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## 2018 Schedule of Fees - U.S. Franchises

We have drafted numerous franchise agreements, including single unit agreements, multi-unit agreements, developer agreements, master franchises, operation alliances, option agreements, co-branding, fractional franchise, and license agreements.

We will undertake franchise and trademark projects on either an hourly or set fee basis, or a combination of both at your option. Following are estimates of fees:

PROJECT	FEE
<b>FRANCHISES:</b>	
1. <u>Documents</u> . Initial consultation as to structure, preparation and review of franchising questionnaire, obtain information from you to draft documents, draft Franchise Agreement, prepare Single Unit Disclosure Document and related documents to meet FDD/FTC guidelines using our format or based on existing forms from your in-house personnel, other law firms or consultants (conversions from Canadian documents \$20,000).	\$22,500
2. <u>Single Filing or Renewal</u> . Filing in a “registration state,” i.e., Washington, California or Hawaii. Filing for registration includes advertising filing, salesperson filing, and state addenda, but not impound account setup, audit fees, or material responses to state franchise examiners (plus hourly charges for changes).	\$1,500
3. <u>Group Filing or Renewal</u> . Filing for up to 13 registration states and 7 notice/exemption states	\$17,500
4. <u>Single Exemption</u> . Filing in a “notice only state,” i.e., Texas or exemption state, i.e., Florida or Utah.	\$500
5. <u>Other</u> . Other mid-year filings, i.e., new advertising or new salesperson disclosure. Note: Amendment filings and changes are on a hourly basis.	\$500
6. <u>Multiple Unit Addendum</u> .	\$4,000
7. <u>Training</u> . Compliance training of up to 10 persons (plus travel expenses).	\$2,500 per day
8. <u>Optional Fixed Fee</u> . Annual – includes all renewals, amendments, routine filings for salespersons and advertising, phone and e-mail support on registration and compliance issues.	\$25,000
9. <u>International</u> . International Franchise Compliance for a country or province (excluding foreign associate fees); some countries vary.	\$2,500
10. <u>Software License</u> .	\$1,750
11. <u>Impound Agreement</u> .	\$1,750
<b>*The Above Amounts Do Not Include Filing Fees Which Vary From State to State</b>	
<b>ENTITY FORMATION:</b>	
We generally recommend the use of a separate entity for franchising activities for liability and entity audit reasons.	
1. <u>Per State</u> . Formation (including corporation documents or standard LLC operating agreement, but not S Corporation Form 2553, employment agreements, shareholder agreements, tax advice, or local licenses (plus filing fees).	\$1,150- \$1,250

PROJECT	FEE
2. <u>Registered Agent</u> . To act as your registered agent in the State of Washington, including the filing of annual report and drafting of standard annual minutes (annual charge, plus filing fee).	\$290
<b>*Plus Filing Fees Which Vary From State to State</b>	
<b>TRADEMARK REGISTRATION:</b>	
A federal trademark is recommended since branding is the keystone of franchising.	
1. Federal filing fee \$275, plus legal fees of \$1,075 (unless material response from examiner) for Actual Use (for Intent to Use, add \$600 to prove use)	\$1,350
Basic search	\$435
Comprehensive search	\$1,600
2. State filing fees (varies)	\$55-\$125+
State legal fees (unless material response from examiner)	\$750
<b>COPYRIGHT REGISTRATION:</b>	
<p>If you develop a software program, then copyright registration using the object code is recommended (but not the source code). It is not recommended that you file for a copyright for your operations manual since copyright registrations are of public record. It is recommended that you file for registration for advertising materials, the look of your building, if unique, and brochures/books.</p> <p>Hourly fees will be charged for substantial amendments or negotiated changes, ongoing advice and work, and administrative proceedings.</p> <p>Fees range from \$435 per hour for Kevin Collette to \$90-\$280 per hour for experienced Paralegals. These rates are subject to change.</p>	
Federal copyright registration of printed materials or software (\$1,100), plus filing fees (\$55) (for expedited filings, add filing fees of \$1,250).	\$1,155
<b>FRANCHISEE REVIEWS:</b>	
We will discuss with you your goals and questions and then renew the FDD and franchise agreements and issue a written critique and discuss such with you (this does not include negotiations with the franchisor).	\$2,000-\$2,500
We can also review leases and other agreements on an agreed rate.	