibit C hereto.

20. NOTICES AND PAYMENTS

All written notices and reports permitted or required under this Agreement or by the Manuals will be deemed delivered:

(a) two (2) business days after being placed in the hands of a commercial airborne courier service for next business day delivery; or
(b) three (3) business days after placement in the United States mail by certified mail, return receipt requested, postage prepaid.

Immediately when sent from a Howard Hanna email account or the email account of one of our affiliates.

All such notices must be addressed to the parties as follows:

If to Us:

Howard Hanna Real Estate Associates, LLC
119 Gamma Drive
Pittsburgh, Pennsylvania 15238
Attention: Frederick "Duffy" Hanna, Esquire

If to You:

_____
Franchise Business Entity

_____
Street Address

_____ _____ _____
City State Zip Code

Attention: _____
Print Full Legal Name

Either you or we may change the address for delivery of all printed notices and reports and any such notice will be effective within ten (10) business days of any change in address. Any required payment or report not actually received by us during regular business hours on the date due (or postmarked by postal authorities at least two (2) days prior to such date, or in which the receipt from the commercial courier service is not dated prior to two (2) days prior to such date) will be deemed delinquent.

Intending to be bound, you and we sign and deliver this Agreement effective on the Effective Date, regardless of the actual date of signature.

Howard Hanna Real Estate Associates, LLC	
	Franchise Business Entity
Signature	Signature
Print Full Legal Name	Print Full Legal Name
Title	Title
Date	Date

EXHIBIT A

TO THE FRANCHISE AGREEMENT

APPROVED OFFICE LOCATION(S)

Office(s). The address(es) of your approved Office(s):

1) _____ _____ _____ _____
Street Address City State Zip Code

2) _____ _____ _____ _____
Street Address City State Zip Code

3) _____ _____ _____ _____
Street Address City State Zip Code

4) _____ _____ _____ _____
Street Address City State Zip Code

5) _____ _____ _____ _____
Street Address City State Zip Code

6) _____ _____ _____ _____
Street Address City State Zip Code

7) _____ _____ _____ _____
Street Address City State Zip Code

8) _____ _____ _____ _____
Street Address City State Zip Code

9) _____ _____ _____ _____
Street Address City State Zip Code

10) _____ _____ _____ _____
Street Address City State Zip Code

2. Targeted Development Area. The Targeted Development Area for your Franchise is as follows:

_____

_____

_____

3. Broker of Record. Your Broker of Record is:

Broker of Record: _____

Broker Registration Number: _____

Broker License Expiration Date: _____

4. Approved Name

Howard Hanna _____

EXHIBIT B

TO THE FRANCHISE AGREEMENT

TRANSITION PACKAGE

1. _____
2. _____
3. _____
4. _____
5. _____

EXHIBIT C

TO THE FRANCHISE AGREEMENT

GUARANTY, INDEMNIFICATION, AND ACKNOWLEDGEMENT

As an inducement to Howard Hanna Real Estate Associates, LLC ("Franchisor") to execute the Franchise Agreement and any Addenda thereto (collectively, the "Franchise Agreement") with the business entity: _____, a _____ entity ("Franchisee") dated _____ and in consideration of Franchisor executing the Agreement and of the sum of One Dollar ($1.00) now paid by Franchisor to you, _____, and _____ (collectively, the "Guarantors"), the receipt and sufficiency of which is hereby acknowledged, the Guarantors jointly and severally agree as follows:

1) Guarantors shall pay or cause to be paid to Franchisor all monies payable by Franchisee under the Franchise Agreement on the days and times and in the manner provided.
2) Guarantors unconditionally guarantee full performance and discharge by Franchisee of all the obligations of Franchisee under the Franchise Agreement at the times and in the manner therein provided.
3) Each Guarantor agrees to comply with and otherwise be bound by all covenants, agreements and provisions of the Franchise Agreement expressly applicable to an "owner" or "owners", and unconditionally guarantee full performance and discharge of the same by all other Guarantors.
4) Guarantors shall indemnify and save harmless Franchisor and its parent and affiliates against and from all losses, damages, costs, and expenses that Franchisor and/or its parent and/or its affiliates may sustain, incur, or become liable for by reason of:
    a) the failure for any reason whatsoever of Franchisee to pay the monies payable pursuant to the Franchise Agreement or to do and perform any other act, matter or thing pursuant to the provisions of the Franchise Agreement; or
    b) any act, action, or proceeding of or by Franchisor for or in connection with the recovery of monies or the obtaining of performance by Franchisee of any other act, matter or thing pursuant to the provisions of the Franchise Agreement.
5) Guarantors waive:

a) acceptance and notice of acceptance by Franchisor of Guarantors' obligations under this Guaranty;
b) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by any Guarantor;
c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by any Guarantor;
d) any right Guarantors may have to require that an action be brought against Franchisee or any other person as a condition to any Guarantor's liability;
e) all rights to payments and claims for reimbursement or subrogation that any Guarantor may have against Franchisee arising as a result of the execution of and performance under this Guaranty;
f) all other notices and legal or equitable defenses to which any Guarantor may be entitled.

6) Guarantors shall faithfully, honestly, and diligently perform their duties and devote their entire working time, labor, skill, and attention to the operation of the Franchised Business and will abide by all of the provisions of the Franchise Agreement.
7) Without affecting the Guarantors' obligations under this Guaranty, Franchisor, without notice to the Guarantors, may extend, modify, or release any indebtedness or obligation of Franchisee or any particular Guarantor, or settle, adjust, or compromise any claims against Franchisee or any particular Guarantor. Guarantors waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.
8) Guarantors' obligations hereunder shall remain in full force and effect, and shall be unaffected by (i) the unenforceability of the Franchise Agreement against Franchisee (ii) the termination of any obligations of Franchisee under the Franchise Agreement by operation of law or otherwise; (iii) the bankruptcy, insolvency, dissolution, or other liquidation of Franchisee, including, without limitation, any surrender or disclaimer of the Franchise Agreement by the trustee in bankruptcy of Franchisee; (iv) Franchisor's consent or acquiescence to any bankruptcy, receivership, insolvency, or any other creditor's proceedings of or against Franchisee, or by the winding-up or dissolution of Franchisee, or any other event or occurrence which would have the effect at law of terminating the existence of Franchisee's obligations prior to the termination of the Franchise Agreement; or (v) any other agreements or other dealings between Franchisor and Franchisee having the effect of amending or altering the Franchise Agreement or Franchisee's obligations thereunder, or by any want of notice by Franchisor to Franchisee of any default of Franchisee or by any other matter, thing, act, or omission of Franchisor whatsoever.
9) This Guaranty shall terminate upon the termination or expiration of the Franchise Agreement, except that all obligations and liabilities of the Guarantors which arose from events that occurred on or

before the effective date of such termination or expiration shall remain in full force and effect until satisfied or discharged by the Guarantors, and all covenants that by their terms continue in force after the expiration or termination of the Franchise Agreement shall remain in force according to their terms. Upon the death of an individual Guarantor, the estate of such Guarantor shall be bound by this Guaranty, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Guarantor will continue in full force and effect.

10) The provisions of Section 19 of the Franchise Agreement shall apply as to any interpretation or enforcement of this Guaranty, and the provisions of Section 20 of the Franchise Agreement shall apply to any notice to either party, except that notices to Guarantors shall be sent as follows:

Notices to Guarantors:

_____
Print Full Legal Name

_____	_____	_____	_____
Street	City	State	Zip Code

11) Without limiting the general provisions of the Franchise Agreement in any way, Guarantors hereby warrant that they own 100% of the Franchisee's ownership interests and agree that they shall not sell or transfer any interest in the Franchisee during the term of the Franchise Agreement (or any extension or renewal thereof) without having first obtained the prior written consent of Franchisor as described in the Franchisor Agreement.

12) If Franchisor attempts to enforce this Guaranty in any judicial proceeding or any appeals, Guarantors agree to reimburse Franchisor for all enforcement costs. Enforcement costs include reasonable accountants', attorneys', attorneys' assistance, and expert witness fees, costs of investigation and proof of facts, court costs, arbitration, filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty. We, the undersigned have signed this Guaranty, Indemnification, and Acknowledgement as of the date of the Franchise Agreement.

[SIGNATURE PAGES FOLLOW]

GUARANTOR:

Print Full Legal Name

Signature

Date

Countersigned by Franchisor

Howard Hanna Real Estate Associates, LLC

Signature

Print Full Legal Name

Title

Date

EXHIBIT D
TO THE FRANCHISE AGREEMENT
DECLARATION OF OWNERSHIP

As an inducement to Howard Hanna Real Estate Associates, LLC ("Franchisor") to enter into a Franchise Agreement with the business entity/individual: _____ ("Franchisee") for the operation of a Howard Hanna Brokerage Business, Franchisee and its owners represent and warrant that the following information is complete and accurate in all respects and that copies of the attached documentation are complete and accurate in all material respects:

1. Franchisee's organizational form is (select one):

☐ Limited Liability Company

☐ Limited Partnership

☐ General Partnership

☐ Corporation

☐ Sole Proprietor

2. If a limited liability company, provide name and address of each member and each manager showing percentage owned. If a limited or general partnership, provide the name and address of each partner showing percentage owned. If a corporation, provide the names and addresses of each shareholder, showing the percentage owned.

Print Full Legal Name	Full Home Address	Interest (Percentage)
Print Full Legal Name	Full Home Address	Interest (Percentage)
Print Full Legal Name	Full Home Address	Interest (Percentage)
Print Full Legal Name	Full Home Address	Interest (Percentage)
Print Full Legal Name	Full Home Address	Interest (Percentage)

3. Franchisee (if any entity) was incorporated or formed on this date: _____ under the laws of the state or commonwealth of _____. Franchisee (if an entity) has not conducted business under any name other than its corporate, limited liability company or partnership name. If Franchisee is an entity, true, accurate and complete the documents and contracts governing the ownership, management and other significant aspects of Franchisee (e.g., articles of incorporation or formation, partnership, shareholder or operating agreements, bylaw, etc.) are attached hereto.

Each owner, member, or partner of Franchisee represents to Franchisor that no change in the ownership of Franchisee shall take place except as specifically provided in the Franchise Agreement.

FRANCHISEE:

Date	Print Full Legal Name
	Signature
	If Franchisee is an Entity, Print Full Legal Name and Title of Person Signing on its Behalf

EXHIBIT E

TO THE FRANCHISE AGREEMENT

COMMENCEMENT DATE AGREEMENT

THIS COMMENCEMENT DATE AGREEMENT made as of _____, between Howard Hanna Real Estate Associates, LLC, a Pennsylvania limited liability company ("Franchisor") and _____, a _____ ("Franchisee"). Franchisor and Franchise are parties to that certain Franchise Agreement dated as of _____ (together with all addenda thereto, the "Franchise Agreement") pursuant to which Franchisor has granted to Franchisee the right, on the terms and subject to the conditions set forth therein, to operate a Howard Hanna Brokerage Business from the Office(s). Capitalized terms not defined herein have the meanings given to them in the Franchise Agreement.

The Commencement Date has occurred and the Expiration Date is now known and, pursuant to Section _____of the Franchise Agreement, Franchisor and Franchisee wish to confirm the dates.

NOW, THEREFORE, Franchisor and Franchisee hereby agree as follows:

1. The Commencement Date was: _____.
2. The Expiration Date is: _____.

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this instrument as of the date above written.

FRANCHISEE:

_____
Signature

_____
Print Full Legal Name

_____
Title

_____
Date

EXHIBIT F

TO THE FRANCHISE DISCLOSURE DOCUMENT

LIST OF CURRENT FRANCHISEES

INDIANA

Howard Hanna SB Real Estate
3640 Edison Lakes Parkway
Mishawaka, IN 46545
(574) 207-7777
Sara Bizzaro
Broker/Owner

NORTH CAROLINA

Howard Hanna Outer Banks Realty
114 W Oregon Ave
Kill Devil Hills, NC 27948
(252) 679-3111
Michael Siers & Stacy Siers
Broker/Owner

MICHIGAN

Howard Hanna Real Estate Executives
2101 N. Aurelius Rd. Ste 3
Holt, MI 48842
(517) 657-9100
Tracey Hernly
Broker/Owner

Howard Hanna Real Estate Executives
100 East Ash Street
Mason, MI 48854
(517) 657-9100
Tracey Hernly
Broker/Owner

Howard Hanna Real Estate Executives
115 W Grand River
Williamston, MI 48879
(517) 712-7800
Tracey Hernly
Broker/Owner

NEW YORK

Howard Hanna Holt Real Estate
341-343 East Fairmount Avenue Suite 2
Lakewood, NY 14750
(716) 484-4040
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna Holt Real Estate
79 West Lake Road
Mayville, NY 14757
(716) 753-7880
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna Holt Real Estate
45-47 East Main Street
Fredonia, NY 14063
(716) 673-1800
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna Lake Group
52 Pulteney Street
Hammondsport, NY 14840
(607) 569-2020
Mark Moon, James Moon, and Richard Murphy
Broker/Owner

Howard Hanna Lake Group
229 Lake Street
Penn Yan, NY 14527
(315) 536-2700
Mark Moon, James Moon, and Richard Murphy
Broker/Owner

Howard Hanna Professionals
410 Wayne Street
Olean, NY 14670
(716) 372-1155
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna The Rohr Agency
139 South Main Street
Naples, NY 14512
(585) 737-8950
Andrea Rohr
Broker/Owner

Howard Hanna Professionals
34 Washington Street
Ellicottville, NY 14731
(761) 699-4695
Steve Holt and Dennis Pezzimenti
Broker/Owner

OHIO

Howard Hanna Lenker Group
6175 Memorial Drive
Dublin, OH 43017
(614) 569-3400
Steve Lenker
Owner

Howard Hanna Premier Real Estate Services
309 Market Street
Toronto, OH 43964
(740) 537-3144
Russell Kuntz and Larry Mayle
Broker/Owner

PENNSYLVANIA

Howard Hanna At Home Realty
237 Desmond St
Sayre, PA 18840
(570)731-0009
Sean Anthony
Broker/Owner

Howard Hanna Bainbridge Kaufman Real Estate
102 S Franklin Street
Cochranton, PA 16314
(814) 425 7473
David J. Schepner and Pamela L. Willis
Broker/Owner

Howard Hanna Bainbridge Kaufman Real Estate
1103 Park Avenue
Meadville, PA 16335
(814) 724 1100
David J. Schepner and Pamela L. Willis
Broker/Owner

Howard Hanna Bainbridge Kaufman Real Estate
12213 Midway Drive
Conneaut Lake, PA 16316
(814) 382 5225
David J. Schepner and Pamela L. Willis
Broker/Owner

Howard Hanna Bainbridge Kaufman Real Estate
46 North Main Street
Greenville, PA 16125
(724) 373 8425

David J. Schepner and Pamela L. Willis
Broker/Owner

Howard Hanna Bardell Realty
300 Orchard Avenue
Altoona, PA 16602
(814) 313 4111
Sean Bardell
Broker/Owner

Howard Hanna Bardell Realty
115 S. Anderson Street
Bedford, PA 15522
(814) 623-8622
Sean Bardell
Broker/Owner

Howard Hanna Bardell Realty
131 S. Pleasant Avenue
Somerset, PA 15501
(814) 445 6587
Sean Bardell
Broker/Owner

Howard Hanna Forest Realty
220 Elm Street
Tionesta, PA 16353
(814) 755-3518
Pat Nixon
Broker/Owner

Howard Hanna Krall Real Estate
1640 Cornwall Road
Lebanon, PA 17042
(717) 273-1631
Holly Krall-Heft
Broker/Owner

Howard Hanna Kuzneski & Lockard Real Estate
101 Heritage Run Road
Indiana, PA 15701
(724) 349-1924
Enterprise Bank
Owner

Howard Hanna Myers Real Estate Services
20 S Morgantown St
Uniontown, PA 15436
(724) 437-7740
Keith Myers
Broker/Owner

Howard Hanna Professionals
90 Mechanic Street
Bradford, PA 16701
(814) 362-7450
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna Professionals
104 Forest Avenue
Smethport, PA 16749
(814) 887-7772
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna Professionals
30 Fraley Street
Kane, PA 16735
(814) 837-8540
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna Professionals
336 Route 6 West Suite 3
Coudersport, PA 16915
(570) 723-1600
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna Professionals
200 West Third Avenue
Warren, PA 16365
(814) 726-2000
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna Professionals
11564 Route 6
Wellsboro, PA 16901
(570) 723-1600
Steve Holt and Dennis Pezzimenti
Broker/Owner

Howard Hanna Rosewood Real Estate
3304 SR 257
Seneca, PA 16346
(814) 677-5895
Rose Ochalek
Broker/Owner

Howard Hanna Simon Real Estate Services
1751 Rostraver Road
Rostraver Township, PA 15012
(724) 929-9699
Tom Simon
Broker/Owner

Howard Hanna The Frederick Group
3500 Winchester Road #210
Allentown, PA 18104
(610) 398-0411
Doug Frederick
Broker/Owner

Howard Hanna The Frederick Group
2505 Newburg Road
Easton, PA 18045
(610) 398-0411
Doug Frederick
Broker/Owner

Howard Hanna Wilson Baum Real Estate
314 Long Run Road
McKeesport, PA 15132
(412) 751-2200
Robert Baum
Broker/Owner

WEST VIRGINIA

Howard Hanna Mortimer Realty Company
3028 Pennsylvania Avenue
Weirton, WV 26062
(304) 748-8400
Robin Viola & Tony Viola II
Broker/Owner

Howard Hanna Premier Properties by Barbara Alexander
2800 Cranberry Square
Morgantown, WV 26508
(304) 594-0115
Barbara Alexander
Broker/Owner

EXHIBIT G

TO THE FRANCHISE DISCLOSURE DOCUMENT

LIST OF RECENT FORMER FRANCHISEES

	Franchise Name	**Franchisee Name**	**Franchisee Address**	**Franchisee current business telephone number or, if unknown, the last known telephone number**
1.	Howard Hanna North Star Realty Group	North Star Realty Group I, LTD	20 N Michael Street, St Marys, PA 15857	814-834-6777
2.	Howard Hanna J.C. Meyer Realtors	J.C. Meyer LLC	6174 Commerce Drive, Mt Gilead, OH 43338	419-947-1144

Do not sign this Compliance Certification if you are a resident of Maryland or the business is to be operated in Maryland.

EXHIBIT H

TO THE FRANCHISE DISCLOSURE DOCUMENT

COMPLIANCE CERTIFICATION

As you know, Howard Hanna Real Estate Associates, LLC (the "Franchisor") and you are preparing to enter into a Franchise Agreement for the establishment and operation of a Howard Hanna franchise (a "franchise"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate, or misleading. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

1. The following dates and information are true and correct:

a. Date: _____ The date of my first face-to-face meeting with any person to discuss the possible purchase of a franchise.

Initials: _____

b. Date: _____ The date on which I received Franchisor's Franchise Disclosure Document (FDD).

Initials: _____

c. Date: _____ The date when I received a fully completed copy (other than signatures) of the Franchise Agreement and Addenda (if any) (the "Franchise Agreement") and all other documents I later signed.

Initials: _____

d. Date: _____ The date on which I signed the Franchise Agreement.

Initials: _____

2. Have you received and personally reviewed the Franchise Agreement and each Addendum and related agreement attached to it?

Yes ☐ No ☐ Initials: _____

3. Do you understand all of the information contained in the Franchise Agreement, each Addendum and related agreement provided to you?

Yes ☐ No ☐ Initials: _____

If No, what parts of the Franchise Agreement, Addendum, and/or related agreement do you not understand? (Attach additional pages, as needed.)

_____

4. Have you received and personally reviewed the FDD that was provided to you?

Yes ☐ No ☐ Initials: _____

5. Did you sign a receipt for the FDD indicating the date you received it?

Yes ☐ No ☐ Initials: _____

6. Do you understand all of the information contained in the FDD and any state-specific Addendum to the FDD?

Yes ☐ No ☐ Initials: _____

If No, what parts of the FDD and/or Addendum do you not understand? (Attach additional pages, as needed.)

_____

7. Have you discussed the benefits and risks of establishing and operating a Howard Hanna franchise with an attorney, accountant, or other professional advisor?

Yes ☐ No ☐ Initials: _____

If No, do you wish to have more time to do so?

_____

8. Do you understand that the success or failure of your franchise will depend in large part upon your skills and abilities, competition from other businesses, availability of financing, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes ☐ No ☐ Initials: _____

9. Do you understand that no agreement or addendum is effective until it is also signed and dated by a duly authorized officer of the Franchisor?

Yes ☐ No ☐ Initials: _____

10. Do you understand that there are no promises, agreements, "side deals," arrangements, written or oral that are not in the Franchise Agreement?

Yes ☐ No ☐ Initials: _____

11. If you have answered No to any one of questions 8-10, please provide a full explanation of each No answer in the following blank lines. (Attach additional pages, as needed, and refer to them below.) If you have answered Yes to questions 8-10, please leave the following lines blank.

Q8, no… _____

Q9, no… _____

Q10, no... _____

12. Has any employee or other person speaking for the Franchisor made any statement or promise concerning the revenues, profits or operating costs of a Howard Hanna franchise operated by the Franchisor, its affiliates, franchisees, or any of Franchisor's affiliates' licensees, that is contrary to the information contained in the FDD?

Yes ☐ No ☐ Initials: _____

13. Has any employee or other person speaking for the Franchisor made any statement or promise regarding the amount of money you may earn in operating a Howard Hanna franchise that is contrary to the information contained in the FDD?

Yes ☐ No ☐ Initials: _____

14. Has any employee or other person speaking for the Franchisor made any statement or promise concerning the total amount of revenue your Howard Hanna franchise will generate, that is contrary to the information contained in the FDD.

Yes ☐ No ☐ Initials: _____

15. Has any employee or other person speaking for the Franchisor made any statement or promise regarding the costs you may incur in operating the Howard Hanna franchise that is contrary to or different from, the information contained in the FDD.

Yes ☐ No ☐ Initials: _____

16. Has any employee or other person speaking for the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Howard Hanna franchise?

Yes ☐ No ☐ Initials: _____

17. Has any employee or other person speaking for the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the FDD?

Yes ☐ No ☐ Initials: _____

18. Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise before today?

Yes ☐ No ☐ Initials: _____

19. Have you paid any money to the Franchisor concerning the purchase of this franchise before today?

Yes ☐ No ☐ Initials: _____

20. If you have answered Yes to any one of questions 12-19, please provide a full explanation of each Yes answer in the following blank lines. (Attach additional pages, as needed, and refer to them below.) If you have answered No to each of questions 12-19, please leave the following lines blank.

Q12, Yes… _____

Q13, Yes… _____

Q14, Yes… _____

Q15, Yes… _____

Q16, Yes… _____

Q17, Yes… _____

Q18, Yes… _____

Q19, Yes… _____

21. Do you understand that all disputes and claims you may have against the Franchisor must be litigated in courts sitting where the Franchisor's principal office is then located, applying Pennsylvania and Federal law?

Yes ☐ No ☐ Initials: _____

22. Do you understand that the Franchise Agreement provides that you can only collect compensatory damages on any claim under or related to the Franchise Agreement and not any consequential or punitive damages?

Yes ☐ No ☐ Initials: _____

23. Do you understand that the Franchise Agreement includes a waiver of jury trials?

Yes ☐ No ☐ Initials: _____

24. Do you understand that the Franchise Agreement includes a requirement that claims must be brought by you within one year after they arise or they may no longer be brought after that time?

Yes ☐ No ☐ Initials: _____

25. Do you understand that if the Franchisor shares with you information (that may be generated by a third party or otherwise) that relates to the evaluation of potential locations for your franchise office(s), you will not be entitled to rely on that information as a representation or suggestion by the Franchisor that a particular location for a Howard Hanna franchise office will be successful, or that you can expect to achieve a particular level of sales or profits from operating a franchise office at that location?

Yes ☐ No ☐ Initials: _____

26. Do you understand that you do not have an automatic right to participate in any individual financing program that is sponsored by us or to any guarantee program we may offer?

Yes ☐ No ☐ Initials: _____

27. Do you understand that if you default in the performance of your obligations under the Franchise Agreement, you and your owners will be jointly and severally liable for lost future royalties?

Yes ☐ No ☐ Initials: _____

[Signature Page Follows]

Date	Franchise Business Entity
	Signature
	Print Full Legal Name

EXHIBIT I

TO THE FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS

Illinois law governs the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

HOWARD HANNA

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to Franchise Agreement (this "**Addendum**") is entered into between HOWARD HANNA REAL ESTATE ASSOCIATES, LLC, a Pennsylvania limited liability company ("Franchisor") and _____ ("**Franchisee**"). Reference is made to that certain Franchise Agreement between Franchisor and Franchisee dated effective as of _____ (the "**Franchise Agreement**"), and all capitalized terms contained in this Addendum and not otherwise defined herein shall have the meaning provided in the Franchise Agreement.

WHEREAS, concurrently with this Addendum, Franchisor and Franchisee are entering into the Franchise Agreement; and

WHEREAS, Franchisor and Franchisee have agreed to enter into this Addendum to modify the terms of the Franchise Agreement because (A) the offer or sale of the franchise to the Franchisee was made in the State of Illinois; (B) the Franchisee is either a resident of the State of Illinois; and/or (C) the franchised business will be located in the State of Illinois.

In consideration of the terms hereof and the parties' mutual obligations pursuant to the Franchise Agreement, the parties agree as follows:

Modifications to Franchise Agreement

1) The terms of the Franchise Agreement are hereby modified as follows:
   a) Section 3.1 of the Franchise Agreement is amended by adding at the end thereof the following new paragraph:

      "Your rights upon non-renewal of this Agreement are set forth in section 20 of the Illinois Franchise Disclosure Act."

   b) Section 14.3(g) of the Franchise Agreement is amended by adding at the end thereof the following sentence:

      "In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void."

c) Section 16 of the Franchise Agreement is amended by adding at the end thereof the following new paragraph:

"Your rights upon termination of this Agreement are set forth in section 19 of the Illinois Franchise Disclosure Act."

d) The first sentence of Section 19.6 of the Franchise Agreement is amended and restated in its entirety to read as follows:

"Illinois law governs the Franchise Agreement."

e) The first sentence of Section 19.7 of the Franchise Agreement is amended and restated in its entirety to read as follows:

"YOU AND WE CONSENT AND IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION SITTING IN THE STATE OF ILLINOIS."

f) The last sentence of Section 19.13 of the Franchise Agreement is amended and restated in its entirety to read as follows:

"Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments."

g) The Franchise Agreement is amended to add the following:

"No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise."

2) This Addendum is a modification of the Franchise Agreement pursuant to Section 19.13 thereof. Except as expressly provided in this Addendum, the terms of the Franchise Agreement remain in full force and effect. To the extent any terms of the Franchise Agreement and this Addendum are determined to be in conflict, the terms of this Addendum shall prevail. This Addendum shall be attached to the Franchise Agreement, and all references to the Franchise Agreement therein shall include the Franchise Agreement as modified by this Addendum.

[SIGNATURE PAGE FOLLOWS]

ACCEPTED AND AGREED EFFECTIVE AS OF THE DATE PROVIDED:

Howard Hanna Real Estate Associates, LLC	
	Franchise Business Entity
Signature	Signature
Print Full Legal Name	Print Full Legal Name
Title	Title
Date	Date

ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF INDIANA

Item 8 of the Franchise Disclosure Document is amended as follows: We will promptly account for and transmit to franchisees in Indiana any revenues or other benefit received as a result of any required purchases from approved suppliers by Indiana franchisees. We may, however, obtain a rebate, or other benefits, as compensation for services rendered by us, which may include without limitation, efforts in negotiating, establishing and maintaining group purchasing and supplier arrangements.

Item 17 of the Franchise Disclosure Document is amended as follows:

Indiana Code section 23-2-2.7-1(5) prohibits us from requiring you to prospectively assent to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability imposed by the Indiana Franchise Act.

Indiana Code section 23-2-2.7-1(7) prohibits the Franchise Agreement from permitting unilateral termination of your franchise if termination is without good cause or in bad faith. Good cause within the meaning of this paragraph includes any material violation of the Franchise Agreement.

Indiana Code section 23-2-2.7-1(8) prohibits us from failing to renew your Franchise Agreement without good cause or in bad faith. This provision does not prohibit your Franchise Agreement from providing that it is not renewable upon expiration, or that renewal is conditioned upon your meeting certain conditions specified in the Franchise Agreement.

Indiana Code section 23-2-2.7-1(9) prohibits us from requiring you to covenant not to compete with us for a period longer than three (3) years or in an area greater than the exclusive area granted by your Franchise Agreement.

Indiana Code section 23-2-2.7-1(10) prohibits the Franchise Agreement from limiting litigation brought for breach of the Franchise Agreement in any manner whatsoever

The choice of law provisions of the Franchise Disclosure Document and Franchise Agreement are subject to the superseding provisions of Indiana Code sections 23-2-2.5 and 23-2-2.7.

ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND

Item 17 of the Franchise Disclosure Document is amended by adding the following: any general release required as a condition of sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Item 17 of the Franchise Disclosure Document is amended by adding the following: the general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Item 17 of the Franchise Disclosure Document is amended by adding the following: The provision in the Franchise Agreement that provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et. seq.).

Item 17 of the Franchise Disclosure Document is amended by adding the following: any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Item 17 of the Franchise Disclosure Document is amended by adding the following: a franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

The Franchise Disclosure Document is amended by adding the following: No statement questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law including fraud in the inducement or (ii) disclaiming reliance on any statement made by any franchisor franchise seller or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

HOWARD HANNA

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to Franchise Agreement (this "**Addendum**") is entered into between HOWARD HANNA REAL ESTATE ASSOCIATES, LLC, a Pennsylvania limited liability company ("Franchisor") and _____ ("**Franchisee**"). Reference is made to that certain Franchise Agreement between Franchisor and Franchisee dated effective as of _____ (the "**Franchise Agreement**"), and all capitalized terms contained in this Addendum and not otherwise defined herein shall have the meaning provided in the Franchise Agreement.

WHEREAS, concurrently with this Addendum, Franchisor and Franchisee are entering into the Franchise Agreement; and

WHEREAS, Franchisor and Franchisee have agreed to enter into this Addendum to modify the terms of the Franchise Agreement because (A) the offer or sale of the franchise to the Franchisee was made in the State of Maryland; (B) the Franchisee is either a resident of the State of Maryland; and/or (C) the franchised business will be located in the State of Maryland.

In consideration of the terms hereof and the parties mutual obligations pursuant to the Franchise Agreement, the parties agree as follows:

Modifications to Franchise Agreement

1) The terms of the Franchise Agreement are hereby modified as follows:
   a) Section 3.1(e) of the Franchise Agreement is amended by adding at the end thereof the following sentence:

      "Notwithstanding the foregoing, the general release we require you and your owners to execute and deliver as a condition to renewal shall not release us or such other persons from any liability under the Maryland Franchise Registration and Disclosure Law."

   b) Section 14.3(g) of the Franchise Agreement is amended by adding at the end thereof the following sentence:

      "Notwithstanding the foregoing, the general release we require you and your owners to execute and deliver as a condition to our approval of any transfer renewal shall not

release us or such other persons from any liability under the Maryland Franchise Registration and Disclosure Law."

c) Section 19.6 of the Franchise Agreement is amended by adding at the end thereof the following sentence:

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

d) Section 19.8 of the Franchise Agreement is amended by adding at the end thereof the following sentence:

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

e) The Franchise Agreement is amended by adding thereto the following:

"All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to not shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

2) "No statement questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law including fraud in the inducement or (ii) disclaiming reliance on any statement made by any franchisor franchise seller or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise."Effectiveness of Franchise Agreement. To the extent any terms of the Franchise Agreement and this Addendum are determined to be in conflict, the terms of this Addendum shall prevail. This Addendum shall be attached to the Franchise Agreement, and all references to the Franchise Agreement therein shall include the Franchise Agreement as modified by this Addendum.

[SIGNATURE PAGE FOLLOWS]

ACCEPTED AND AGREED EFFECTIVE AS OF THE DATE PROVIDED:

Howard Hanna Real Estate Associates, LLC	
	Franchise Business Entity
Signature	Signature
Print Full Legal Name	Print Full Legal Name
Title	Title
Date	Date

ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2 or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such party has any pending actions against them, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded *nolo contendere* to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action

alleging: violation of a franchise, antifraud or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements - No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any

franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise**.**

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

HOWARD HANNA

NEW YORK STATE ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to Franchise Agreement (this "**Addendum**") is entered into between HOWARD HANNA REAL ESTATE ASSOCIATES, LLC, a Pennsylvania limited liability company ("Franchisor") and _____ ("**Franchisee**"). Reference is made to that certain Franchise Agreement between Franchisor and Franchisee dated effective as of _____ (the "**Franchise Agreement**"), and all capitalized terms contained in this Addendum and not otherwise defined herein shall have the meaning provided in the Franchise Agreement.

WHEREAS, concurrently with this Addendum, Franchisor and Franchisee are entering into the Franchise Agreement; and

WHEREAS, Franchisor and Franchisee have agreed to enter into this Addendum to modify the terms of the Franchise Agreement because (A) the offer or sale of the franchise to the Franchisee was made in the State of New York; (B) the Franchisee is either a resident of the State of New York; and/or (C) the franchised business will be located in the State of New York.

In consideration of the terms hereof and the parties mutual obligations pursuant to the Franchise Agreement, the parties agree as follows:

Modifications to Franchise Agreement

1) The terms of the Franchise Agreement are hereby modified as follows:

   a) Section 3.1(d) of the Franchise Agreement is amended and restated to read in its entirety as follows:

      "(d) Contemporaneously with the execution of a New Franchise Agreement, you and your owners execute and deliver to us a general release, in form satisfactory to us, of any and all claims against us and our owners, officers, directors, employees, agents, successors and assigns, provided, however, that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied."

b) Section 14.3(g) of the Franchise Agreement is amended and restated to read in its entirety as follows:

> "you (and your transferring owners) have executed a general release, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents, provided, however, that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied."

c) The Franchise Agreement is amended is amended by adding thereto the following:

> "Nothing in the Agreement should be considered a waiver of any right conferred upon Franchisee by Article 33 of the General Business Law of the State of New York."

2) Effectiveness of Franchise Agreement. This Addendum is a modification of the Franchise Agreement pursuant to Section 19.13 thereof. Except as expressly provided in this Addendum, the terms of the Franchise Agreement remain in full force and effect. To the extent any terms of the Franchise Agreement and this Addendum are determined to be in conflict, the terms of this Addendum shall prevail. This Addendum shall be attached to the Franchise Agreement, and all references to the Franchise Agreement therein shall include the Franchise Agreement as modified by this Addendum.

[SIGNATURE PAGE FOLLOWS]

ACCEPTED AND AGREED EFFECTIVE AS OF THE DATE PROVIDED:

Howard Hanna Real Estate Associates, LLC	
	Franchise Business Entity
Signature	Signature
Print Full Legal Name	Print Full Legal Name
Title	Title
Date	Date

ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA

Item 5 of the Franchise Disclosure Document is amended by adding the following: The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the Initial Franchise Fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

Please review Item 11 for our pre-opening obligations.

Item 17 of the Franchise Disclosure Document is amended by adding the following: In accordance with §13.1-558 of the Virginia Retail Franchising Act, the general release is not applicable.

Item 17(r) of the Franchise Disclosure Document is amended by adding the following: Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.

Item 17(w) of the Franchise Disclosure Document is amended by adding the following: Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act ("Act"), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

HOWARD HANNA

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to Franchise Agreement (this "Addendum") is entered into between HOWARD HANNA REAL ESTATE ASSOCIATES, LLC, a Pennsylvania limited liability company ("Franchisor") and _____ ("Franchisee"). Reference is made to that certain Franchise Agreement between Franchisor and Franchisee dated effective as of _____ (the "Franchise Agreement"), and all capitalized terms contained in this Addendum and not otherwise defined herein shall have the meaning provided in the Franchise Agreement.

WHEREAS, concurrently with this Addendum, Franchisor and Franchisee are entering into the Franchise Agreement; and

WHEREAS, Franchisor and Franchisee have agreed to enter into this Addendum to modify the terms of the Franchise Agreement because (A) the offer or sale of the franchise to the Franchisee was made in the State of Virginia; (B) the Franchisee is either a resident of the State of Virginia; and/or (C) the franchised business will be located in the State of Virginia.

In consideration of the terms hereof and the parties mutual obligations pursuant to the Franchise Agreement, the parties agree as follows:

Modifications to Franchise Agreement

1. The terms of the Franchise Agreement are hereby modified as follows:
   (a) Section 5.1 of the Franchise Agreement is amended by adding thereto the following:
   "The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the Initial Franchise Fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement."
   (b) Section 5.2 of the Franchise Agreement is amended by adding at the end thereof the following paragraph:
   "The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the Initial Franchise Fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement."

(c) Section 9.1 of the Franchise Agremeent is amended by adding at the end thereof the following:

"Notwithstanding the foregoing, this Section 9.1 shall not restrict the your right to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of this Agreement; provided, however, that if you sell your franchise at a mutually agreed upon price to a third party or back to us, such sale may include a term restricting your right to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale."

(d) The first sentence of Section 19.7 of the Franchise Agreement is amended and restated to read in its entirety as follows:

"This Agreement shall be governed by the laws of the Commonwealth of Virginia."

(e) No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2. **Effectiveness of Franchise Agreement**

This Addendum is a modification of the Franchise Agreement pursuant to Section 19.13 thereof. Except as expressly provided in this Addendum, the terms of the Franchise Agreement remain in full force and effect. To the extent any terms of the Franchise Agreement and this Addendum are determined to be in conflict, the terms of this Addendum shall prevail. This Addendum shall be attached to the Franchise Agreement, and all references to the Franchise Agreement therein shall include the Franchise Agreement as modified by this Addendum.

ACCEPTED AND AGREED EFFECTIVE AS OF THE DATE PROVIDED:

Howard Hanna Real Estate Associates, LLC	
	Franchise Business Entity
Signature	Signature
Print Full Legal Name	Print Full Legal Name
Title	Title

Date	Date

ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WISCONSIN

Item 17 of the Franchise Disclosure Document is amended by adding the following: For all franchisees residing in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract which is inconsistent with the Law

EXHIBIT J

TO THE FRANCHISE DISCLOSURE DOCUMENT

SAMPLE GENERAL RELEASE

This General Release (this "Release") is being executed and delivered this ___ day of _____, 20__, by _____ ("Franchisee") and _____ ("Owner(s)") (Franchisee and Owners are collectively the "Releasing Parties") in favor of HOWARD HANNA REAL ESTATE ASSOCIATES, LLC, a Pennsylvania limited liability company (the "Franchisor").

WHEREAS, Franchiser and Franchisee are parties to that Franchise Agreement dated _____ (together with all Addenda thereto, the "Franchise Agreement"), pursuant to which the Franchisor granted to the Franchisee, on the terms and subject to the conditions set forth therein, the right to own and operate an integrated real estate brokerage services business using the Franchisor's systems, copyrights and marks at _____ (the "Franchise Business");

WHEREAS, the Owner(s) own the Franchisee and have been engaged in the Franchise Business; and

WHEREAS, [Owner has requested that Franchisor consent to the transfer of the Franchise Business pursuant to Section 14.3 of the Franchise Agreement][Franchisee desires to renew the Franchise Agreement pursuant to Section 3.1 of the Franchise Agreement].

NOW THEREFORE, the Releasing Parties, for good and valuable consideration, the receipt, and sufficiency of which are hereby acknowledged, and intending to be legally bound, hereby agrees as follows:

1. To the fullest extent permitted by applicable law, the Releasing Parties, on behalf of themselves and any person claiming by or through them, hereby irrevocably releases, waives and discharges, forever and unconditionally, the Franchisor and all of the Franchisor's past, present and future parents, subsidiaries, affiliates, shareholders, members, partners, managers, directors, officers, employees, assigns, successors, agents, legal representatives and attorneys, and any of the aforementioned persons' estates, heirs, executors or administrators (collectively the "Released Parties"), from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, judgments, damages, actions, causes of action, suits, rights, demands, costs, sums of money, losses, debts and expenses

(including reasonable attorneys' fees and costs actually incurred) of any nature whatsoever, known or unknown, vested or contingent, suspected or unsuspected, arising from or by reason of, any matter, cause, or thing whatsoever, from the beginning of the world to the date of hereof, that the Releasing Parties now have, ever had, or, but for this release, hereafter would or could have had against each or any of the Released Parties.

2. The Releasing Parties irrevocably covenant and agree not to file any claim or complaint or institute or instigate any investigation, lawsuit, arbitration proceeding, or other legal action against any Released Party for claims released herein.

3. The Releasing Parties represent and warrant that they have not heretofore assigned or transferred, or purported to assign or transfer, any claim released herein to any person, firm or other entity. If any suit, claim, demand, action or cause of action shall be made or asserted based on, arising out of, or in connection with any such transfer or assignment or purported transfer or assignment, the Releasing Parties shall indemnify and hold the Franchisor and the Released Parties harmless against any such suit, claim, demand, action or cause of action, including reasonable attorneys' fees and costs incurred in connection therewith.

4. The Releasing Parties expressly accept and assume the risk that the facts and/or law pertaining to the claims released herein may change, or that the facts pertaining to the claims released herein may later be found to be different from that which is now known or believed by him or their counsel to be true. This release shall be and remain effective notwithstanding any such change or difference.

5. The Releasing Parties represent and warrant that they (i) have read and understand and the consequences of the execution and delivery of this Release; (ii) are freely and voluntarily executing and delivering this Release; (iii) have had the opportunity to retain separate counsel in connection with the negotiation and execution of this Release; (iv) have relied on the advice of separate counsel with respect to this Release or made the conscious decision not to retain counsel in connection with the negotiation and execution of this Release; and (v) has not relied upon any inducements, promises or representations made by the Franchisor, or its representatives which have not been specifically incorporated in writing into the terms of this Release.

6. If any provision of this Release is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Release will remain in full force and effect. Any provision of this Release held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

7. This Release may be executed in one or more counterparts and all such counterparts so delivered and executed shall constitute one and the same instrument. Any signature page of any such counterpart, any copy thereof delivered by facsimile, e-mail or other means of electronic transmission, may be

attached or appended to any other counterpart to complete a fully executed counterpart of this Release, and any copy thereof delivered by facsimile, e-mail or other means of electronic transmission shall be deemed an original and shall bind each party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Releasing Parties have executed this Release as of the date first written above.

FRANCHISEE:

Business Entity

Signature

Print Full Legal Name

Title

Date

STATE OF: _____

COUNTY OF: _____

On the _____ day of _____ in the year 20__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

NOTARY PUBLIC

EXHIBIT K

FRANCHISE LOCATION ADDENDUM

THIS FRANCHISE LOCATION ADDENDUM (this "**Addendum**") is effective as of _____ (the "Addendum Date"). The parties to this Addendum are **HOWARD HANNA REAL ESTATE ASSOCIATES, LLC**, a Pennsylvania limited liability company, with its principal business address at 119 Gamma Drive, Pittsburgh, Pennsylvania 15238 (referred to in this Agreement as "**we**," "**us**" or "**our**"), and _____ , with a principal address of ADDRESS (referred to in this Agreement as "**you**," "**your**", or "**Licensee**").

A. The parties executed a Franchise Agreement dated as of _____ (the "Franchise Agreement").

B. The Licensee desire to amend the Franchise Agreement to add an additional office location to that set forth on the Franchise Agreement.

C. Said additional office location shall be located at _____ (the "1st Supplemental Office Location").

D. We desire to approve the Supplemental Office Location per the terms of the Franchise Agreement, with the exception that the fee for this Supplemental Office shall be reduced to $3,000.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained in this Addendum, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

1.Recitals. The Recitals to this Addendum are incorporated and made part of this Addendum.

2.Addendum I. Addendum I to the Franchise Agreement shall be hereby amended to include the Supplemental Office Location.

3. Miscellaneous. Except as specifically set forth herein, the Agreement will continue in full force and effect in accordance with its terms. This Addendum and the Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior or contemporaneous written or unwritten agreements, commitments, arrangements or understandings with respect to such subject matter. In the event of any conflict between the terms of this Addendum and the terms of the Agreement, the terms of this Addendum will govern.

4. Execution in Counterparts. This Addendum may be executed in one or more counterparts, including electronic transmissions of signature pages, all of which will constitute one and the same agreement.

SIGNATURE PAGE FOLLOWS

This Addendum to Franchise Agreement is executed by the parties as of the Addendum Date.

Name of Franchisee

Signature

Print Full Legal Name

Title

HOWARD HANNA REAL ESTATE ASSOCIATES, LLC

Signature

Print Full Legal Name

Title

State Effective Dates

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

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

STATE	EFFECTIVE DATE
California	not registered
Hawaii	not registered
Illinois	pending
Indiana	pending
Maryland	pending
Michigan	pending
Minnesota	not registered
New York	pending
North Dakota	not registered
Rhode Island	not registered
South Dakota	not registered
Virginia	pending
Washington	not registered
Wisconsin	pending

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

EXHIBIT L

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Howard Hanna Real Estate Associates, LLC offers a franchise, it must provide this disclosure document to you fourteen (14) calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement with the payment of any consideration that relates to the franchise relationship. Michigan and Washington require that we give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement for the payment of any consideration, whichever occurs first.

If Howard Hanna Real Estate Associates, LLC does not deliver this disclosure on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified in Exhibit A.

The franchisor is Howard Hanna Real Estate Associates, LLC located at 119 Gamma Drive, Pittsburgh, PA 15238. Its telephone number is (412) 967-9000.

We authorize the respective state agents identified on Exhibit B to receive service of process for us in the particular states.

Issuance Date: April 27, 2026 (for registration state effective dates see "State Effective Dates" page immediately preceding these Receipt pages).

The name, principal business address, and telephone number of the franchise sellers offering the franchise are (please check box(es) next to the person who made this offer to you):

Name		Principal Business Address	Telephone Number
Howard W. Hanna, III	◯	119 Gamma Drive, Pittsburgh, PA 15238	(412) 967-9000
Annie Hanna Cestra	◯	119 Gamma Drive, Pittsburgh, PA 15238	(412) 967-9000
Thomas Schoeller	◯	119 Gamma Drive, Pittsburgh, PA 15238	(412) 967-9000
David Sherrin	◯	119 Gamma Drive, Pittsburgh, PA 15238	(412) 967-9000

Tracy Rossetti Delvaux	◯	119 Gamma Drive, Pittsburgh, PA 15238	(412) 967-9000
Helen Hanna Casey	◯	119 Gamma Drive, Pittsburgh, PA 15238	(412) 967-9000
Frederick Duffy Hanna	◯	119 Gamma Drive, Pittsburgh, PA 15238	(412) 967-9000
Other:	◯	_____	_____
Other:	◯	_____	_____

I received a disclosure document from Howard Hanna Real Estate Associates, LLC dated as of April 27, 2026 that included the following Exhibits:

A LIST OF ADMINISTRATORS	G. LIST OF RECENT FORMER FRANCHISEES
B. AGENTS FOR SERVICE OF PROCESS	H. COMPLIANCE CERTIFICATION
C. TABLE OF CONTENTS TO OPERATING MANUAL	I. STATE SPECIFIC ADDENDA
D. FINANCIAL STATEMENTS	J. SAMPLE GENERAL RELEASE
E. STANDARD FRANCHISE AGREEMENT	K. FRANCHISE LOCATION ADDENDUM
F. LIST OF CURRENT FRANCHISEES	L. RECEIPT (2 COPIES)

FRANCHISE APPLICANT: _____

Signed: _____

Full Legal Name: _____

Date: _____

EXHIBIT L

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Howard Hanna Real Estate Associates, LLC offers a franchise, it must provide this disclosure document to you fourteen (14) calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement with the payment of any consideration that relates to the franchise relationship. Michigan and Washington require that we give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement for the payment of any consideration, whichever occurs first.

If Howard Hanna Real Estate Associates, LLC does not deliver this disclosure on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified in Exhibit A.

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FRANCHISE APPLICANT: _____

Signed: _____

Full Legal Name: _____

Date: _____

KEEP THIS COPY FOR YOUR RECORDS