

**INFORMATION FOR PROSPECTIVE FRANCHISEES  
REQUIRED BY FEDERAL TRADE COMMISSION**

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TO PROTECT YOU, WE'VE REQUIRED YOUR FRANCHISOR TO GIVE YOU THIS INFORMATION. WE HAVEN'T CHECKED IT, AND DON'T KNOW IF IT'S CORRECT. IT SHOULD HELP YOU MAKE UP YOUR MIND. STUDY IT CAREFULLY. WHILE IT INCLUDES SOME INFORMATION ABOUT YOUR CONTRACT, DON'T RELY ON IT ALONE TO UNDERSTAND YOUR CONTRACT. READ YOU'RE ENTIRE CONTRACT CAREFULLY. BUYING A FRANCHISE IS A COMPLICATED INVESTMENT. TAKE YOUR TIME TO DECIDE. IF POSSIBLE, SHOW YOUR CONTRACT AND THIS INFORMATION TO AN ADVISOR, LIKE A LAWYER OR AN ACCOUNTANT. IF YOU FIND ANYTHING YOU THINK MAY BE WRONG OR ANYTHING IMPORTANT THAT'S BEEN LEFT OUT, YOU SHOULD LET US KNOW ABOUT IT. IT MAY BE AGAINST THE LAW.

THERE MAY ALSO BE LAWS ON FRANCHISING IN YOUR STATE. ASK YOUR STATE AGENCIES ABOUT THEM.

**FEDERAL TRADE COMMISSION**  
**WASHINGTON, D.C. 20580**

# Franchise Disclosure Document

## Team Trivia, Inc.

The franchise offered is for the operation of a TEAM TRIVIA FRANCHISE.

Our franchises may conduct business under whichever business name they so choose, so long as the name is not found to be objectionable by the Franchisor. The name of the products and the methods and procedures by which they are conducted by the Franchisee in any venue and at any time must remain the exact same as designated by Franchisor. The initial franchise fee is within the range of \$10,000.00 - \$25,000; depending upon the specific geographic location and population density of the franchise territory. The Franchisor will specifically quote a price to you for your franchise territory of interest, and this amount will be disclosed to you in the actual Franchise Agreement you must sign to become a Franchisee. The estimated initial investment required for the operation of a Team Trivia franchise ranges from \$17,500.00 to \$45,000.00. This investment amount is only an estimate. It cannot be guaranteed that you will not have, or desire to have, additional expenses when starting your business.

### **Risk Factors:**

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government 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 Team Trivia at (770) 205-5388. The terms of your contract govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your Franchise/License Agreement carefully. We suggest that you review these documents with an attorney experienced in these matters.

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, DC 20580. You can also visit the FTC's home page at [www.ftc.gov](http://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.

EFFECTIVE DATE: December 12, 2008

**Franchise**  
**With**  
***TEAM TRIVIA, Inc.***  
**STATE COVER PAGE**

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

Call the state administrator listed in Exhibit A for information about the franchisor, or about franchising in your state.

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

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

1. **THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN FORSYTH COUNTY, GEORGIA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN GEORGIA THAN IN YOUR HOME STATE.**
2. **THE FRANCHISE AGREEMENT STATES THAT GEORGIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.**
3. **THE FRANCHISOR HAS LIMITED CAPITAL RESOURCES. THIS COULD RESULT IN THE FRANCHISOR BEING UNABLE TO MEET CURRENT OBLIGATIONS.**
6. **THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**

Effective Date: December 12, 2008

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### **EXHIBITS**

Exhibit 1. List of State Agencies & Agents for Service of Process

Exhibit 2. List of Current Franchisees

Exhibit 3. State Law Adendums

Exhibit 4. Application for Franchise

## Item 1

### THE FRANCHISOR, ANY PARENTS, PREDECESSOR AND AFFILIATES

The Franchisor is Team Trivia, Inc. a Georgia Corporation. For ease of reference, Team Trivia, Inc. will be referred to as "we," "us," "our," "Franchisor", or "Team Trivia" in this Disclosure Document. We will refer to the person or entity that buys the franchise as "you", "Franchisee" and "your" throughout the Disclosure Document and Franchise Agreement. Additionally, any reference to "System" means the franchise system of "Team Trivia".

Our principal businesses address is 1380 Woodvine Way, Alpharetta, Georgia 30005. We sell franchises for The Answer Is...Productions, Inc., the owner of the Team Trivia Trademark and all proprietary and intellectual property rights associated with "Team Trivia", "Full House Hold-Em Poker" and "Bar Bingo". Currently the only product offered by The Answer Is...Productions, Inc. which is protected by Federal Trade/Service Mark is "Team Trivia". As of the date of this Circular, the Franchisor and The Answer Is... Productions, Inc. have sold a total of nine (9) franchises. While Team Trivia, Inc. has been in business for approximately one (1) year, The Answer Is... Productions, Inc. has been in business for more than seventeen (17) years; primarily developing and operating Team Trivia weekly shows throughout the Metropolitan Atlanta Georgia Market. As of this date, The Answer Is...Productions, Inc. currently operates the largest Team Trivia franchise in operation; that being in Metropolitan Atlanta, Georgia, which has been offering the Team Trivia product to bars, taverns and restaurants for eighteen (18) years. This entity conducts in excess of two hundred twenty-five (225) weekly Team Trivia and Full House Hold-Em Poker shows in bars, taverns and restaurants within the Metropolitan Atlanta, Georgia territory. Our agent for service of process is disclosed in Exhibit 2. Potential customers include owners of bars, taverns and restaurants, which utilize our products to entertain their patrons; along with corporations and entities looking to conduct one-time or occasional team building or entertainment activities for employees or their customers. We offer a Franchise Agreement for the operation of an entertainment/promotional activity business, and we currently offer no franchises in any other line of business.

The Business is characterized by a distinctive Team Trivia logo, trade/service mark protection of the name "TEAM TRIVIA", procedures and methods for conducting the weekly shows, procedures for players to score and accumulate points during the Team Trivia games; procedures for the formation and operation of a Team Trivia League within your franchise territory, the utilization of certain scoring processes and materials, and advertising materials and the Corporate Team Trivia Website used to benefit the venues (bars, taverns and restaurants), players and franchisees; as well as for the benefit of building the Franchisee's business, both short term and long term. All these procedures and methods of operation make up the business (the "System") and may be changed, improved, or modified by Team Trivia, Inc. or it's licensor, The Answer Is...Productions, Inc., at any time.

The Franchise System is identified by means of a Federally registered trademark, but is not limited to the trademark "Team Trivia".

You will be competing with other businesses, which offer promotional and entertainment games, shows and activities in bars, taverns and restaurants which are highly competitive in some areas

of the country. Your competitors may be other businesses, some of which are franchised, which sell similar products or services, or even someone doing business out of his home. Your business must be operated in conformance with state, local and federal laws and regulations; along with the specified standards of our System.

To date, the only predecessor seller of Franchises has been The Answer Is...Productions, Inc. The Answer Is...Productions is the owner of the "Team Trivia" trade/service mark and has granted an exclusive license to Team Trivia, Inc. to handle all franchising for them, going forward.

Please be advised that the conduct of any business, franchise or otherwise, subjects you to laws, and local regulations. You must investigate the existence of any laws which may apply to your business.

## Item 2

### BUSINESS EXPERIENCE

President: PETER P. DELBOVE

Mr. DelBove is the President and Chief Executive Officer of Team Trivia, Inc, as well as a shareholder of the Corporation. He has been self-employed as an Attorney for the past 19 years, and associated as Vice President and General Counsel, as well as a shareholder of the owner of the Team Trivia trademark, The Answer Is...Productions, Inc., since 1991.

Vice President: MILO C. WARNER

Mr. Warner is Vice President of Team Trivia, Inc., and a shareholder of the Corporation.

Mr. Warner also serves as President, Chief Executive Officer and Majority Shareholder of The Answer Is...Productions, Inc., the owner of the Team Trivia trademark and the licensor of the Team Trivia product to Team Trivia, Inc. The Answer Is...Productions, Inc. is also the largest (in number of weekly Team Trivia shows) single operating franchise territory for Team Trivia which operates in the Metropolitan Atlanta, Georgia area.. Mr. Warner has served in his capacities with The Answer Is... Productions, Inc. since starting the Team Trivia business in 1990.

## Item 3

### LITIGATION

As of this date there is no litigation pending with regard to Team Trivia, Inc., The Answer Is...Productions, Inc. or either of the companies principal officers, directors or shareholders with respect to the business assets available for franchising.

#### Item 4

#### BANKRUPTCY

No person previously identified in Items 1 or 2 of this Disclosure Document have been involved as a debtor in proceedings under the U.S. Bankruptcy code as required to be disclosed in this item.

#### Item 5

#### INITIAL FEES

You are required to pay an initial franchise fee ranging between \$10,000 and \$25,000 for a Team Trivia Franchise when you sign the Franchise Agreement ("Initial Franchise Fee"). The specific amount of your fee for your Team Trivia franchise territory will be disclosed to you in writing in your Franchise Agreement, prior to the time you will need to execute this document. Each franchise is operated according to a separate Franchise Agreement, and this fee must be paid to us in a lump sum upon the signing of each Franchise Agreement. The franchise fee is based on the specific territory size (land mass included within the territory) and the population density within the specific territory. The Initial Franchise Fee is deemed fully earned and nonrefundable upon payment to us. There are no exceptions to this rule. There is a three (3) day right of rescission period allowed to you in which you may terminate the Agreement with a refund, less expenses incurred by us. These expenses shall be considered as equal to thirty percent (30%) of the total initial franchise fee you are being charged for the franchise territory (NOT 30% of your deposit).

For this initial franchise fee you receive an exclusive franchised territory. The size of the franchised territory will generally be an area with a radius of thirty (30) miles from the center of a major downtown city within North America; however, the Franchisor reserves the right to delineate any area it so chooses as a franchised territory. The specific territory name and its geographic location/boundaries will be communicated to you orally; as well as in your Franchise/License Agreement for your review prior to signature.

There are guidelines and procedures that all Team Trivia Franchises and Franchisees must follow with regard to the operation of any of the promotional games provided by the Franchisor, as well as guidelines and procedures for operating any Team Trivia Franchise. These will be communicated to each franchisee by way of the Team Trivia website ([www.teamtrivia.com](http://www.teamtrivia.com)), as well as thorough written materials available by computer download for the franchisees. All these guidelines are deemed reasonable and exist for the success of individual franchisees, as well as the entire Team Trivia franchise network. It is the responsibility of the owner of the franchise to see that all guidelines are followed. All initial franchise fees and weekly show royalties paid to Team Trivia, Inc. are non-refundable. The initial Franchise fee is deemed earned by Team Trivia, Inc. upon your signing of the Franchise/License Agreement, and there are no exceptions to this rule.

Item 6

OTHER RECURRING OR OCCASIONAL FEES

<u>Name of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Recurring Royalty Payments	\$25 per weekly show performed for the first forty (40) weekly shows, and \$20 per weekly show for additional show performed each week thereafter.	Due on the 10 <sup>th</sup> day of following month for all shows performed during that previous month.	Continuing Royalty paid to us.
Franchise Transfer Fee	\$5,000.00	At the time that transferee executes the franchise agreement in effect for the transfer or sale of existing unit; subject to Franchisor's right of first refusal.	Payable to us when the Franchise Agreement or a material portion of the assets of the business interest is transferred to a third party.
Attorney's Fees	Will vary under circumstances	As Incurred	Payable as incurred by us in obtaining injunctive relief for the enforcement of any item under the Franchise Agreement .
Indemnification	Will vary under circumstances	As incurred	You have to reimburse us if we are held liable for any claims arising from your franchise business.

Franchise Renewal/License Extension Fee for 2 <sup>nd</sup> and subsequent three (3) year renewal terms of your Franchise Agreement	\$2,000.00	30 days before renewal. We will bill you for this fee.	Payable to us after the initial franchise term of three (3) years <b>and one “free” extended agreement term</b> (you have a minimum time period of six (6) years before this fee is charged to you).
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Item 7

**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

Investment	Amount- Range Estimated	Method of Payment	When Payable	Whether Refundable	To Whom Payment is Made
Initial Franchise Fee (1)	\$10,000 to \$25,000	Lump Sum	Upon signing of the Franchise Agreement	No	Us
Retail Inventory & Equipment (3)	\$5,000 to \$15,000 Note 3	As Incurred	To your suppliers as equipment/ supplies are purchased.	Unknown	Outside Suppliers of your choosing, as needed or desired.
Additional Funds – 3 Months (4)	\$2,500 to \$5,000	As Incurred	As Agreed to with third parties	Unknown	Outside Suppliers of your choosing, as needed or desired
<b>TOTAL ESTIMATED INITIAL INVESTMENT (5)</b>	<b>\$17,500 – \$45,000</b>	<b>As Incurred</b>	<b>As Agreed with each Supplier</b>	<b>No</b>	<b>Us and Other Outside Suppliers, and other Vendors</b>

\*All fees imposed by us are payable to us. All fees paid to us are non-refundable and deemed earned when payment is made there are no exceptions unless otherwise agreed to in writing by the Franchisor.

\*Interest begins from the date of underpayment.

\*No provision is made in the initial investment for franchisees personal living expenses.

**WE do not guarantee that YOU will not incur greater startup expenses than these estimates. We do not imply or warranty that you will reach profitability by any particular time.**

Explanatory Notes:

(1) Franchise Fee. The fee for a franchise is \$10,000-\$25,000 for an initial six-year term; with renewal franchise fees due at a rate of \$2,000 for every three (3) year period thereafter.

(2) Real Estate and Improvements. There is no requirement to purchase or rent specific office space in connection with your franchise business. Many franchisees run their business from an office in their home or apartment. If you wish to run your franchise from your home or apartment, you should check with your homeowners association, landlord and/or local government to see if such an arrangement is permissible in your locale.

(3) Retail Equipment/Inventory. No specific equipment or inventory is required to be purchased or maintained by the Franchisee. Some Franchisees choose to make a modest investment (generally \$10,000 or less) in small sound mixing boards, microphones, a laptop or notebook computer, a desktop computer, internet service and other audio/video equipment used by their workers in performing the Team Trivia weekly shows in the bars, taverns and restaurants. Other franchisees contract with workers who supply some or all of this equipment themselves. The choice is with each individual Franchisee.

(4) Additional Funds. This estimates your initial start up expenses. These expenses do not include any cost for payroll or payment for contract labor to perform any weekly Team Trivia events. These figures are estimates it cannot be guaranteed that you will not have additional expenses starting your business; such as costs for traveling for training, licenses, permits legal or accounting expenses, other office expenses and any additional costs for advertising and promoting your business. Additional funds are an estimate of the money you will need on hand during the initial phase of your franchise operations. We estimate that the initial phase will last three months and that you will need about \$2,500.00 to \$5,000.00 to cover expenses during this phase. Your costs will depend on factors such as: how well you follow our methods and procedures, your management skills, experience, dedication, and business acumen, local economic conditions, the local market for your goods and services, competition, and the sales level reached during the initial period.

(5) Total Estimated Initial Investment. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not offer financing directly or indirectly for any part of the initial investment. These figures are estimates and we cannot guarantee that you will not have additional expenses starting your business.

**PLEASE NOTE For all training you must pay for your own travel, lodging, and meal expenses to our home office. If you request us to come to you, you must pay the then current per diem charges for the trainers, and must reimburse us for their actual travel, lodging, and meal expenses. **The cost for the actual training itself, if performed at the home office of Franchisor, is included in your initial franchise fee.****

Item 8

FRANCHISEE'S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AND OTHER AGREEMENTS. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS FRANCHISE DISCLOSURE DOCUMENT.

<u>Obligation</u>	<u>Franchise Agreement</u>	<u>Disclosure Document</u>
(A) INITIAL FRANCHISE FEE		
(B) CONTINUING PER SHOW ROYALTY OBLIGATIONS		
(C) TERRITORIAL OPERATING RESTRICTIONS		
(D) MINIMUM DEVELOPMENTAL OBLIGATIONS AND TIME PERIODS FOR WHICH MINIMUM DEVELOPMENT IS REQUIRED		
(E) FRANCHISE TERM RENEWALS		
(F) RESTRICTIONS ON FRANCHISE TRANSFERS/RIGHT OF FIRST REFUSAL TO FRANCHISOR		
(G) POST TERM OBLIGATIONS		

(H) NON-COMPETITIVE COVENANTS
(I) PROVISIONS FOR DISPUTE RESOLUTION

Item 9

FINANCING

Generally we do not offer, directly or indirectly, any financing arrangements to you the franchisee. We do not guarantee your notes, leases, liabilities or any other obligations of your business, nor for your personally.

Item 10

FRANCHISOR'S OBLIGATIONS

Except as listed below, we need not provide any assistance to you under the Franchise Agreement.

(1) A reasonable amount of training which takes place at Franchisor’s home office. There will be no charge to the Franchisee for the Franchisor’s actual costs of conducting this training. The introductory training program is free of charge for two people, but YOU are responsible for the costs and expenses associated with attending the training; such as travel, room and board.

(2) We will provide you with general guidance and advice as requested under reasonable circumstances, and we may advise you of any operating problems should they come to our attention. We may furnish to you such guidance and assistance as we deem appropriate in our reasonable opinion.

(3) We will furnish you with a copy of our operations manual for conducting your Team Trivia shows. Team Trivia may modify this manual intermittently, but the modification will not alter your status and rights under the Franchise Agreement.

(4) We will train and assist you in learning how to use the Team Trivia website for purposes of marketing and promoting your franchised business as well as utilizing the website to list your

weekly Team Trivia shows and for paying us electronically at the end of each month with regard to settling-up on your monthly continuing royalty obligation to us.

(5) We will supply you with trivia questions and answers for all of your weekly Team Trivia shows, as well as scoresheets, answer pads, pencils, flyers and table tents for your shows and banners for your new shows upon request and in limited and reasonable quantities; as specified in your Franchise Agreement.

During YOUR operation of the franchise:

(1) We will make an officer of The Answer Is...Productions, Inc. and/or a key employee at our home office in Georgia available to you on a reasonable basis for consultation and tips concerning the operation of your franchise, selling Team Trivia to bars, taverns and restaurants, or any other specific problem, obstacle or challenge you face with respect to the operation of your business. We will also inform and counsel you as to how to use OUR trademark as need be.

(2) We may, from time to time, choose to visit your franchise territory and some of the weekly Team Trivia shows you are conducting therein for the purpose of advising you with respect to operational, quality control and sales matters. Any of these visits will be conducted at our expense and may take place at our discretion, and at times of our choosing.

(3) We will protect the Trade/Service Marks, and distinguishing characteristics of the Team Trivia name and product at our sole discretion.

(4) We will refer bars, taverns and restaurants to you as, and whenever, the case may be that are within your franchise territory; however, the provision of any prospects to you is not guaranteed by us, nor considered as part of the normal operations of the Franchisor.

#### Explanatory Notes:

Currently there are no local or regional advertising cooperatives. Our training that we offer to Franchisees is not mandatory, but is highly recommended.

We estimate that there will be an interval of time of 10 to 60 days between the execution of the Franchise Agreement and the opening of your Team Trivia franchise..

**You are required to maintain active phone, fax and e-mail accounts and keep us informed of these contacts numbers and addresses so that we can communicate with you as necessary. You are also required to furnish us with a street (not Post Office Box) address so that supplies for your Team Trivia shows can be shipped to you on a regular basis.**

You are free to undertake additional advertising at your own expense, and you are encouraged to do so, but all of your advertising programs, must be approved by us in advance. **You may not use or develop your own website or other internet or electronic media without the written consent of the Franchisor.** The Franchisor requires that all franchisees utilize the Corporate wide website located at [www.teamtrivia.com](http://www.teamtrivia.com) for purposes of advertising and promoting your local

franchise business, as well as for reconciling and settling-up with the Franchisor with regard to your weekly show royalties. We will provide you with promotional advertising on a very limited basis; primarily being that of making the Team Trivia website available for promotion of your weekly Team Trivia shows. None of your payments to us include any assessment for any advertising to be provided to you.

#### Item 11

#### TERRITORY

YOU must operate your Franchised Business at a specific location as identified in the Franchise Agreement within your franchised territory. You may not conduct business at any other site, nor relocate the Franchised Business without our written consent. You may not operate the Franchised Business outside of your franchised territory without our written consent. You must operate your franchise in a full-time work capacity; unless otherwise approved in writing by the Franchisor.

**Team Trivia will not sell any other franchises within the specific franchise territory that you purchase, providing that you are not in breach of your Franchise/License Agreement with us. Should you breach that agreement, Team Trivia, Inc. reserves the right to rescind all rights and privileges afforded to you under the Franchise/License Agreement and to assign any and all of those rights and privileges to a third party without compensation to you of any kind.** Should this action be necessary, all Team Trivia weekly shows and the rights to operate those shows in bars, taverns and restaurants in your franchised territory shall come under the exclusive control of Team Trivia, Inc., with any and all rights of ownership or control in any contracts to perform any Team Trivia or other promotional shows in your franchised business then reverting to the ownership and control of the Franchisor, Team Triva, Inc.

The maintenance of your Franchise and Franchised Area depends upon you obtaining and maintaining certain Minimum Developmental Obligations for the number of weekly Team Trivia shows performed. These Minimum Developmental Obligations will be communicated to you orally during the purchasing process, and again in writing on an Exhibit to your Franchise/License Agreement. The Minimum Developmental Obligations with respect to the number of weekly Team Trivia shows and the time periods in which these shows shall be obtained and maintained by Franchisee, will be defined by Franchisor on a case-by-case basis; taking into consideration the specific franchise territory land mass and population.

#### Item 12

#### TRADEMARKS, SERVICE MARKS & LOGOS

WE grant you the nonexclusive right to conduct business under the name “Team Trivia of \_\_\_\_\_” (the name of the city/territory that designates your franchise”, using OUR trademark. WE have the right to use and to license others to use our trademark and logo. YOU must use the trademark only for the operation of YOUR Team Trivia franchise and solely in the

manner authorized by us. You may not use the name “Team Trivia” or the any Team Trivia logo or any other proprietary name, logo or intellectual property belonging to Team Trivia, Inc. or The Answer Is...Productions, Inc. for any promotional product or service of these parties, on any merchandise or materials without the express written permission of the Franchisor or The Answer Is...Productions, Inc.

The trade/service mark "Team Trivia" is on the principal register of the United States Patent and Trademark office. Sample images of the trademark and the logo can be obtained through the Corporate website at [www.teamtrivia.com](http://www.teamtrivia.com), or by written request to Team Trivia, Inc. via fax transmission to (770) 205-5388.

TradeMark	Registration Number	Date	Register
Team Trivia (Logo) (Words, Letters, Numbers in Stylized Design)	1755819	March 2, 1993	Principal (The Answer Is...Productions, Inc., Licensor)

There are no determinations currently in effect that significantly limit our rights to use or license others to use the trademarks and service marks in any manner material to the franchise by the United States Patent and Trademark Office, the Trademark Trial And Appeal Board, or the trademark administrator of any state or any court, nor any pending interference, opposition or cancellation proceeding or litigation involving the trademark (MARK).

You must notify us immediately in writing of any apparent infringement to your use of our trademark. We have the sole discretion to take such action as we deem appropriate to exclusively control any litigation. We are not obligated by the Franchise Agreement or other agreement to participate in your defense or to indemnify you if you are a party to any administrative or judicial proceeding involving the Marks.

You must follow OUR rules when YOU use OUR trademark. You may not, without our written consent, start, or prosecute, or seek any litigation to enforce any right or recover any element of damage arising from the use or infringement of our trademark.

YOU must modify or stop using OUR trademark, if WE modify, or discontinue it. The use of a new or modified trademark may required you, at your own expense, to remove existing signs from your Team Trivia franchise, and to purchase and install new signs. While maintaining any signage is not a requirement for you under this agreement, we have no liability to you in connection with this exchange, if in fact you have erected any signage.

Usage of the trademark granted under this Franchise Agreement is nonexclusive. WE may use the trademark in connection with selling products, services, and granting licenses to use the Team Trivia trademark to create other franchises or sell other products or systems using the same trademark. YOU the franchisee have no rights in the trademark Team Trivia other than what is expressly granted in the Franchise Agreement.

Upon expiration or termination of the Franchise Agreement you will no longer be entitled to use any trademarks or logos whatsoever. When using any of our trademarks on your checks, invoices, receipts, contracts or any other documents or printed matter, your name must be indicative to third parties that you are a Franchisee of Team Trivia.

Functions of Marks and Restrictions:

**We own and use the Trade/Service Marks for all products in conducting our business. YOU may not claim any rights whatsoever in any of our trade/service marks, and you may only incorporate using the name of “Team Trivia” along with a designation of your city or territory that has been previously approved by us. You may not display the trademark beyond the limited permission granted herein and within your Franchise Agreement.**

### Item 13

#### PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We claim copyright protection for our manuals, promotional and advertising materials, formats and methodologies for conducting Team Trivia as an entertainment and promotional product, score sheets, answer pads/sheets, electronic files, and materials related to the operations of YOUR Team Trivia franchise. All these materials are considered proprietary, confidential, and OUR property. YOU may use them only as provided in the Franchise Agreement.

We possess certain confidential information which YOU are obligated to protect. The confidentiality of these materials includes the techniques, procedures, formats, methodologies, information (such as, but not limited to, the trivia questions used for each weekly Team Trivia show), and knowledge of the successful sales and operational techniques; along with the entire franchising process, for a Team Trivia franchise (the Confidential Information) and must be protected. We will disclose certain Confidential Information to YOU during the training programs, through The *Operating Manual* and in guidance furnished to you by US during the term of the Franchise Agreement.

The Franchise Agreement provides that YOU will not acquire any interest in the Confidential Information other than the right to utilize it in the development and operation of YOUR Team Trivia franchise during the term of the Franchise Agreement, and that the use or duplication of the Confidential Information in any other businesses would constitute unfair competition. YOU also agree that the Confidential Information is proprietary to US and is disclosed to you solely on the condition that you (1) YOU will not use the Confidential Information in any other business (2) YOU will maintain the absolute confidentiality of the Confidential Information during and after the term of the Franchise Agreement; (3) and YOU will use nondisclosure and noncompetition clauses in employment or contractor agreements with YOUR employees or contractors before they receive any training from you.

#### Item 14

##### OBLIGATION OF FULL-TIME PARTICIPATION IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

YOU agree to abide by The Franchise Agreement in that it provides that your Team Trivia franchise must at all times be under your direct, day-to-day supervision, but you need not participate personally in day-to-day operations; **provided that you have an approved manager who has been trained to the satisfaction of the Franchisor.** During the operation of your franchise, and in accordance with all restrictive covenants thereafter as indicated in the Franchise Agreement, YOU may not have any business relationship with any business competitor.

#### Item 15

##### RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

YOU may only solicit for sale items and services that WE provide to you. We have the right to add items or services for sale, but you will not be required to offer them. However, if an item or service is offered which you choose not to sell, then Franchisor or The Answer Is...Productions, Inc. shall be entitled to sell that item or service directly to the end user (any bar, tavern, restaurant or patron of such establishments.

You may advertise to sell Team Trivia products and services only to customers located within your franchise territory. (Item 11). **Any and all sales of Team Trivia licensed logo merchandise will be made strictly by the Franchisor; with provision for a commission to be paid for sales made through the Corporate shopping website to the individual franchisee for sales originating from within their specific franchise territory.**

**The right to sell any merchandise containing the name “Team Triva” or the Team Trivia logo is exclusively reserved in its entirety to the Franchisor and the Licensor, The Answer Is...Productions, Inc.**

#### Item 16

##### RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

##### THE FRANCHISE RELATIONSHIP

The three (3) year renewal fee for YOUR Team Trivia Franchise Agreement shall be charged at a flat rate of \$2,000.00. This renewal fee is above and beyond any other fees. It is only charged after the expiration of your initial franchise term and one (1) free three (3) year renewal term. In other words, the \$2,000 renewal fee is payable only after your first six (6) years of Franchise operations; **assuming you have satisfied your Minimum Developmental Obligations and remain in compliance with all terms under your Franchise Agreement.**

There are no restrictions on OUR rights to assign your Franchise Agreement.

Only the written terms of the Franchise Agreement are binding, any other promises may not be enforceable.

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the exhibits attached to this Disclosure Document and the Franchise Agreement.

<u>Provision</u>	<u>Summary</u>
A. Initial Term of the Franchise	6 years (includes the initial three (3) year term, and one free renewal term of three (3) years)
B. Renewal of Franchise	Extension is available if you meet certain requirements
C. Requirements	Written notice to us, Compliant with Franchise Agreement, Have met Minimum Developmental Obligations under Franchise Agreement.
D. Termination by You otherwise	If we have materially breached the Agreement, or failed to comply with the Franchise Agreement. as provided by law
E. Termination by us without cause	We can't terminate without cause or your breach. with out cause.
F. Termination by us with cause	We can terminate if you breach a material term of the Franchise Agreement.
G. Assignment of Contract by us	No restriction on our right to assign.
H. "Transfer" by you- Defined	Includes transfer of any interest by the Franchisee in the Franchise Agreement, the Franchised Business or the Assets of the Franchised Business (which include any rights in weekly Team Trivia shows or other events).

I. Our approval of Transfer by you We have the right to approve all transfers by you.

J. Conditions of our Approval of transfer	Full compliance with Franchise Agreement; all amounts paid in full; completion of training by transferee, transfer fee paid; transferee agrees to all terms of Franchise Agreement; you execute other necessary documents as requested by us.
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K. Our right of First Refusal to acquire your business	WE have the right to match any bona-fide offer to purchase your business.
--	---

L. Our option to purchase your franchise upon termination or non-renewal.	Purchase at the lesser of an agreed upon price, or the amount of an independent third party written offer.
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M. Your death or disability	Franchise may be assigned by your Will to an Operator, subject to approval by us, or re-acquired by the Franchisor at an agreed upon price. Action must be taken within ninety (90) days of date of death of the Franchisee.
-----------------------------	--

N. Noncompetition Covenants during the term of the franchise	No involvement in any competitive business.
--	---

O. Noncompetition Covenants after the business franchise is terminated.	No interest in competing business for two (2) years, within thirty (30) miles of any operating Team Trivia Franchise territory.
---	---

P. Modification of the Franchise Agreement	No modifications generally. Operational Procedures are subject to change.
--	---

Q. Integration/ Merger Clause	Terms of Franchise Agreement are binding (subject to state law)
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R. Dispute Resolution by Arbitration	Arbitration provision is provided
S. Choice of forum	Litigation/Arbitration in Forsyth County, Georgia
T. Choice of law	Georgia law applies (unless prohibited by laws of the state where the Franchise business is located).

These states have statutes which may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your Franchise. You and your advisor are encouraged to become familiar with any of them that may affect your rights:

- ARKANSAS [Stat. Section 70-807]
- CALIFORNIA [Bus. & Prof. Code Sections 20000-20043]
- CONNECTICUT [Gen. Stat. Section 42-133e]
- DELAWARE [Code Sections 2551-2556]
- HAWAII [Rev. Stat. Section 482E-1]
- ILLINOIS [ILCS, Ch. 815, Sections 705/1-705/44]
- INDIANA [Stat. Section 23-2-2.7],
- IOWA [Code Sections 523H.1-523H.17]
- MICHIGAN [Stat. Section 19.854(27)]
- MINNESOTA [Stat. Section 80C.14]
- MISSISSIPPI [Code Section 75-24-51]
- MISSOURI [Stat. Section 407.400]
- NEBRASKA [Rev. Stat. Section 87-401]
- NEW JERSEY [Stat. Section 56:10-11]
- SOUTH DAKOTA [Codified Laws Section 37-5A-51]
- VIRGINIA [Code 13.1-557-574-13.1-564]
- WASHINGTON [Code Section 19.100.180]
- WISCONSIN [Stat. Section 135.03].

These and other states may have court decisions which may supersede the Franchise Agreement in your relationship with US including the areas of termination and renewal of YOUR Franchise.

#### Termination on Bankruptcy

Under Title 11, United States Code Section 101 et seq. the provision of the Franchise Agreement that terminates YOUR Franchise may not be enforceable.

## Restrictions on our Post-Termination Rights

These and other states have laws that may limit our ability to restrict your activity after the Franchise Agreement expires or is terminated:

California [Bus. & Prof. Code Sec. 16,600]

Florida [Statutes Sec. 542.33]

Michigan [CLS 445.771 et seq.]

Montana [codes Section 30-14-201]

North Dakota [Century Code Sec. 9-06-06]

Oklahoma [Statutes Sec. 15-217-19]

Washington [RCW Sec. 19.86.030]

### Item 17

#### PUBLIC FIGURES

We currently do not use any public figure to promote our Franchises.

### Item 18

#### FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a Franchisor to provide information about the actual or potential financial performance of its Franchises and/or Franchisor-Owned business 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 in Item 18 may be given only if: (1) a Franchisor provides the actual records of an existing outlet you are considering buying; or (2) a Franchisor supplements the information provided in this Item 18, for example, by providing information about possible performance at a particular location or franchise territory, or under particular circumstances.

We do not make any representations about a Franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make such representations either orally or in writing. If you are purchasing an existing franchise, however, we may provide you with the actual records of that franchise operation. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Peter P. DelBove, President of Team Trivia, Inc., the Federal Trade Commission and/or any appropriate state regulatory agencies.

**NOTE - YOU should conduct your own independent investigation as to the potential costs and expenses you might incur in operating your own franchised business. It is in fact possible that you will achieve no income as a result of starting and operating this franchised business or from any guidance that you receive from us.**

**Item 19**

**OUTLETS AND FRANCHISEE INFORMATION**

**SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2005 TO 2008**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2005	3	4	1
	2006	4	6	2
	2007	6	8	2
	2008	8	10	2
Company-Owned	2005	1	1	-0-
	2006	1	1	-0-
	2007	1	2	1
	2008	2	1	-1
Total Outlets	2005	4	5	1
	2006	5	7	2
	2007	7	10	3
	2008	10	11	1

**TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE) FOR YEARS 2005 TO 2008:**

**NO TRANSFERS TOOK PLACE**

**PROJECTED FRANCHISE OPENINGS AS OF DECEMBER 31, 2008:**

**THREE – FOUR FRANCHISES PER YEAR**

**Item 20**

**CONTRACTS**

The only contract we ask you to execute is the Franchise Agreement. The following are attached as exhibits to this Disclosure Document:

Exhibit 1 – Directory of Franchise Regulators

Exhibit 2 – List of Franchisees

- Exhibit 3 – State Law Addendums
- Exhibit 4 – Franchise Application
- Exhibit 5 – Standard Franchise/License Agreement

The Franchise Agreement, and all other documents and agreements are governed by the laws of the State of Georgia.

Item 21

RECEIPTS

THIS DISCLOSURE DOCUMENT SUMMARIZES PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY.

IF WE OFFER YOU A FRANCHISE, WE MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU BY THE EARLIEST OF:

- A. THE FIRST PERSONAL MEETING TO DISCUSS OUR FRANCHISE; OR
- B. TEN (10) BUSINESS DAYS BEFORE SIGNING OF A BINDING AGREEMENT; OR
- C. TEN (10) BUSINESS DAYS BEFORE ANY PAYMENT TO US.

YOU MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST FIVE (5) BUSINESS DAYS BEFORE YOU SIGN ANY FRANCHISE AGREEMENT.

IF WE DO NOT DELIVER THIS DISCLOSURE DOCUMENT ON TIME OR IF IT CONTAINS A FALSE OR MISLEADING STATEMENT, OR A MATERIAL OMISSION, A VIOLATION OF FEDERAL 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 1. WE MAKE THIS DISCLOSURE DOCUMENT AVAILABLE TO ALL INTERESTED PARTIES ON OUR WEB SITE AT [www.teamtrivia.com](http://www.teamtrivia.com).

The Registered Agent for Service of Process on TEAM TRIVIA, INC. is PETER P. DELBOVE, located at:

1380 Woodvine Way  
Alpharetta, GA 30005

I have received this Franchise Disclosure Document dated DECEMBER 5, 2008.

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Date

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Proposed Franchisee

**EXHIBIT 1**

**Directory of Franchise Regulators**

**Federal**

FEDERAL TRADE COMMISSION  
Division of Marketing Practices  
Seventh and Pennsylvania Avenues N.W.  
Room 238  
Washington, D.C. 20580  
202-326-2970

**State Franchise Regulators**

**CALIFORNIA**

Corporations Dept. of Corporations  
Franchise Division  
980 9<sup>th</sup>. Street  
Sacramento, CA 95814-2725  
916-445-7205

**MARYLAND**

Securities Commissioner  
Division of Securities  
200 St. Paul Place 20<sup>th</sup> Floor  
Baltimore, Maryland 21202-2020  
410-576-6360

**CONNECTICUT**

Banking Commissioner  
44 Capitol Avenue  
Hartford, Connecticut 06106  
203-566-4560

**MICHIGAN**

Franchise Administrator  
670 Law Building  
Lansing, Michigan 48913  
517-373-7117

**HAWAII**

Commissioner of Securities  
1010 Richards Street  
Honolulu, Hawaii 96813  
808-586-2744

**MINNESOTA**

Director of Registration  
Minnesota Department of commerce  
133 East Seventh Streets  
St. Paul, Minnesota 55101  
612-296-2284

**ILLINOIS**

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

**NEW YORK**

Principal Attorney  
New York State Department of Law  
120 Broadway, Room 23-122  
New York, New York 10271  
212-416-8000

**INDIANA**

Chief Deputy Commissioner  
Securities Division  
302 West Washington St. Room E-3  
Indianapolis, Indiana 46204 317-232-6685

**NORTH DAKOTA**

Franchise Examiner  
600 East Boulevard, 5<sup>th</sup> Floor  
Bismarck, North Dakota 58505  
701-224-4712

OREGON

Department of Insurance and Finance  
Division of Finance and Corporate Securities  
Securities Section  
21 Labor and Industries Building  
Salem, Oregon 97310  
503-378-4387

RHODE ISLAND

Associate Director and Superintendent of Securities  
233 Richmond Street, Suite 232  
Providence, Rhode Island 02903-4232  
401-277-3048

SOUTH DAKOTA

Franchise Administrator  
Division of Securities  
910 East Sioux  
Pierre, South Dakota 57501  
605-773-4823

TEXAS

Secretary of State  
P. O. Box 12697  
Austin, Texas 78711-2697  
*STREET ADDRESS*  
1019 Brazos  
Austin, Texas 78701  
512-463-5701

VIRGINIA

Chief Examiner  
State Corporation Commission  
1220 Bank Street, 4<sup>th</sup> Floor  
Richmond, Virginia 23219  
804-371-9276

WASHINGTON

Securities Administrator  
405 Black Lake Blvd. S. W. 2<sup>nd</sup> Floor  
Olympia, Washington 98502  
*OR*  
P.O. Box 9033  
Olympia, Washington 98507-9033  
360-902-8760

WISCONSIN

Commissioner of Securities or Franchise Administrator  
101 East Wilson Street  
P. O. Box 1768  
Madison, Wisconsin 53701  
Commissioner 608-266-3431  
Franchise Administrator 608-266-8559

FLORIDA

Division of Securities  
Florida Department of Agriculture and Consumer Services  
P. O. Box 6700  
Suite 7200  
Tallahassee, FL 32314-6700  
850-410-3754

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Registered Agent  
Peter P. DelBove  
1380 Woodvine Way  
Alpharetta, GA 30005

Phone: 770-587-1555  
Fax: 770-205-5388  
E-Mail: lawstore@mindspring.com

## **EXHIBIT 2**

### **LIST OF FRANCHISEES**

FRANCHISE CONTACT INFO AS OF DECEMBER, 2008:

John Mixon – DELMARVA (DELAWARE/MARYLAND/VIRGINIA)

[jmixon@delmarvadj.com](mailto:jmixon@delmarvadj.com)

405 Boxwood Street

Milton, DE 19968

302-684-1088

302-381-6102

Robert Hallden – JACKSONVILLE, FL

[rhallden@comcast.net](mailto:rhallden@comcast.net)

8787 Southside Blvd.

Apt. 3514

Jacksonville, FL 32256

904-651-9072

Craig Tambini – CHARLESTON, SC

[Calex1971@yahoo.com](mailto:Calex1971@yahoo.com)

1371-A Turkey Ridge Road

Myrtle Beach, SC 29575

843-271-9502

Michael Landmann – MILWAUKEE, WI

[Michael@teamtrivia.com](mailto:Michael@teamtrivia.com)

P. O. Box 212

Brookfield, WI 53008

262-271-8870

Amy Wells – CHICAGO, IL

[Amybyrd35@gmail.com](mailto:Amybyrd35@gmail.com)

4745 N. Ravenswood Avenue

Chicago, IL 60640

248-470-9883

Gary Ondik – PHOENIX, AZ

[teamtriviaphx@aol.com](mailto:teamtriviaphx@aol.com)

2930 N. Casa Tomas

Phoenix, AZ 85016

602-332-7475

Paul Clowe – PENSACOLA, FL

[paul@teamtrivia.com](mailto:paul@teamtrivia.com), [paclowe@yahoo.com](mailto:paclowe@yahoo.com)

1055 Beckingham Drive

St. Augustine, FL 32092

678-982-7724

Steve Grazier – WESTERN PENNSYLVANIA  
[teamtriviapa@yahoo.com](mailto:teamtriviapa@yahoo.com)  
139 North Street  
P. O. Box 697  
Millheim, PA 16854  
814-574-1067

Wayne Bloschichak – TAMPA  
[reno@teamtrivia.com](mailto:reno@teamtrivia.com)  
15501 Bruce B. Downs Blvd.  
Apt 1406  
Tampa, FL 33647  
813-375-1575  
813-383-0218

Matthew Hanson  
[Mattmatt\\_1@yahoo.com](mailto:Mattmatt_1@yahoo.com)  
1516 Taft Avenue  
Eau Claire, WI 54701  
715-835-4888

**NOTE - NO FRANCHISEES HAVE LEFT THE FRANCHISE SYSTEM AS  
OF THE DATE OF THIS DISCLOSURE DOCUMENT**

## EXHIBIT 3

### STATE LAW ADDENDUM

#### Addendum for State-Specific Requirements

##### General

These states have statutes which may supersede the franchise agreement in your relationship with Us including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e *et seq.*], DELAWARE [Code, Tit. 6, Chap. 25, Section 2552], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [815 ILCS 705/19 and 705/20], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Tit. XX, Chap. 523H], KENTUCKY [Rev. Stat. Tit. XL, Chap. 436], LOUISIANA [Rev. Stat. Tit. 23, Section 921(E)], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], SOUTH DAKOTA [Codified Laws Section 37-5A-51], VIRGINIA [Code 13.1-557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03], DISTRICT OF COLUMBIA [Code, Tit. 29, Chap. 12], PUERTO RICO [Laws Tit. 10, Chap. 14], and VIRGIN ISLANDS [Code, Tit. 12A, Chap. 2, Subchap. III]. These and other states may have court decisions that may supersede the franchise agreement in your relationship with Us including the areas of termination and renewal of your franchise.

Some states have statutes that limit Our ability to restrict your activity after the franchise agreement has ended. Other states have court decisions limiting Our ability to restrict your activity after the franchise agreement has ended.

A provision in the franchise agreement that terminates the franchise upon your bankruptcy may not be enforceable under Title 11, United States Code.

##### California Addendum

(Applies only to California franchisees)

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination and non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER, BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

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

YOU MUST SIGN A GENERAL RELEASE OF CLAIMS IF YOU TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE §31512 VOIDS A WAIVER BY THE PERSON ACQUIRING A FRANCHISE OF CERTAIN RIGHTS UNDER THE FRANCHISE

INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE §§31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE §20010 VOIDS A WAIVER OF CERTAIN RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§20000 THROUGH 20043).

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.)

The franchise agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

You must resolve disputes through binding arbitration. The arbitration will occur at Wayne, New Jersey, USA, with the costs of arbitration being borne equally by the parties. Each party will bear its own expenses, including attorneys fees. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act. As long as this represents the law of the State of California, We will not interpret the Franchise Agreement as permitting or requiring maximum price limits.

If your Licensed Business will be in California, You will not pay your Initial Fee to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

### **Hawaii Addendum**

(Applies only to Hawaii franchisees)

If your Licensed Business will be in Hawaii, You will not pay your Initial Fee to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

### **Illinois Addendum**

(Applies only to Illinois franchisees)

The receipt and the Franchise Agreement are both amended to provide that We must provide the Franchise Disclosure Document to You at least fourteen calendar days before You sign any binding contract or give us any money.

The Illinois Franchise Disclosure Act, Section 4, prohibits any agreement that specifies jurisdiction or venue of any lawsuit in a place outside of the state of Illinois. The Act does permit agreements to require you to arbitrate outside the state of Illinois. The Act prohibits

choice of law provisions that would require the application of any laws except the laws of the state of Illinois (Section 41). You cannot waive any of your rights given to you by the Illinois Franchise Disclosure Act (Section 41). You may have other rights under the Illinois Franchise Disclosure Act or other laws of the state of Illinois. To the extent that the Franchise Agreement is inconsistent with Illinois law, the inconsistent terms of the Franchise Agreement will not be enforced and the terms of the applicable Illinois law shall apply.

### **Indiana Addendum**

(Applies only to Indiana franchisees)

Indiana law prohibits requiring you to prospectively agree to a release or waiver which purports to relieve any person from liability imposed by the Indiana Franchise Practices Act (IC 23-2-2.7(5)). The Franchise Agreement shall be deemed amended to the extent necessary to comply with IC 23-2-2.7(5).

Indiana law limits the parties agreement to resolve disputes in any jurisdiction outside of Indiana (IC 23-2-2.7(10)). Subject to the Federal Arbitration Act, the Franchise Agreement shall be deemed amended and the forum for any court proceedings shall be in Indiana.

### **Maryland Addendum**

(Applies only to Maryland franchisees)

The Maryland Franchise Registration and Disclosure Law, COMAR 02.02.08.16L, provides that, as a condition of the sale of a franchise, We may not require you to agree to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability under the Franchise Registration and Disclosure Law. Item 17 of the Disclosure Document is amended by adding: 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.

The Franchise Agreement and Disclosure Document shall be deemed amended so that no release, assignment, novation, waiver or estoppel is required if it would violate the Maryland Franchise Registration and Disclosure Law. Nothing in the franchise agreement, including any acknowledgments or representations, shall be deemed a release or waiver of any right or obligation under the Maryland Franchise Registration and Disclosure Law.

Item 17 of the 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.).

If you are a resident of Maryland or your Licensed Business will be in Maryland, You will not pay your Initial Fee or any other money to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

Item 17 of the Disclosure Document and Article 19 of the Franchise Agreement are amended by adding: any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Article 19 of the Franchise Agreement is amended to provide as follows: Any lawsuit permitted under this Article shall be brought in the federal or state courts located in the State of Maryland. Item 17 is hereby amended by adding the identical language in the "summary" column of line v.

**Minnesota Addendum**  
(Applies only to Minnesota franchisees)

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. §80C.214, Subds. 3, 4, and 5 which require, except in certain specified cases, that We give you 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the franchise agreement.

We will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name, to the extent required by Minn. Stat. §80C.12, Subd. 1(g).

To the extent governed by Minn. Rule 2860.4400J, you shall not be deemed to have waived any rights under Minnesota law. You shall not be deemed to have consented to Us obtaining injunctive relief, although We may seek injunctive relief. A Court or the arbitrators shall determine whether to require a bond as a condition of injunctive relief.

If your Licensed Business will be in Minnesota, You will not pay your Initial Fee to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

**New York Addendum**  
(Applies only to New York franchisees)

Item 3 is amended to read as follows:

Neither We nor any person identified in Item 2 above have any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against us alleging a violation of any franchise law, antitrust or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations.

Neither We nor any person identified in Item 2 above have been convicted of a felony or pleaded *nolo contendere* to any felony charge or during the 10 year period immediately preceding the date of this disclosure document, been convicted of or pleaded *nolo contendere* to a misdemeanor charge been held liable in any other civil action by final judgment or been the subject of any other material complaint or other legal proceeding where such felony, misdemeanor civil action, complaint or other legal proceeding involved violation of any franchise law, antifraud or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations.

Neither We nor any person identified in Item 2 above is subject to any currently effective injunctive or restrictive order or decree relating to the franchise or under any federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of 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 by 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.

Item 4 is amended to read as follows:

During the 10 year period immediately preceding the date of the disclosure document neither We nor any predecessor, affiliate, current officer or general partner of Us has been the subject of a bankruptcy proceeding, been adjudged bankrupt or reorganized due to insolvency or been a principal officer of a company or a general partner of a partnership at or within one year of the time that such company or partnership became the subject of a bankruptcy proceeding or was adjudged bankrupt or reorganized due to insolvency or is subject to any such pending bankruptcy or reorganization proceeding

Item 5 is amended by adding the following: We will use the Initial Fee for the purposes of covering the costs of selling the franchise and other franchises, for your initial training, for general overhead and for profit.

Item 12 is amended by adding the following: Although We will consider many factors in determining the boundaries of your Marketing Area, it will contain a population of not less than 25,000 people.

Item 17 is amended by changing the caption and preliminary statement to read as follows:

Item 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AND RELATED AGREEMENTS PERTAINING TO RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENTS ATTACHED TO THIS DISCLOSURE DOCUMENT.

Item 17 D is amended by adding the following: You may terminate the agreement on any grounds available by law.

Item 17 J is amended by adding the following: We will only assign to an assignee who in Our good faith judgment is willing and able to assume Our obligations.

### **North Dakota Addendum** (Applies only to North Dakota franchisees)

Under North Dakota law, no modification or change We make to the Manual or method of operation may materially affect your status, rights or obligations under the Franchise Agreement.

Covenants not to compete are considered unenforceable in the State of North Dakota.

Under North Dakota law, a requirement that you consent to liquidated damages or termination penalties in the event of termination of the franchise agreement is considered unenforceable.

The North Dakota Franchise Investment Law (Section 51-19-09) requires that the laws of North Dakota, which laws will prevail, will govern the Franchise Agreement. Further, North Dakota law requires that all issues or disagreements relating to the Franchise Agreement will be arbitrated, tried, heard and decided within the jurisdiction of courts in the state of North Dakota.

Under the North Dakota Franchise Investment Law (Section 51-19-09), a North Dakota franchisee may not be required to execute a general release upon renewal of the Franchise Agreement.

**Rhode Island Addendum**  
(Applies only to Rhode Island franchisees)

Item 17 is amended by adding the following: Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.

If your Licensed Business will be in Rhode Island, You will not pay your Initial Fee to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

**South Dakota Addendum**  
(Applies only to South Dakota franchisees)

Covenants not to compete upon termination or expiration of a franchise agreement are generally unenforceable in South Dakota, except in certain instances as provided by law.

In the event that either party shall make demand for arbitration, such arbitration shall be conducted in a mutually agreed upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, this agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement and interpretation under the governing law of the state where the franchise is located.

Any provision of the franchise agreement which requires you to agree to jurisdiction and venue outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

Notwithstanding any term of the franchise agreement, We not terminate the franchise agreement upon default without first affording you thirty (30) days notice with an opportunity to cure the default within that time.

To the extent required by South Dakota law, all provisions giving any party a right to liquidated damages are hereby deleted from the franchise agreement and the parties shall be entitled to their actual damages instead.

**Virginia Addendum**  
(Applies only to Virginia franchisees)

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

**Washington Addendum**  
(Applies only to Washington franchisees)

If any of the provisions in the Franchise Disclosure Document or franchise agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the

inconsistent provisions of the Franchise Disclosure Document and franchise agreement with regard to any franchise sold in Washington.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in Washington or in a place as mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

Initial Fees of new Washington franchisees are held in an escrow account until the franchisee's business is open.

Note - The state law addendums, above, if applicable, shall constitute a part of the Franchise Agreement and supersede any inconsistent term(s) of the Franchise Agreement.

EXHIBIT 4

**APPLICATION FOR FRANCHISE**

Date: \_\_\_\_\_

**APPLICATION FOR A TEAM TRIVIA FRANCHISE**

I/We \_\_\_\_\_

of \_\_\_\_\_

hereby submit an application for a Team Trivia franchise to be located in the State of \_\_\_\_\_:

Our Franchise is to be located in: \_\_\_\_\_ (the "City"), or the area of \_\_\_\_\_.

This application, once submitted, is subject to the following terms and conditions:

I/we acknowledge that I/we have, at least fourteen calendar days prior to the signing of this Application Agreement, received or had made available to us the current form of Franchise Disclosure Document applicable to the State of our Residence.

Initial Franchise Fee for this franchise is \_\_\_\_\_ and is payable in cash/check to TEAM TRIVIA, INC. no sooner than seven (7) calendar days after receipt of a completed Franchise Agreement and appropriate Exhibits for our review.

I/we hereby authorize TEAM TRIVIA, INC., and its authorized agents to conduct an investigation of my/our background(s) and credit to verify the information submitted and our creditworthiness in order to be permitted to enter into this transaction..

I/we acknowledge and understand that submission of this application does not bind or obligate TEAM TRIVIA, INC. to issue a TEAM TRIVIA FRANCHISE OR LICENSE to me/us.

\_\_\_\_\_  
(Signature of Applicant)

\_\_\_\_\_  
(Signature of Applicant)

\_\_\_\_\_  
Applicant (Print Name)

\_\_\_\_\_  
Applicant (Print Name)