



**CPRIOA**  
**An Independent Association of Cell Phone Repair Franchisees**  
**an Affiliated Chapter of the**  
**American Association of Franchisees & Dealers**  
***The Center for Total Quality Franchising***<sup>®</sup>

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March 5, 2020

Member Alert to CPRIOA Members

**BY EMAIL:**

**Re: Territory and Royalty Amendment to CPR Franchise Agreements**

Dear CPRIOA Members and CPR Franchisees:

On behalf of the Board of Directors of the CPRIOA, an independent association of CPR franchisees and a recently affiliated chapter of the American Association of Franchisees and Dealers (AAFD), we are reaching out to our members and all CPR franchises regarding the recently offered Territory and Royalty Amendment to CPR franchise agreements. Our members have been seeking our advice with respect to the proposed amendment and we are writing to advise of our steps to evaluate the proposed amendment and to connect with management to discuss our mutual interests with a goal of achieving a mutually beneficial agreement we can all enthusiastically embrace.

On behalf of our members, and all franchisees, CPRIOA has engaged Robert L. Purvin, Jr., a nationally recognized franchise attorney and Chairman of the AAFD to evaluate the proposed amendment, recognizing the limited time offered for franchisees to review and accept the proposed amendment. Mr. Purvin has had a very limited opportunity to review the proposed amendment, and there has been limited transparency regarding the underlying plans of CPR-MMI and Assurant that will allow significant evaluation and proper due diligence with respect to the proposed amendment.

We have advised management that while we are open to supporting and embracing the purpose and spirit of the proposed amendment, we are unfortunately unable to recommend franchisees to accept the specific proposal, understanding that it is offered on a take it or leave it basis, and ***we are advising our members, and all franchisees to decline the existing proposal. At the same time, we have expressed to management that we believe an amendment that all can enthusiastically embrace and endorse is well within reach, and we asked management to extend the deadline for the proposed agreement to allow for transparent dialogue aimed at disclosure of details about company plans and the terms of the amendment.***

We also advise that our counsel has opined that the proposed Amendment likely constitutes a material modification of our existing franchise agreements such that CPR-MMI and Assurant has an obligation to provide full disclosure of the proposed amendment pursuant to the Federal Trade Commission Rule on Franchising, as well as applicable state franchise disclosure laws.

We are urging all CPRIOA members, and all CPR franchisees to decline the proposed amendment, but to join our request to engage a dialogue to achieve an amendment we can enthusiastically support. Our goal is to

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embrace CPR-MMI's goals and objectives that are outlined in your Memo to Franchisees of February 28 that explained the proposed amendment. At the same time, we seek management to be sensitive and supportive of the success and profitability of CPR franchisees and we seek to work collaboratively with us to achieve and embrace initiatives that we can mutually embrace.

We appreciate the support of our members' resolve to aggregate our common voices for our mutual benefit, and the best interests of the CPR brand.

Very truly yours,



For the Board of Directors  
CPRIOA

cc: CPR Members and Franchisees  
CPR-MMI, LLC  
Assurant, Inc.