The Steering Committee met at the offices of Hogan & Hartson in Washington, D.C., at
10:00 a.m. E.S.T. Mr. Dixon, who chaired the meeting, welcomed Mr. Zuckerman as a new
member of the Steering Committee and invited him to say a few words as to his background and
interest in the work of the Program. The Minutes of the meeting of July 26, 2000 were approved.

Recent and Upcoming Events:
Mr. Wolf reported on the Panel presented at the recent annual meeting of the ABA Forum
on Franchising in New Orleans. It was a practical and useful session, attended by about 40
people. The participants discussed lawyers' attitudes towards mediation, challenging the
prevalent notion that settlement cannot take place until “after bloodshed.” The Committee
discussed this topic, noting that some franchisees rely heavily on the advice of counsel, who may
not be economically benefitted by early settlement. It was agreed that early – even contractually
compelled – mediation is key, and that mediation continues to be useful even through litigation.

Mr. Phillips reported on a lunch meeting with Don DeBolt, President of the International
Franchise Association, and subsequent invitations from IFA to author an article for the house
organ, Franchise World, and to participate in the IFA Annual Convention in February 2001.
These developments were generally welcomed as an opportunity to broaden the base of
participation in the Program, both on the franchisor and the franchisee sides. A subcommittee of
Messrs. Dixon, Rosen and Phillips was appointed to meet with Mr. DeBolt to discuss shared
objectives and ways to accomplish them.

Update on National Franchise Council:
Mr. Aronson gave a brief update on activities of the NFC. One new member has joined
that body. Mr. Aronson intends to encourage members of the NFC to join the NFMP as well.
Report on Program Usage:
Mr. Phillips circulated a report on Program usage for the Third Quarter of 2000. A copy of the report is attached to these Minutes. Mr. Zuckerman observed that, at the current level of usage, the report is an unpersuasive testament to the effectiveness of the Program. The Committee discussed whether a survey of franchisors, or of ADR providers other than CPR, would generate a more accurate indication of the frequency of mediation in the industry.

Proposal for Financial Support and Growth Strategies:
Mr. Aronson described a proposal to create financial support for the Program by soliciting annual contributions from franchisor participants. The purpose of the plan was to create a revenue stream to be used to (a) promote the Program, (b) encourage broader franchisor participation, (c) urge greater usage of negotiation and mediation in the industry, and (d) compensate CPR as administrator of the Program. Mr. Phillips circulated a draft business plan and the Committee discussed the likely consequences of imposing a financial requirement on Program participation.

After discussion, the Committee decided to initiate an annual contribution plan as follows:

<table>
<thead>
<tr>
<th>Franchise Size</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchisors with fewer than 500 units</td>
<td>$1,000</td>
</tr>
<tr>
<td>Franchisors with 500 units or more</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

Additionally, participants who contribute another $1,000 will be excused the CPR administrative fee (normally $1,200 per mediation) for the first three (3) mediations in the year in which that added contribution is made. The purpose of this provision is to encourage usage.

Annual contributions received through this process would be made to CPR and are intended to be deductible as either a business expense or a charitable contribution. Revenues would be maintained by CPR in a designated account and disbursed at the discretion of CPR, which would be accountable to the Steering Committee on a regular basis.

The Committee will develop a communication to be signed by Mr. Dixon, as Chair, advising current participants of this change in policy, and will make such changes in the Program documents as may be required to confirm the explanatory materials to the new policy. Mr. Phillips will draft those changes for Mr. Dixon's review in the first instance. The Committee noted that bodies as the IFA, NFC and AAFF may have critical roles in marketing the idea of participation in the Program to a broad group of franchisors.

Organizational Structure:
The Committee discussed, in general fashion, organizational implications of revenue-producing activities. These include the advisability of by-laws and implications on governance structure. The Committee decided that, while these issues were legitimate, no action needed to be taken at this time.

The Committee did not set a date for another meeting, but anticipated that telephonic meetings may precede an in-person meeting in May 2001. The meeting adjourned at 1:30 p.m.