

[]. DISPUTE RESOLUTION

[].1 Mediation. The parties hereby pledge and agree that before resorting to arbitration (or any other binding dispute resolution procedure), they will first attempt to resolve any dispute, claim or controversy arising out of or relating to this Agreement or any alleged breach hereof (collectively, "Dispute") through a mediation conducted before a neutral mediator referred by Franchise Arbitration and Mediation Services ("FAM") and accepted by the parties, in accordance with FAM's Mediation Guidelines, which are available at FAM's website (www.franarb.com). Mediation will be conducted in [County, State] and will be conducted and completed within 45 days following the date either party first gives notice of mediation. The fees and expenses of the mediator will be shared equally by the parties. The mediator will be disqualified as a witness, expert or counsel for any party with respect to the Dispute and any related matter. Mediation is a compromise negotiation and will constitute privileged communications under the law governing this Agreement. The entire mediation process will be confidential and the conduct, statements, promises, offers, views and opinions of the mediator and the parties will not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence which is otherwise discoverable or admissible will not be excluded from discovery or admission as a result of its use in the mediation.

[].2 Arbitration.

(a) Any dispute between (i) us and our affiliated entities and (ii) you and your affiliated entities, arising out of or relating to this Agreement or its breach, including without limitation, any claim that this Agreement or any of its parts, is invalid, illegal or otherwise voidable or void, will be resolved by submission to binding arbitration by and before a neutral franchise attorney referred by FAM and selected by the parties in accordance with FAM's Arbitration Guidelines (available on FAM's website: www.franarb.com). The arbitrators are authorized to award legal fees and costs to the prevailing party pursuant to section [].4 below. It is explicitly agreed by each of the parties hereto that no arbitration of any dispute involving this Agreement or the franchise relationship among the parties hereto may be commenced except in accordance with this section [].2.

(b) All hearings and other proceedings will take place in [NAME] County, [STATE], or other county where our headquarters is then located.

(c) Any party may present briefs, as well as depositions and sworn statements of witnesses who are unable to attend hearings. [Otherwise, no interrogatories, depositions, sworn statements or other discovery are permitted/The parties may conduct additional discovery as permitted by the arbitrator.] The arbitration award will be final and binding on the parties, and judgment on the award may be entered in any federal or state court having jurisdiction

(d) This arbitration provision is deemed to be self-executing and will remain in full force and effect after expiration or termination of this Agreement. If either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such party by default or otherwise notwithstanding said failure to appear.

(e) The provisions of this section [].2 are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Furthermore, this section [].2 will be construed as independent of any other covenant or provision of this Agreement; provided, however, that if a court of competent jurisdiction determines that any of such provisions are unlawful in any way, the court is respectfully requested to modify or interpret such provisions to the minimum extent necessary to comply with the law.

[Our Initials: _____ Your Initials: _____]

[Principal Equity Owners' Initials: _____]

[].3 Injunctive Relief. Any party has the right in a proper case to obtain temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction, without the necessity of posting any bond, and if bond is nevertheless required by a court of competent jurisdiction, the parties agree that the sum of \$1,000 will be sufficient bond (this amount may be adjusted by changes in the Consumer Price Index since the Effective Date). If an arbitration proceeding has commenced pursuant to section [].2 above, then the party seeking such injunctive relief agrees to contemporaneously submit the merits of its dispute to the

arbitrator. This covenant is independent, severable and enforceable notwithstanding any other rights or remedies that any party may have.

[]4 Legal Fees and Expenses. If any party to this Agreement brings any arbitration, or other action or proceeding for any relief against another party, declaratory or otherwise, arising out of this Agreement, the losing party must pay to the prevailing party a reasonable sum for legal fees and costs incurred in bringing or defending such arbitration, action or proceeding and/or enforcing any judgment granted therein, all of which will be deemed to have accrued upon the commencement of such arbitration, action or proceeding and must be paid whether or not such action or proceeding is prosecuted to final judgment. Any judgment or order entered in such action or proceeding must contain a specific provision providing for the recovery of legal fees and costs, separate from the judgment, incurred in enforcing such judgment. The prevailing party will be determined by the arbitrator or court based upon an assessment of which party's major arguments or positions taken in the proceedings could fairly be said to have prevailed over the other party's major arguments or positions on major disputed issues. For the purposes of this section [].4, legal fees will include fees incurred in the following: (i) post-judgment motions; (ii) contempt proceedings; (iii) garnishment, levy, and debtor and third party examinations; (iv) discovery and (v) bankruptcy litigation. This section [].4 is intended to be expressly severable from the other provisions of this Agreement, is intended to survive any judgment, and is not to be deemed merged into the judgment.

[].5 Survival. The terms of this Article [] will survive termination, expiration or cancellation of this Agreement.