FRANCHISE DISCLOSURE DOCUMENT
yorCMO Franchising, LLC
A Nebraska limited liability company
802 S 80th Street
Omaha, Nebraska 68114
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www.yorcmo.com

The franchise that we offer is for yorCMO, a fractional marketing service that provides businesses with the opportunity to engage a shared chief marketing officer ("CMO") to develop and implement marketing strategies for their businesses and, other services and products (each, a "Franchised Business" or "yorCMO Business"). There are two different yorCMO franchise models you may select from: (i) the "Solo yorCMO" model, which will permit an operator to act as the sole CMO for the Franchised Business; and (ii) the "Firm yorCMO" model, which will permit an operator to act as the Primary CMO for the Franchised Business but will also permit an operator to hire multiple associate CMOs, yorCMO licensees, and/or a Solo yorCMO franchisee to provide services on behalf of the Franchised Business. If you do not elect to operate under either of the Solo yorCMO Business or Firm yorCMO Business franchise models, you may elect to operate under the "Licensee yorCMO" model which will permit an operator to act as a CMO of another yorCMO System franchisee's Firm yorCMO Business.

The total investment necessary to begin operation of a Solo yorCMO Business under a franchise agreement is $38,492 to $53,338. This includes $32,000 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of a Firm yorCMO Business under a franchise agreement is $103,492 to $118,338. This includes $97,000 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of a licensee yorCMO Business under a license agreement is $11,492 to $26,338. This includes $5,000 that must be paid to the franchisor or its affiliates.

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 form that is more convenient for you. To discuss the availability of disclosures in different forms, contact Joseph Frost, yorCMO Franchising, LLC, 802 S 80th Street, Omaha, Nebraska 68114.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

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, D.C. 20580. You can also visit the FTC's home page at 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.

Issuance Date: March 26, 2026

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits F and G.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only yorCMO business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a yorCMO franchisee?	Item 20 or Exhibits F and G list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to clients, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in Nebraska. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Nebraska than in your own state.

2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all your financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both you and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **Short Operating History**. The franchisor is at an early stage of development and has limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

4. **Financial Condition**. The franchisor's financial condition as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

NOTICE REQUIRED BY THE STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

The Michigan Franchise Law states in Sec. 445.1527, Sec.27 that each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel, which deprives a franchisee of rights and protections, provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Antitrust & Franchise
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48909

yorCMO®
Franchise Disclosure Document

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

yorCMO Franchising, LLC, the franchisor of the yorCMO franchise, is referred to in this franchise disclosure document (the "Disclosure Document") as "we", "us" or "our" as the context requires. A franchisee is referred to in this Disclosure Document as "you" and "your" as the context requires. If you are a corporation, partnership or other legal entity (a "Corporate Entity"), our Franchise Agreement will also apply to your individual owners, shareholders, members, officers, directors and other principals.

The Franchisor

We are a Nebraska limited liability company established on December 22, 2020. Our principal place of business is 802 S 80th Street, Omaha, Nebraska 68114. We conduct business under our corporate name yorCMO Franchising, LLC and under the yorCMO trade name. Our business is operating the yorCMO franchise system and granting franchises to third parties like you to develop and operate a yorCMO Business. We began offering franchises on February 9, 2021, and our affiliate yorCMO, LLC, has previously offered agreements for individuals to act as independent contractors and the license to operate under the "yorCMO" mark prior to the development of our franchise system. Other than as discussed above, we are not in any other business, we have not conducted business in any other line of business, we do not conduct or operate a Franchised Business of the type to be operated by a franchisee, and we have not offered or sold franchises in any other line of business. We do not have any predecessors, and we do not have any parent company. Our registered agents for service of process are disclosed in Exhibit B of this Disclosure Document.

The Franchised Business

We license a system (the "System") for the operation of a yorCMO Business, a fractional marketing service that provides businesses with the opportunity to engage a shared chief marketing officer ("CMO") to develop and implement marketing strategies for their businesses, artificial intelligence (AI) marketing products, and other services and products (the "Approved Services and Products") using our processes, and such other programs, materials, equipment, products, and supplies that we designate (the "System Supplies"). There are two different yorCMO franchise models you may select from: (i) the "Solo yorCMO" model, which will permit the primary operator (the "Primary CMO") to act as the sole CMO for the Franchised Business; (ii) the "Firm yorCMO" model, which will permit the Primary CMO to act as a primary CMO but will also permit an operator to hire multiple associate CMOs, yorCMO licensees, and/or a Solo yorCMO franchisee, to provide services on behalf of the Franchised Business and the ability to earn commissions (Firm yorCMO Commissions") for any new yorCMO franchisees that you solicit, screen, recruit, train, and support. If you do not elect to operate under either of the Solo yorCMO Business or Firm yorCMO Business franchise models, you may elect to operate under the "Licensee yorCMO" model which will permit the licensee operator to act as a CMO of another yorCMO System franchisee's Firm yorCMO Business.

We no longer offer the opportunity to franchise what was previously referred to as the Lite yorCMO model which would permit the Primary CMO to act as a CMO of the Franchised Business. Rather, they will now operate a Licensee yorCMO Business where those individuals are now independent contractors who will have a license to use the yorCMO Licensed Marks and Approved Services and Products provided by us under a Firm yorCMO franchisee. Notwithstanding the foregoing, some of the CMOs with whom you may work with are operating as Lite yorCMO Business franchisees who signed franchise agreements with us prior to the Issuance Date of this Disclosure Document.

Firm yorCMO Commissions

If you sign a Franchise Agreement to develop and operate a Firm yorCMO Business and are not in default of your Franchise Agreement, you will be entitled to certain commissions for any person or entity that you solicit, screen, recruit, train, and support and that enters into a yorCMO franchise agreement and remains

in good standing (a "Qualifying Franchisee") or that enters into a yorCMO license agreement and remains in good standing (a "Qualifying Licensee") as follows:

Franchise Fee Commission – For each Qualifying Franchisee that we authorize and approve for development and operation, we will pay to you a one-time payment/amount equal to 30% of the net initial franchise fee that is unconditionally paid to us and received by us (the "Franchise Fee Commission");

Licensee Fee Commission – For each Qualifying Licensee that we authorize and approve to serve as a CMO of a Firm yorCMO Business franchisee, we will pay to you a one-time payment/amount equal to 30% of the net license fee that is unconditionally paid to us and received by us (the "Licensee Fee Commission");

Royalty Commission – For each Qualifying Franchisee that we authorize and approve for development and operation, we will pay to you 30% of the net royalty fees paid to us by each Qualifying Franchisee with an authorized yorCMO Business (the "Royalty Commission"). You will not receive any Royalty Commissions for a yorCMO Business owned and operated by you or an affiliated person or entity;

Training Fee Commission – For each Qualifying Franchisee that we authorize and approve for development and operation, we will pay to you a one-time payment/amount equal to 30% of the net initial training fee paid to us by a Qualifying Franchisee that is unconditionally paid to us and received by us (the "Training Fee Commission"). You will not receive any Training Fee Commissions for a yorCMO Business owned and operated by you or an affiliated person or entity;

Audit Support Fee Commission – For each Qualifying Franchisee we authorize and approve for development and operation where you directly provide the Qualifying Franchisee support on the audit of the respective Qualifying Franchisee's client, we will pay to you 50% of the net client audit support fee paid to us by each Qualifying Franchisee (the "Audit Support Fee Commission"). If you do not directly provide the support on the audit, you are not entitled to receive the Audit Support Fee Commission. You will not receive any Audit Support Fee Commissions for a yorCMO Business owned and operated by you or an affiliated person or entity; and

Foundation Support Fee Commission – For each Qualifying Franchisee we authorize and approve for development and operation where you directly provide the Qualifying Franchisee support on the foundation session of the respective Qualifying Franchisee's client, we will pay to you 50% of the net client foundation support fee paid to us by each Qualifying Franchisee (the "Foundation Support Fee Commission"). If you do not directly provide the support on the foundation session, you are not entitled to receive the Foundation Support Fee Commission. You will not receive any Foundation Support Fee Commissions for a yorCMO Business owned and operated by you or an affiliated person or entity.

Your yorCMO Business may be managed as a home-based business that, if permitted by law, may be administratively managed from a home office (an "Administrative Office").

The System is presently identified by the yorCMO trademark and, such other trade-names, trademarks, service-marks, logos, and trade-dress that we may designate, modify or adopt from time to time and, as same may or may not be registered with the United States Patent and Trademark Office (collectively, the "Licensed Marks"). The System features the prominent display of the Licensed Marks, the Approved Services and Products, and the System Supplies as same may presently exist and, as we may modify, add to and/or discontinue from time to time. You are required to purchase the System Supplies through us, our affiliates or our designated approved suppliers. The System also requires that you operate your yorCMO Business in conformity with the specifications, procedures, criteria and requirements that we designate in

our confidential operations manual and other proprietary manuals that we designate and, as we may, from time to time, supplement and modify (collectively, the "Manuals").

Franchise Agreement
You may enter into a Franchise Agreement in the form attached to this Disclosure Document as Exhibit E(1) to develop and operate your yorCMO Business in conformity with the requirements of our System.

License Agreement
You may enter into a License Agreement in the form attached to this Disclosure Document as Exhibit E(2) to develop and operate your Licensee yorCMO Business in conformity with the requirements of our System.

Our Affiliates

yorCMO, LLC
Our affiliate yorCMO, LLC is a Nebraska limited liability company established on October 26, 2017. This affiliate does not maintain a physical place of business and has a mailing address of P.O. Box 241685, Omaha, Nebraska 68124. This affiliate utilizes the Licensed Marks and System for its operation of a yorCMO Business. This affiliate has not in the past and does not now offer franchises in any lines of business, however, this affiliate has previously entered into Independent Contractor Agreements whereby it granted licenses to third party licensees to utilize the System and the Licensed Marks in connection with the establishment and operation of a yorCMO Business.

For purposes of this Disclosure Document, we have identified the yorCMO independent contractors of our affiliate, yorCMO, LLC, as franchisees in Item 20 and Exhibits F and G of this Disclosure Document. We have converted yorCMO independent contractors into yorCMO franchisees under terms that are different than those offered in this Disclosure Document. We intend to convert our affiliate's existing yorCMO independent contractors into yorCMO franchisees under terms that are different than those offered in this Disclosure Document.

yorCMO IP, Inc.
Our affiliate yorCMO IP, Inc. is a Nebraska corporation established on December 22, 2020. This affiliate maintains a principal business address at 802 S 80th Street, Omaha, Nebraska 68114. This affiliate is the owner of the Licensed Marks. This affiliate has not in the past and does not now offer franchises in any lines of business.

FMG Group, LLC d/b/a Frost Media Group
Our affiliate FMG Group, LLC is a Nebraska limited liability company established on June 25, 2018. This affiliate This affiliate does not maintain a physical place of business and maintains a business address at P.O. Box 241685, Omaha, Nebraska 68124. This affiliate provides content services, peer groups and preferred vendor programs to franchisees. This affiliate has not in the past and does not now offer franchises in any lines of business.

Market and Competition
The general market for the services and products offered by a yorCMO Business typically includes business that offer products and services to other businesses or the consuming public. The market for fractional marketing services is competitive and is not seasonal in nature. You will be competing with businesses and contractors that provide business to business and business to consumer marketing services. You will be competing with many local and independently owned service providers including businesses offering independent and in-house marketing services.

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Industry Specific Laws
Many states and local jurisdictions have laws, rules, and regulations that may apply to the Franchised Business, including rules and regulations related to marketing services and/or services that provide personnel on behalf of other businesses. You must evaluate and you must obtain the necessary licenses, certification, permits and approval necessary to establish and operate the Franchised Business. You must investigate all these laws. You must check your state, county and local jurisdiction about these rules and regulations and you should consult with your own legal advisor.

You will also be subject to federal and state laws and regulations that apply to businesses generally, including rules and regulations involving employment practices, wage and hour laws, immigration and employment laws. You must review federal minimum wage and overtime laws, as well as similar laws within your state to ensure compliance with labor and wage laws currently in existence and those that may later be adopted. You should consult with your attorney concerning these and other local laws, rules and regulations that may affect the operation of the Franchised Business.

ITEM 2
BUSINESS EXPERIENCE

Joseph Frost, Co-Founder
Joseph Frost is our Co-Founder and has served in this role since our formation on December 22, 2020. Since October 26, 2017, and continuing to date, Joseph Frost has served as Co-Founder of, our affiliate, yorCMO LLC in Omaha, Nebraska.

Estefania Ramos, Head of Operations
Estefania Ramos is our Head of Operations and has served in this role since October 2023. From September 2020 to October 2023, Estefania Ramos served as our Business Process Specialist. From April 2020 to September 2020, Estefania Ramos served as our Marketing Specialist. From October 2019 to April 2020, Estefania Ramos served as our Lead Generation Specialist.

ITEM 3
LITIGATION

Denourie & Yost Homes, LLC v. Joe and Amy Frost and Security State Bank, (Douglas County District Court, Nebraska) Case Id. No. CI 10-9376499, Doc. 1081 No. 752, filed on or about April 3, 2008. Plaintiffs filed suit against our Co-Founder, Joe and Amy Frost for, among other claims, breach of contract and fraud, alleging that Joe Frost did not adequately complete construction of a residence. The parties mediated the case on July 13, 2018, and reached settlement of all claims in the lawsuit. The Frosts contributed $7,500 to settlement. The matter was dismissed with prejudice on August 23, 2018.

In the Matter of Commonwealth of Virginia, *ex rel.* State Corporation Commission v. yorCMO Franchising, LLC, Case No. 2021-00026. As a result of an investigation into the franchise related activities of yorCMO Franchising, LLC ("yorCMO"), the Commonwealth of Virginia's State Corporation Commission (the "Commission"), concluded that grounds existed to allege that yorCMO violated the registration and disclosure provisions of the Virginia Retail Franchising Act in relation to the offer and sale of a yorCMO franchise. In responding to inquiries from the State Corporation Commission's Division of Securities and Retail Franchising, yorCMO acknowledged that, during the time it was not registered to offer and sell franchises in Virginia, it entered into three Franchise Agreements in Virginia that the Commission concluded constituted the sale of three franchises. yorCMO represented that it has offered rescission to each of the three franchisees. On November 15, 2021, the Commission and yorCMO entered into a Settlement Order whereby yorCMO, without admitting or denying any violations of the law, agreed to: make an offer of rescission to the Virginia franchisees; pay to the Treasurer of Virginia, contemporaneously with the entry of the Settlement Order, the amount of $6,000 in monetary penalties; pay to the Treasurer of Virginia,

contemporaneously with the entry of the Settlement Order, the amount of $750 to defray the costs of investigation; and not violate the Virginia Retail Franchising Act in the future.

Other than these actions, no litigation is required to be disclosed in this disclosure document.

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Licensee yorCMO

When you sign a License Agreement for a Lite yorCMO you will pay to us a non-refundable license fee in the amount of $5,000 (the "License Fee"). The License Fee is fully earned by us upon payment.

Solo yorCMO

When you sign a Franchise Agreement for a Solo yorCMO you will pay to us a non-refundable initial franchise fee in the amount of $17,000 (the "Initial Franchise Fee"). The Initial Franchise Fee is fully earned by us upon payment. In addition to the Initial Franchise Fee, you must also pay to us a non-refundable initial training and launch fee in the amount of $15,000 for you (or your Primary CMO if franchisee is a legal entity) to attend the initial training (the "Initial Training Fee"). The Initial Training Fee is fully earned by us upon payment and will be owed to us regardless of whether or not you complete your initial training.

Firm yorCMO

When you sign a Franchise Agreement for a Firm yorCMO you will pay to us a non-refundable initial franchise fee in the amount of $67,000 (the "Initial Franchise Fee"). The Initial Franchise Fee is fully earned by us upon payment. In addition to the Initial Franchise Fee, you must also pay to us a non-refundable Initial Training Fee in the amount of $30,000 for you (or your Primary CMO if franchisee is a legal entity) to attend the initial training. The Initial Training Fee is fully earned by us upon payment and will be owed to us regardless of whether or not you complete your initial training.

The method we use to calculate the Initial Franchise Fee is uniform for all Solo yorCMO and Firm yorCMO franchises that we offer through this Disclosure Document, except that we offer the following discounts on the Initial Franchise Fee:

a. Qualified U.S. Military Veterans. For qualified individuals who are military veterans of any branch of the United States Military, the Initial Franchise Fee shall be discounted by 10%. The discount must be requested at the time of signing the Franchise Agreement and represents a one-time discount applicable to only the Initial Franchise Fee. This discount is subject to our approval of the franchisee entering into our franchise system. This discount cannot be combined with other discounts of the Initial Franchise Fee.

b. Solo To Firm Upgrade. If, during the term of your initial Franchise Agreement for a Solo yorCMO Business, you wish to upgrade to a Firm yorCMO Business, you may pay a non-refundable upgrade fee of $50,000 (the "Upgrade Fee"). The Upgrade Fee is fully earned by us upon payment. Prior to upgrading, you must maintain at least one client for a period that is not less than a consecutive six-month period, be in compliance with the terms of all of your agreements with us, and you must obtain our approval. This

discount is subject to our approval and the franchisee's satisfaction of our qualifications for this discount. This discount cannot be combined with other discounts of the Initial Franchise Fee.

If, during the term of your initial Franchise Agreement for a Solo yorCMO Business you elect to upgrade to a Firm yorCMO Business, in addition to the Upgrade Fee, you must also pay to us a non-refundable Solo to Firm yorCMO upgrade initial training fee (the "Solo to Firm yorCMO Upgrade Initial Training Fee") in the amount of $15,000 to attend the initial training for a Firm yorCMO Business. The Solo to Firm yorCMO Upgrade Initial Training Fee is fully earned by us upon payment.

c. Licensee to Franchisee Conversion Upgrade. If, during the term of your License Agreement, you wish to upgrade and convert to either a Solo yorCMO Business or Firm yorCMO Business, you may pay a non-refundable conversion upgrade fee (the "Licensee Conversion Upgrade Fee"). The Licensee Conversion Upgrade Fee shall be an amount equal to the difference between the then current initial franchise fee for a Solo yorCMO Business or Firm yorCMO Business and the License Fee paid by you. Prior to converting and upgrading to either a Solo yorCMO Business or Firm yorCMO Business, you must be in full compliance with the terms of your License Agreement, meet our then current standards and qualifications for a yorCMO franchisee and sign our then current franchise agreement for the corresponding yorCMO Business model type. The Licensee Conversion Upgrade Fee is fully earned by us upon payment.

d. Conversion of Lite yorCMO to Licensee yorCMO. If, during the term of your Franchise Agreement for a Lite yorCMO Business, a franchise opportunity we previously offered prior to the Issuance Date of this Disclosure Document, you wish to convert to a Licensee yorCMO, you must be in full compliance with the terms of your Franchise Agreement, meet our then current standards and qualifications for a yorCMO licensee and sign our then current license agreement.

e. Conversion of Existing CMO Business. For qualified individuals that were part of the yorCMO System prior to 2021 who we determine have a business that provides comparable services that we offer as a yorCMO Business ("Conversion Business"), the Initial Franchise Fee may be discounted to $7,500. The discount must be requested at the time of signing the Franchise Agreement and represents a one-time discount applicable to only the Initial Franchise Fee. This discount is subject to our approval of franchisee entering into our franchise system. This discount cannot be combined with other discounts of the Initial Franchise Fee. You must provide financial records that we, in our sole discretion, deem appropriate to evaluate your Conversion Business.

f. Licensee Referral Fee. We, as compensation to you for directly referring a client to us, our affiliate or a franchisee of a Firm yorCMO Business, and subject to the terms and condition set forth herein, agree to pay you a referral fee (hereinafter "Referral Fee") for each new yorCMO client that enters into a scope of work with us, our affiliate or franchisee of a Firm yorCMO Business for the performance of Approved Services and Products during the term of your License Agreement. Your right to receive the Referral Fee shall be deemed earned when a new client has (i) executed a scope of work or other form of agreement with us, our affiliate or franchisee of a Firm yorCMO Business, and (ii) paid, in full, the applicable fee in connection with the Approved Services and Products. The Referral Fee shall be 10% of the gross client billables earned in connection with providing the Approved Services and Products. The Referral Fee shall only be paid if you were the first to procure the new client and the first to introduce the new client to us, our affiliate or franchisee of a Firm yorCMO Business.

During the fiscal year ending December 31, 2025, we permitted installment payments of the Conversion Fee and business commissions for one franchisee who upgraded from a Solo yorCMO to a Firm yorCMO. In addition, three franchisees upgraded from a Solo yorCMO to a Firm yorCMO and paid the Conversion Fee and applicable business commissions in a single payment.

ITEM 6
OTHER FEES

The following table shows the applicable Other Fees for a **Licensee yorCMO** Business.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Technology Fee (Note 2)	Up to $150 per month, currently $50 per month	Monthly as invoiced	Will be debited automatically from your bank account by ACH or other means designated by us.
Annual Conference Attendance Fee (Note 3)	Our then current conference fee, not greater than $2,500	When invoiced and before conference	Will be debited automatically from your bank account by ACH or other means designated by us if you elect to attend an annual conference.
Liquidated Damages	An amount equal to the greater of (i) $500 per month for the remaining months of the Term; or (ii) $6,000	Upon termination of your Franchise Agreement as a result of your default	If, prior to the expiration of the Term, the License Agreement is terminated by you without cause or as a result of a default by you that you failed to cure you must pay us liquidated damages in an amount that is equal to the greater of: (i) $500 per month for the remaining months of the Term; or (ii) $6,000.

Explanatory Notes to Item 6
"Other Fees" for a Licensee yorCMO Business

Note 1: Type of Fee – The above table describes fees and payments that you must pay to us, our affiliates, or that our affiliates may impose or collect on behalf of a third party. We will directly collect the Gross Sales of your yorCMO Business, and we will pre-deduct all of the fees and payments due to us, our affiliates, or our designated suppliers, and we will remit the balance to you. If applicable, and, at our election, we require payment from you subject to our specification and instruction, including, our election to have fees automatically drafted from your business bank account or automatically debited or charged to your business bank account. You will be required to sign an ACH Authorization Form (Franchise Agreement, Exhibit 4) permitting us to electronically debit your designated bank account for payment of all fees payable to us and/or our affiliates. All fees are uniformly imposed for all franchises offered under this Disclosure Document, are recurring, are not refundable, and are payable to us, unless otherwise specified. Payment is subject to our specification and instruction, including, our election to have all fees automatically drafted from your business bank account or automatically debited or charged to your business bank account. If instructed by us, you must deposit the Gross Sales of your yorCMO Business into the designated bank accounts that are subject to our ACH authorization. You must install and use, at your expense, the pre-authorized payment, credit card processing, automatic payment, automated banking, electronic debit and/or electronic funds transfer systems that we designate and require in the operation of your yorCMO Business. You must pay all service charges and fees charged to you by your bank so that we may electronically debit your bank account.

Note 2: Technology Fee – The continuing monthly technology fee (the "Technology Fee") is an administrative fee and is not associated with any particular service but is used, at our discretion, to defray some of our costs related to our technology systems. Currently we charge a monthly Technology Fee of

$50 per month. We reserve the right to increase the monthly Technology Fee provided that the monthly technology fee shall not exceed $150 per month.

Note 3: Annual Conference Attendance Fee – If we offer a franchisee annual conference in a given year, as a licensee you shall have the option to attend the conference on the dates and at the location that we designate. If you elect to attend the annual conference, you will be responsible for all travel and lodging expenses. We may charge you an annual conference fee in an amount not exceeding $2,500. As a licensee, you will not be required to attend the annual conference.

Note 4: Gross Sales – "Gross Sales" means the total dollar sales from all business and clients of your yorCMO Business and includes the total gross amount of revenues and sales from whatever source derived, whether in form of cash, credit, agreements to pay or other consideration including the actual retail value of any goods or services traded, borrowed, or received by you in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by you or any other person or Corporate Entity from business conducted or which started in, on, from or through your yorCMO Business, whether such business is conducted in compliance with or in violation of the terms of the Franchise Agreement. Gross Sales include the total gross amount of revenues and sales from whatever source derived from and/or derived by you including, any person and/or Corporate Entity acting on your behalf, from business conducted that is related to your yorCMO Business and/or a competitive business and/or otherwise. Gross Sales do not include (a) sales taxes that you collect and remit to the proper taxing authority, and (b) authorized promotional discounts that you provide to clients.

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The following table shows the applicable Other Fees for the **Solo yorCMO** or **Firm yorCMO** franchise.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty (Notes 2 and 3)	5% of Gross Sales for a Firm yorCMO Business 7% of Gross Sales for a Solo yorCMO Business	Instantly on a per transaction basis	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate.
Sales and Marketing Fund (Note 4)	$750 per month	Monthly, on the 1st day of each month	Will be automatically deducted from your bank account by ACH or other means we designate.
Franchisee Directed Marketing (Note 5)	Up to 2% of Gross Sales. Currently, we do not require you to spend any amount on marketing	As incurred	We reserve the right to require that you spend not less than 2% of your Gross Sales each month on pre-approved marketing to third parties. Currently, we do not require you to spend any amount on marketing.
Client Audit Support Fee (Note 6)	Up to $6,000 per engaged new client of the Franchised Business	Instantly on a per transaction basis when paid by client	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate. The Client Audit Support Fee may increase but not more than 10% year over year.
Client Foundation Support Fee (Note 6)	Up to $8,500 per engaged new client of the Franchised Business	Instantly on a per transaction basis when paid by client	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate. The Client Foundation Support Fee may increase but not more than 10% year over year.
Monthly Client Support Fee (Note 7)	Up to $2,500 per month per new client of the Franchised Business	Monthly as invoiced	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate. The Monthly Client Support Fee may increase but not more than 10% year over year.

Success Fee (Note 8)	Up to 30% of Gross Sales for duration of contract term for any client of the Franchised Business originated by Practice Development Support, currently 10% of Gross Sales	Instantly on a per transaction basis when paid by client	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate. The Success Fee is in addition to any other fees required under the Franchise Agreement.
Client Project Support Fee (Note 9)	20% of Gross Sales per engaged new client of the Franchised Business	Instantly on a per transaction basis when paid by client	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate.
Marketing Virtual Professional (MVP) Fee	$1,750 up to $2,500 for set up and onboarding of MVP; $750 to $1,500 per month for ongoing MVP support	As incurred	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate. The MVP Fee may increase but not more than 10% year over year.
CMO for a Day Service Fee (Note 10)	20% of Gross Sales per engaged new client of the Franchised Business	Instantly on a per transaction basis when paid by client	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate.
Monthly Advisory and Mentoring Service Fee (Note 11)	$750 to $1,500 per engaged new client of the Franchised Business	Instantly on a per transaction basis when paid by client	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate.
Technology (Note 12)	Up to $150 per month. This fee is currently $100 per month	Monthly as invoiced	Will be debited automatically from your bank account by ACH or other means designated by us.
Additional Software Fees (Note 13)	Up to $75 per month, not currently assessed	Monthly	The Additional Software Fee is a monthly fee paid to a third party for various software programs, including accounting software.
Client Service and Refunds (Note 14)	Varies	On demand	Will be debited automatically from your bank account by ACH or other means designated by us.

Annual Conference Attendance Fee (Note 15)	Our then current conference fee, not greater than $2,500	When invoiced and before conference	Will be debited automatically from your bank account by ACH or other means designated by us.
Additional Employee Initial Training	Our then current training fee, currently $500 per person per day. This fee will not increase more than 25% annually.	When invoiced and prior to training	This fee is for initial training that we provide to any of your employees. Initial training is conducted at facilities we designate, and you must pay for all other expenses of your trainees, including salary, travel and accommodations. This fee will not increase more than 25% annually.
Associate CMO Training (Note 16)	$2,000 per Associate CMO	As incurred	Will be debited automatically from your bank account by ACH or other means designated by us.
Firm yorCMO Commissions	If operate a Firm yorCMO Business and not in default of your Franchise Agreement, you shall be entitled to the following commissions for Qualifying Franchisees: (a) Franchise Fee Commission; (b) License Fee Commission; (c) Royalty Commission; (d) Training Fee Commission; (e) Audit Support Fee Commission; and (f) Foundation Support Fee Commission	As incurred	Payable to you as authorized and approved by us.
Firm yorCMO Licensee Service Commission Fee (Note 17)	75% of net Gross Sales from all clients serviced by a Licensee yorCMO you engage to perform services for a client of your Firm yorCMO Business	As incurred	Will be pre-deducted from Gross Sales received by us from clients of your yorCMO Business, or, if applicable, automatically deducted from your bank account by ACH or other means we designate.
Liquidated Damages	An amount equal to the greater of (i) $500 per month for the remaining months	Upon termination of your Franchise Agreement as a	If the Franchise Agreement is terminated as a result of a default by you, prior to the expiration of the Term, you must pay us liquidated

	of the Term; or (ii) $6,000	result of your default	damages in an amount that is equal to the greater of: (i) $500 per month for the remaining months of the Term; or (ii) $6,000.
Legal fees and expenses	Costs and Expenses	As incurred	Costs and expenses, including but not limited to attorneys' fees for any failure to pay amounts when due or failure to comply in any way with the Franchise Agreement
Supplemental Training	Our then current daily rate per trainer, plus expenses we incur. Current rate is $500 per day. This fee will not increase more than 25% annually.	When invoiced and prior to training	If you request or we require additional training, you must pay our then current trainer fee plus, if applicable, our expenses related to travel and accommodations.
Interest	1.5% per month from due date	On demand	Payable on all overdue amounts, fees, charges, and payments due to us under the Franchise Agreement. Interest rate cannot exceed legal rate allowed by law and may be adjusted to reflect same.
Reporting Non-Compliance	$150 per occurrence	14 days of invoice	Payable for failure to timely submit Royalty and Activity Reports, and other reports and financial statements as required under Franchise Agreement.
Operations Non-Compliance	$450 to $1,000 per occurrence	14 days of invoice	Payable for failure to comply with operational standards as required and specified under Franchise Agreement, plus inspection and re-inspection costs incurred by us.
Payment Non-Compliance	$150 per occurrence		Payable for failure to timely pay, when due, a fee or payment due to us under the Franchise Agreement, plus interest, costs and legal fees.
Audit	Reimbursement of Actual Costs of Audit	On demand	For costs incurred by us for each financial audit, provided the audit determines underreporting of 2% or greater during any designated audit period. Includes fees incurred by us including audit, legal, travel and reasonable accommodations.

Collections	Reimbursement of Actual Costs of Collections	On demand	For costs and expenses incurred by us in collecting fees due to us, and/or to enforce the terms of the Franchise Agreement or a termination of the Franchise Agreement. Includes costs and expenses of re-inspections required by quality assurance audit.
NSF Check Fee of Failed Electronic Fund Transfer	$50 or maximum fee allowed by law	On demand	Payable if your bank account possesses insufficient funds and/or fails to process a payment or transfer related to a fee due from you to us.
Non-Compliance	Actual fees, costs, and expenses	On demand	Fees, costs and expenses incurred by us as a result of your breach or noncompliance with the terms of your Franchise Agreement.
Testing or Supplier Approval Fee	Reimbursement of Actual Costs of Testing or Supplier Review	Within 14 days of invoice	You must pay us the costs incurred by us to review and evaluate a potential supplier, product, or service that you submit to us for approval.
Transfer	$5,000	On demand	Payable if we approve your transfer request, but prior to execution of final transfer agreements and authorization.
Renewal	$2,000	On signing renewal Franchise Agreement	Payable if we approve your renewal request and upon signing our then current Franchise Agreement.
Indemnification	Actual fees, costs, and expenses	As incurred	The amount of any claim, liability or loss we incur from your Franchised Business.

Explanatory Notes to Item 6
"Other Fees" for a Solo yorCMO Business or Firm yorCMO Business

Note 1: Type of Fee – The above table describes fees and payments that you must pay to us, our affiliates, or that our affiliates may impose or collect on behalf of a third party. We will directly collect the Gross Sales of your YorCMO Business, and we will pre-deduct all of the fees and payments due to us, our affiliates, or our designated suppliers, and we will remit the balance to you. If applicable, and, at our election, we require payment from you subject to our specification and instruction, including, our election to have fees automatically drafted from your business bank account or automatically debited or charged to your business bank account. You will be required to sign an ACH Authorization Form (Franchise Agreement, Exhibit 4) permitting us to electronically debit your designated bank account for payment of all fees payable to us and/or our affiliates. All fees are uniformly imposed for all franchises offered under this Disclosure Document, are recurring, are not refundable, and are payable to us, unless otherwise specified. Payment is subject to our specification and instruction, including, our election to have all fees automatically drafted from your business bank account or automatically debited or charged to your business bank account. If instructed by us, you must deposit the Gross Sales of your yorCMO Business into the designated bank accounts that are subject to our ACH authorization. You must install and use, at your

expense, the pre-authorized payment, credit card processing, automatic payment, automated banking, electronic debit and/or electronic funds transfer systems that we designate and require in the operation of your yorCMO Business. You must pay all service charges and fees charged to you by your bank so that we may electronically debit your bank account.

Note 2: Royalty Fee – Throughout the term of the Franchise Agreement, you must pay to us a continuing royalty fee (the "Royalty Fee"). You will pay us a Royalty Fee equal to a percentage (the "Royalty Rate") of your Gross Sales that varies depending on if you operate a Solo yorCMO Business or Firm yorCMO Business. If you elect to operate a Solo yorCMO Business, you shall pay a continuing Royalty Fee in an amount equal to 7% of your Gross Sales. If you elect to operate a Firm yorCMO Business, you shall pay a continuing Royalty Fee in an amount equal to 5% of your Gross Sales. The Royalty Fee is due to us upon receipt of the Gross Sales. If any federal, state or local tax other than an income tax is imposed on the Royalty Fee which we cannot directly and, dollar for dollar, offset against taxes required to be paid under any applicable federal or state laws, you must compensate us in the manner prescribed by us so that the net amount or net effective royalty fees received by us is not less than 5% of your Gross Sales for a Firm yorCMO Business or not less than 7% of your Gross Sales for a Solo yorCMO Business.

Note 3: Gross Sales – "Gross Sales" means the total dollar sales from all business and clients of your yorCMO Business and includes the total gross amount of revenues and sales from whatever source derived, whether in form of cash, credit, agreements to pay or other consideration including the actual retail value of any goods or services traded, borrowed, or received by you in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by you or any other person or Corporate Entity from business conducted or which started in, on, from or through your yorCMO Business, whether such business is conducted in compliance with or in violation of the terms of the Franchise Agreement. Gross Sales include the total gross amount of revenues and sales from whatever source derived from and/or derived by you including, any person and/or Corporate Entity acting on your behalf, from business conducted that is related to your yorCMO Business and/or a competitive business and/or otherwise. Gross Sales do not include (a) sales taxes that you collect and remit to the proper taxing authority, and (b) authorized promotional discounts that you provide to clients.

Note 4: Sales and Marketing Fund – The sales and marketing fund fee (the "Sales and Marketing Fund Fee") is a continuing monthly fee equal to $750 paid to us.

Note 5: Franchisee Directed Marketing – Currently, we do not require you to spend any amount on the marketing of your yorCMO Business. We reserve the right to require that on an on-going monthly basis, you spend not less than 2% of your monthly Gross Sales on the marketing of your yorCMO Business in accordance with our standards and specifications.

Note 6: Client Audit Support Fee and Client Foundation Support Fee – The client audit support fee (the "Client Audit Support Fee") is up to $6,000 for each new yorCMO Client that engages you and is used, at our discretion, to defray some of our costs related to the support on the audit of the yorCMO Client. The client foundation support fee (the "Client Foundation Support Fee") is up to $8,500 for each new yorCMO Client that engages you and is used, at our discretion, to defray some of our costs related to the support for the foundation session of the yorCMO Client. The Client Audit Support Fee and Client Foundation Support Fee are due immediately upon the yorCMO Client's payment of their audit support fee and foundation support fee. The Client Audit Support Fee and Client Foundation Support Fee may increase but not more than 10% year over year.

Note 7: Monthly Client Support Fee – The client support fee (the "Client Support Fee") is a continuing monthly fee up to $2,500 per month for each new yorCMO Client that engages you. The Client Support Fee may increase but not more than 10% year over year.

Note 8: Success Fee – The success fee (the "Success Fee") is a commission paid to us in an amount of up to 30% of all Gross Sales generated from any yorCMO Client that engages you and was referred to you by us and/or the Practice Development Support. The Success Fee is due immediately upon the yorCMO Client's payment for any yorCMO services and is in addition to any other fees associated with the Franchised Business. Currently, we charge 10% of Gross Sales for our Success Fee.

Note 9: Client Project Support Fee – The client project support fee (the "Client Project Support Fee") is 20% of all Gross Sales generated for each new yorCMO Client that engages you in a project that requires our short term engagement, but does not include any client audit or foundation and is used, at our discretion, to defray some of our costs related to the support provided by us for the project. The Client Project Support Fee is due immediately upon the yorCMO Client's payment for any yorCMO services.

Note 10: CMO for a Day Service Fee – The CMO for a day service fee (the "CMO for a Day Service Fee") is 20% of all Gross Sales generated for each new yorCMO Client that engages you in a project that requires a one or two and a half day commitment to offer strategic marketing guidance, but does not include any client audit or foundation and is used, at our discretion, to defray some of our costs related to the support provided by us for the project. The CMO for a Day Service Fee is due immediately upon the yorCMO Client's payment for any yorCMO services.

Note 11: Monthly Advisory and Mentoring Service Fee – The monthly advisory and mentoring service fee (the "Monthly Advisory and Mentoring Service Fee") is $750 to $1,500 for each new yorCMO Client that engages you in a project that requires access to ongoing marketing leadership through quarterly strategic planning, monthly mentoring and advertisement sessions and ongoing guidance, but does not include any client audit or foundation and is used, at our discretion, to defray some of our costs related to the support provided by us for the project. The Monthly Advisory and Mentoring Service Fee is due immediately upon the yorCMO Client's payment for any yorCMO services.

Note 12: Technology Fee – The continuing monthly technology fee (the "Technology Fee") is an administrative fee and is not associated with any particular service but is used, at our discretion, to defray some of our costs related to our technology systems. Currently we charge a monthly Technology Fee of $100 per month. We reserve the right to increase the monthly Technology Fee provided that the monthly technology fee shall not exceed $150 per month.

Note 13: Additional Software Fees – In connection with the day-to-day operations of your yorCMO Business, we may require that you utilize a third party accounting service provider to maintain your general ledgers, book transactions and perform general bookkeeping tasks to maintain accurate books and records concerning the performance of your yorCMO Business.

Note 14: Client Service and Refunds – This fee will be charged to you based on the costs incurred by us, including refunds and credits that we may undertake on behalf of a client that was not satisfied with the services or products of your yorCMO Business. If we determine that your client is entitled to reimbursement of fees paid to you, we may reimburse your client directly. You must reimburse us for the amounts that we reimburse your client.

Note 15: Annual Conference Attendance Fee – If we offer a franchisee annual conference in a given year you will be required to attend the conference on the dates and at the location that we designate. You will be responsible for all travel and lodging expenses. We may charge you an annual conference fee in an amount not exceeding $2,500. We reserve the right to charge the annual conference fee to those franchisees that do not attend. We will not require your attendance at an annual conference for more than three days during any calendar year.

Note 16: Associate CMO Training Fee – The associate CMO training fee (the "Associate CMO Training Fee") of $2,000 for each associate CMO of the Franchised Business that we provide training to. Each associate CMO must complete training to our satisfaction and must be approved by us. Your hiring of an associate CMO is only permitted for a Firm yorCMO.

During the fiscal year ending December 31, 2025, we waived the Royalty Fee, Sales and Marketing Fund Fee, Renewal Fee, and Insurance Review Fee, discounted the Client Audit Support Fee, Client Foundation Support Fee, Monthly Client Support Fee, Client Project Support Fee and Success Fee for one franchisee who was formerly a part of our management team and co-founder.

Note 17: Firm yorCMO Licensee Service Commission Fee – If you operate a Firm yorCMO Business and elect to hire a Licensee yorCMO to provide the Approved Services and Products to clients on behalf of your Franchised Business, you will be required to pay the Firm yorCMO licensee service commission fee (the "Firm yorCMO Licensee Service Commission Fee"). The Firm yorCMO Licensee Service Commission Fee is 75% of the net Gross Sales generated from all clients serviced by the Licensee yorCMO you engage to perform and provide the Approved Services and Products on your behalf to a client of your Firm yorCMO Business. The Firm yorCMO Licensee Service Commission Fee is due immediately upon the yorCMO client's payment for any yorCMO services.

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ITEM 7
ESTIMATED INITIAL INVESTMENT

The following table shows the Estimated Initial Investment for the **Licensee yorCMO** Business.

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
License Fee (Note 1)	$5,000 – $5,000	Lump sum	When License Agreement is signed	Us
Construction, Leasehold Improvements, Furniture and Fixtures (Note 2)	$0 – $551	As arranged	As incurred	Contractors, suppliers, and/or Landlord
Lease Deposits – Three Months (Note 3)	$0 – $1,654	As arranged	As incurred	Landlord
Utility Deposits (Note 4)	$0 – $305	As arranged	As incurred	Suppliers
Computer and Software (Note 5)	$1,103 – $3,859	As arranged	As incurred	Suppliers
Insurance Deposits – 12 Months (Note 6)	$108 – $396	As arranged	As incurred	Insurers
Travel for Initial Training (Note 7)	$0 – $1,344	As arranged	As incurred	Airlines, hotels, restaurants
Professional Fees (Note 8)	$2,205 – $4,410	As arranged	As incurred	Attorneys, accountants, advisors
Licenses and Permits (Note 9)	$110 – $551	As arranged	As incurred	Government
Printing, Stationery, and Office Supplies (Note 10)	$56 – $276	As arranged	As incurred	Suppliers
Additional Funds – Three Months (Note 11)	$2,910 – $7,992	As arranged	As incurred	Us, employees, suppliers, landlord, utility suppliers
Total Estimate (Note 12)	$11,492 – $26,338			

Explanatory Notes to Item 7 for a Licensee yorCMO Business

Note 1: License Fee – The License Fee is $5,000 to operate a Licensee yorCMO Business. All fees are non-refundable. We do not finance any portion of your initial fees.

Note 2: Construction, Leasehold Improvements, Furniture and Fixtures – If permitted by law, your Administrative Office may be located within your home. We do not have any specific requirements as to any leasehold interests and/or improvements related to your Administrative Office.

Note 3: Lease Deposits – Three Months – If you elect to maintain an Administrative Office outside of your home, it must be located in a facility and/or office that is open to the public. This estimate assumes that your Administrative Office will be operated from your home or from a commercial office facility within a lower rent shared office suite.

Note 4: Utility Deposits – Estimates for utility deposits are based on historical experience of affiliate and will vary based on municipality and service provider. Provided your Administrative Office meets our standards, it is your option whether or not to operate out of your home or an office.

Note 5: Computer and Software – You are required to purchase, license and use the software and applications that we designate. Information about the computer systems and software are disclosed in Item 11 of this Disclosure Document.

Note 6: Insurance Deposits – 12 Months – You are required to maintain certain insurance coverage. Your actual payments for insurance and the timing of those payments will be determined based on your agreement with your insurance company and agent. This estimate is for the cost of an initial deposit to obtain the minimum required insurance and, we estimate this deposit to be equal to the amount of 12 months of monthly insurance premium payments. We recommend that you consult with your insurance agent before signing a License Agreement.

Note 7: Travel for Initial Training – You must complete our pre-opening training program before opening your Licensee yorCMO Business. This estimate is for estimated travel and lodging expenses that you will incur to attend our pre-opening initial training program.

Note 8: Professional Fees – This estimate is for costs associated with the engagement of professionals such as attorneys, and accountants for advisories consistent with the start-up of a Licensee yorCMO Business. We recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this Disclosure Document, and the License Agreement. It is also advisable to consult with these professionals to review any lease and other contracts that you will enter into as part of the development and operation of your Licensee yorCMO Business.

Note 9: Licenses and Permits – You must apply for, obtain, and maintain all required permits and licenses necessary to operate a Licensee yorCMO Business. The licenses will vary depending on local, municipal, county and state regulations.

Note 10: Printing, Stationery, and Office Supplies – This estimate includes the start-up costs for office supplies and other printed materials.

Note 11: Additional Funds – This is an estimate of the minimum recommended levels of additional funds that may be required to cover operating expenses such as employee salaries, rent, and utilities prior to opening and up to the initial three-month period following the opening of your Licensee yorCMO Business. This estimate does not include compensation to you or your owners and does not include interest, finance charges, or payments that may be incurred by you if you financed the development of your Licensee

yorCMO Business. In making this estimate, we have relied on the experiences of our affiliate in developing and operating a Licensee yorCMO Business. This is only an estimate for your funds required prior to opening up to a period of the initial three months of operations and more working capital and additional funds may be required depending on the sales and performance of your Licensee yorCMO Business.

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The following table shows the Estimated Initial Investment for the **Solo yorCMO** franchise.

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee (Note 1)	$17,000 – $17,000	Lump sum	When Franchise Agreement is signed	Us
Initial Training Fee (Note 2)	$15,000 – $15,000	Lump sum	When Franchise Agreement is signed	Us
Construction, Leasehold Improvements, Furniture and Fixtures (Note3)	$0 – $551	As arranged	As incurred	Contractors, suppliers, and/or Landlord
Lease Deposits – Three Months (Note 4)	$0 – $1,654	As arranged	As incurred	Landlord
Utility Deposits (Note 5)	$0 – $305	As arranged	As incurred	Suppliers
Computer and Software (Note 6)	$1,103 – $3,859	As arranged	As incurred	Suppliers
Insurance Deposits – 12 Months (Note 7)	$108 – $396	As arranged	As incurred	Insurers
Travel for Initial Training (Note 8)	$0 – $1,344	As arranged	As incurred	Airlines, hotels, restaurants
Professional Fees (Note 9)	$2,205 – $4,410	As arranged	As incurred	Attorneys, accountants, advisors
Licenses and Permits (Note 10)	$110 – $551	As arranged	As incurred	Government
Printing, Stationery, and Office Supplies (Note 11)	$56 – $276	As arranged	As incurred	Suppliers
Additional Funds – Three Months (Note 12)	$2,910 – $7,992	As arranged	As incurred	Us, employees, suppliers, landlord, utility suppliers
Total Estimate	$38,492 – $53,338			

Explanatory Notes to Item 7 for a Solo yorCMO Franchise

Note 1: Initial Franchise Fee – The Initial Franchise Fee is $17,000 for a single franchise to operate a Solo yorCMO Business. All fees are non-refundable. We do not finance any portion of your initial fees.

Note 2: Initial Training Fee – The Initial Training Fee is $15,000 for your Primary CMO to attend the initial training held on the same dates. All lodging, transportation, and incidental costs in connection with the training are your responsibility.

Note 3: Construction, Leasehold Improvements Furniture and Fixtures – If permitted by law, your Administrative Office may be located within your home. We do not have any specific requirements as to any leasehold interests and/or improvements related to your Administrative Office. Provided your Administrative Office meets our standards, it is your option whether or not to operate out of your home or an office.

Note 4: Lease Deposits – Three Months – If you elect to maintain an Administrative Office outside of your home, it must be located in a facility and/or office that is open to the public. This estimate assumes that your Administrative Office will be operated from your home or from a commercial office facility within a lower rent shared office suite.

Note 5: Utility Deposits – Estimates for utility deposits are based on historical experience of affiliate and will vary based on municipality and service provider. Utility Deposits will only be necessary in the event you choose to operate your Administrative Office outside of your home.

Note 6: Computer and Software – You are required to purchase, license and use ordering systems, and applications that we designate. Information about the computer systems are disclosed in Item 11 of this Disclosure Document.

Note 7: Insurance Deposits – 12 Months – You are required to maintain certain insurance coverage. Your actual payments for insurance and the timing of those payments will be determined based on your agreement with your insurance company and agent. This estimate is for the cost of an initial deposit to obtain the minimum required insurance and, we estimate this deposit to be equal to the amount of 12 months of monthly insurance premium payments. We recommend that you consult with your insurance agent before signing a Franchise Agreement.

Note 8: Travel for Initial Training – You must complete our pre-opening training program before opening your yorCMO Business. This estimate is for estimated travel and lodging expenses that you will incur to attend our pre-opening initial training program.

Note 9: Professional Fees – This estimate is for costs associated with the engagement of professionals such as attorneys, and accountants for advisories consistent with the start-up of a yorCMO Business. We recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this Disclosure Document, and the Franchise Agreement. It is also advisable to consult with these professionals to review any lease and other contracts that you will enter into as part of the development and operation of your yorCMO Business.

Note 10: Licenses and Permits – You must apply for, obtain, and maintain all required permits and licenses necessary to operate a yorCMO Business. The licenses will vary depending on local, municipal, county and state regulations.

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Note 11: Printing, Stationery, and Office Supplies –This estimate includes the start-up costs for office supplies and other printed materials.

Note 12: Additional Funds – This is an estimate of the minimum recommended levels of additional funds that may be required to cover operating expenses such as employee salaries, rent, and utilities prior to opening and up to the initial three-month period following the opening of your yorCMO Business. This estimate does not include compensation to you or your owners and does not include interest, finance charges, or payments that may be incurred by you if you financed the development of your yorCMO Business. In making this estimate, we have relied on the experiences of our affiliate in developing and operating a yorCMO Business. This is only an estimate for your funds required prior to opening up to a period of the initial three months of operations and more working capital and additional funds may be required depending on the sales and performance of your yorCMO Business.

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The following table shows the Estimated Initial Investment for the **Firm yorCMO** franchise.

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee (Note 1)	$67,000 – $67,000	Lump sum	When Franchise Agreement is signed	Us
Initial Training Fee (Note 2)	$30,000 – $30,000	Lump sum	When Franchise Agreement is signed	Us
Construction, Leasehold Improvements, Furniture and Fixtures (Note 3)	$0 – $551	As arranged	As incurred	Contractors, suppliers, and/or Landlord
Lease Deposits – Three Months (Note 4)	$0 – $1,654	As arranged	As incurred	Landlord
Utility Deposits (Note 5)	$0 – $305	As arranged	As incurred	Suppliers
Computer and Software (Note 6)	$1,103 – $3,859	As arranged	As incurred	Suppliers
Insurance Deposits – 12 Months (Note 7)	$108 – $396	As arranged	As incurred	Insurers
Travel for Initial Training (Note 8)	$0 – $1,344	As arranged	As incurred	Airlines, hotels, restaurants
Professional Fees (Note 9)	$2,205 – $4,420	As arranged	As incurred	Attorneys, accountants, advisors
Licenses and Permits (Note 10)	$110 – $551	As arranged	As incurred	Government
Printing, Stationery, and Office Supplies (Note 11)	$56 – $276	As arranged	As incurred	Suppliers
Additional Funds – Three Months (Note 12)	$2,910 – $7,992	As arranged	As incurred	Us, employees, suppliers, landlord, utility suppliers
Total Estimate	$103,492 – $118,338			

Explanatory Notes to Item 7 for a Firm yorCMO Franchise

Note 1: Initial Franchise Fee – The Initial Franchise Fee is $67,000 for a single franchise to operate a Firm yorCMO Business. All fees are non-refundable. We do not finance any portion of your initial fees.

Note 2: Initial Training Fee – The Initial Training Fee is $30,000 for your Primary CMO to attend the initial training held on the same dates. All lodging, transportation, and incidental costs in connection with the training are your responsibility.

Note 3: Construction, Leasehold Improvements, Furniture and Fixtures – If permitted by law, your Administrative Office may be located within your home. We do not have any specific requirements as to any leasehold interests and/or improvements related to your Administrative Office.

Note 4: Lease Deposits – Three Months – If you elect to maintain an Administrative Office outside of your home, it must be located in a facility and/or office that is open to the public. This estimate assumes that your Administrative Office will be operated from your home or from a commercial office facility within a lower rent shared office suite.

Note 5: Utility Deposits – Estimates for utility deposits are based on historical experience of affiliate and will vary based on municipality and service provider. Provided your Administrative Office meets our standards, it is your option whether or not to operate out of your home or an office.

Note 6: Computer and Software – You are required to purchase, license and use the software and applications that we designate. Information about the computer systems and software are disclosed in Item 11 of this Disclosure Document.

Note 7: Insurance Deposits – 12 Months – You are required to maintain certain insurance coverage. Your actual payments for insurance and the timing of those payments will be determined based on your agreement with your insurance company and agent. This estimate is for the cost of an initial deposit to obtain the minimum required insurance and, we estimate this deposit to be equal to the amount of 12 months of monthly insurance premium payments. We recommend that you consult with your insurance agent before signing a Franchise Agreement.

Note 8: Travel for Initial Training – You must complete our pre-opening training program before opening your yorCMO Business. This estimate is for estimated travel and lodging expenses that you will incur to attend our pre-opening initial training program.

Note 9: Professional Fees – This estimate is for costs associated with the engagement of professionals such as attorneys, and accountants for advisories consistent with the start-up of a yorCMO Business. We recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this Disclosure Document, and the Franchise Agreement. It is also advisable to consult with these professionals to review any lease and other contracts that you will enter into as part of the development and operation of your yorCMO Business.

Note 10: Licenses and Permits – You must apply for, obtain, and maintain all required permits and licenses necessary to operate a yorCMO Business. The licenses will vary depending on local, municipal, county and state regulations.

Note 11: Printing, Stationery, and Office Supplies – This estimate includes the start-up costs for office supplies and other printed materials.

Note 12: Additional Funds – This is an estimate of the minimum recommended levels of additional funds that may be required to cover operating expenses such as employee salaries, rent, and utilities prior to opening and up to the initial three-month period following the opening of your yorCMO Business. This estimate does not include compensation to you or your owners and does not include interest, finance charges, or payments that may be incurred by you if you financed the development of your yorCMO Business. In making this estimate, we have relied on the experiences of our affiliate in developing and operating a yorCMO Business. This is only an estimate for your funds required prior to opening up to a period of the initial three months of operations and more working capital and additional funds may be required depending on the sales and performance of your yorCMO Business.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You may only offer and sell the Approved Services and Products that we designate, and you may only use those products, supplies, equipment, technology systems, and services that we authorize and designate in writing. To ensure that our standards and specifications of quality, service and System development are maintained, you must operate your yorCMO Business in strict conformity with the Franchise Agreement and the methods, standards, specifications and sources of supply that we designate and prescribe in the Manuals.

Source Restricted Purchases and Leases – Generally

We require that you purchase or lease certain source restricted goods and services for the development and operation of your yorCMO Business. Source restricted goods and services are goods and services that must meet our specifications and/or must be purchased from an approved or designated supplier. We may designate a supplier (which may include us or our affiliates) as the exclusive supplier for the System. Our specifications and list of approved and designated suppliers is contained in our Manuals. We will notify you of any changes to our specifications or list of approved or designated suppliers. We may notify you of these changes in various ways, including written or electronic correspondence, amendments and updates to our Manuals, verbal and other forms of communication. If we have previously approved a supplier, and their standards fall below our designated standards, we will revoke our approval. We will notify you in writing of us revoking our approval. We formulate and modify our standards and specifications for products and services based on our industry experience and our management decisions as to the overall operation and expansion of the System.

Suppliers and Supplier Criteria

We may designate ourselves and our affiliates as exclusive suppliers of source restricted goods and services. We may designate ourselves or a third party as exclusive supplier irrespective of the existence of competing suppliers. If, in the Manuals, we do not designate a supplier for a particular item, you will purchase all such products, supplies and services from suppliers who meet our specifications and standards. Our affiliate FMG Group, LLC is currently designated as an approved supplier of content services, peer groups and preferred vendor programs to franchisees. Except for FMG Group, LLC, currently, we are not, and our affiliates are not approved suppliers of the source restricted goods and services identified below.

As of the date of this Disclosure Document, our affiliate yorCMO LLC handles all Artificial Intelligence related marketing work. This affiliate is responsible for determining and paying commissions, if applicable, to Licensees, Solo yorCMO, and Firm yorCMO franchisees whose clients purchase AI marketing products directly from this affiliate. No minimum commission is guaranteed, and you should not rely on receiving any commissions as part of your anticipated revenue.

Except as to Joseph Frost, no officer of ours currently owns an interest in any of our designated suppliers.

If you want to purchase or lease a source restricted item from a supplier that has not been previously

approved or designated by us in writing, you must send us a written request for approval and submit additional information that we may request. We may charge you a supplier review and testing fee and we may request that you send us samples from the supplier for testing and documentation from the supplier for evaluation. We may also require, subject to our discretion, that we be allowed to inspect the supplier's facilities. We will notify you of our approval or disapproval within a reasonable time, not to exceed 60 days, after we receive your written request for approval and all additional information and samples that we may request. We may, in our discretion, withhold our approval. We do not make our procedures or criteria for approving suppliers available to our System franchisees, except that when evaluating the approval of a particular supplier, among other things, we consider: whether the supplier can demonstrate to our reasonable satisfaction the ability to meet our standards, specifications and production requirements, the suppliers quality control, whether or not we are the exclusive supplier of the particular item, whether or not our affiliate or affiliates are the exclusive supplier of the particular item, and whether or not the suppliers approval, in our sole determination, will allow us to advance the overall interests of the System. We will not allow franchisees to work with suppliers even if they meet our criteria before getting the supplier approved.

We estimate that your purchase of goods and services from suppliers according to our specifications, including your purchase of goods or services from our designated exclusive suppliers, to represent approximately 90% of your total purchases and leases in establishing the Franchised Business and approximately 80% of the on-going operating expenses of your Franchised Business. We currently require that you purchase or lease the following source restricted goods and services from either us or our designated supplier:

1. System Supplies – You must maintain an initial and ongoing inventory of System Supplies. You must purchase the System Supplies from us, our affiliates, or our designated suppliers.

2. Branded Items and Marketing Materials – All materials bearing the Licensed Marks including, but not limited to, stationary, business cards, brochures, apparel, signs and displays, must meet our standards and specifications and must be purchased from either us directly or our designated suppliers. All of your marketing materials must comply with our standards and specifications and must be approved by us before you use them. You may market your yorCMO Business through approved digital media and social media platforms provided that you do so in accordance with our digital media and social media policies. You must purchase all branded marketing materials from either us or our designated exclusive supplier. We may require that you exclusively use, at your cost, our designated supplier for social and digital media marketing services and exclusively use, at your cost, our social media platforms, vendors and marketing channels.

3. Business Management System and Computer Equipment – We may designate a business management system that you will be required to exclusively license and use in the day-to-day operations and overall management of your yorCMO Business. Use of the system is subject to an initial license fee and an on-going license fees. In our discretion, the license fees are subject to increase but not more than one increase per calendar year and by not more than an increase of 5% for any calendar year. At all times we will have direct access to all information entered by you and/or maintained in the business management system. We may earn revenue from your licensing and use of the business management system.

4. Credit Card Processing – You must use our designated supplier and vendor for credit card processing which may be integrated with the computer system and software that we designate. Credit card processing fees will, generally, be based on a percentage of all credit card processed Gross Sales. You shall be responsible and reimburse us for any credit card processing fees we incur as a result of any payment made by your yorCMO Client.

5. Insurance – You must obtain the insurance coverage that we require from time to time as presently disclosed in the Manuals and as we may modify. All insurance policies required under your Franchise Agreement and as set forth in the Franchise Agreement must be written by a responsible carrier, reasonably acceptable to us and all insurance (excluding workers' compensation) must name us, our officers, directors, shareholders, partners, agents, representatives and independent contractors as additional insureds. The insurance policies must include a provision that the insurance carrier must provide us with no less than 30 days' prior written notice in the event of a material alteration to, or cancellation of, any insurance policy. A certificate of insurance must be furnished by you to use at the earlier of 90 days after the Effective Date of the Franchise Agreement or prior to the commencement of our initial training program. Insurance coverage must be at least as comprehensive as the minimum requirements set forth in the chart below and in the Franchise Agreement (Franchise Agreement, Article 8). You must consult your carrier representative to determine the level of coverage necessary for the Franchised Business. Higher exposures may require higher limits.

Insurance Requirements

a) Coverage against direct physical loss or damage to real and personal property, including improvements and betterments, written on a special form peril basis, including flood and earthquake, if the relevant property is situated in a flood or earthquake zone, in an amount equal to 100% of the Franchised Business' property value;

b) Comprehensive general liability insurance, written on an occurrence basis, extended to include contractual liability, products and completed operations, and personal and advertising injury, with a combined bodily injury and property damage limit of at least $1,000,000 per occurrence and $2,000,000 in the aggregate;

c) Statutory workers' compensation insurance and employers' liability insurance as required by the law of the state in which the Franchised Business is located;

d) Business automobile insurance, including liability insurance coverage for hired and non-owned automobiles, with a combined single bodily injury and property damage limit of at least $1,000,000 per occurrence;

e) Errors & Omissions ("E&O") insurance for each of your owners, employees, agents, sub-agents, Primary CMO, and Associate CMO's with liability limits of at least $1,000,000 per occurrence, $2,000,000 in aggregate;

f) Cyber insurance in the amount of at least $1,000,000 protecting against first party and third party claims; and

g) All other insurance that we require in the Manual or that is required by law or by the lease or sublease for the Franchised Business.

Purchase Agreements and Cooperatives

We may, in our discretion, negotiate purchase agreements, including price terms, with designated suppliers for source restricted goods and services on behalf of the System. We may establish preferred vendor programs with suppliers on behalf of some or all of the yorCMO Businesses under the System and, in doing so, we may limit the number of approved vendors and/or suppliers that you may purchase from, and we may designate one vendor as your sole supplier. Presently there are no purchase or supply agreements in effect for source restricted products or services and there are no purchasing or distribution cooperatives that you must join. You will not receive any material benefits for using our designated or approved suppliers.

Our Right to Receive Compensation and Our Revenue from Source Restricted Purchases
We and/or our affiliates may receive rebates, payments and other material benefits from suppliers based on franchisee purchases and we reserve the right to institute and expand rebate programs in the future. During the fiscal year ending December 31, 2025, we did not earn any revenue from suppliers or affiliates based on our franchisees' purchases.

ITEM 9
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 Disclosure Document.

Obligation	Articles in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	2.A.	7, 11
b. Pre-opening purchases and leases	3, 8	7, 8
c. Site development and other pre-opening requirements	3, 4, 7, 8, 9.B.	6, 7, 11
d. Initial and ongoing training	4, 7.I.	11
e. Opening	2, 3, 4, 9.B.	11
f. Fees	3, 4.A., 5, 9, 12, 13, 14, 15, 16, 18.N.	5, 6, 7
g. Compliance with standards and policies/manual	3, 4, 7, 8, 9, 12	8, 11
h. Trademarks and proprietary information	6, 7, 11	13, 14
i. Restrictions on products and services offered	3, 4.C., 7.A., 7.E., 7.F., 7.I., 8	8, 11, 16
j. Warranty and client service requirements	7	16
k. Territorial development and sales quotas	2	12
l. Ongoing product and service purchases	3, 4.C., 5, 7	8
m. Maintenance, appearance and remodeling requirements	7	7, 17
n. Insurance	8	7, 8
o. Advertising	3.F, 4.C., 7.E., 7.F., 9, 11	6, 11
p. Indemnification	10	6
q. Owner's participation, management, and staffing	4, 6, 7	11, 15
r. Records and reports	5, 12	6
s. Inspections and audits	13	6, 11
t. Transfer	14	17
u. Renewal	15	17
v. Post-termination obligations	6, 17, 18	17
w. Non-Competition Covenants	6, 17, 18	17
x. Dispute Resolution	18.F., 18.G.	17
y. Individual guarantee of franchisee obligations	2.C., 6, 14.C., 14.E.	9

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or other obligation.

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Obligations

1. Grant of Franchise – We will grant to you the right to operate the Franchised Business. (Franchise Agreement, Article 2);

2. Initial Training – Not less than 10 days prior to the opening of your yorCMO Business your Primary CMO must attend and complete our initial training program. We will provide your Primary CMO with training in accordance with our initial training program. (Franchise Agreement, Article 4). Our current training program is to be attended by you, or if you are a Corporate Entity, your Primary CMO at our training facility located in Omaha, Nebraska. The training program takes place over an approximate three day period and is described below in this Item 11 in more detail We may, in our reasonable business judgment, provide training virtually;

3. Manuals – We will provide you with access to our confidential and proprietary Manuals. You must operate the Franchised Business in accordance with the Manuals and all applicable laws, rules and regulations. At all times, we reserve the right to supplement, modify and update the Manuals. (Franchise Agreement, Article 4.C.). The operations manual as of the Issuance Date of this Disclosure Document is on a designated cloud-based server currently consists of approximately paper 180 pages if converted from digital to paper form and the table of contents to the operations manual is attached as Exhibit C to this Disclosure Document (Franchise Agreement, Article 4). Major subjects contained in the operations manual consists of establishing, developing, marketing and operating the Franchised Business;

4. Approved Suppliers and Distributors – We will provide you with a list of our approved suppliers and distributors, to the extent that we have designated them, either as part of the Manuals or otherwise in writing. (Franchise Agreement, Articles 3 and 4);

5. Signs, Equipment, Furniture, and Fixtures – We may provide you with a list of our approved signage, equipment, computer equipment, furniture and fixtures, to the extent that we have designated them, either as part of the Manuals or otherwise in writing and we will review and approve, in our discretion, your proposed signage, equipment, furniture and fixtures. We do not provide assistance in delivering or installing signs, equipment, furniture, or fixtures. (Franchise Agreement, Articles 3 and 4); and

6. Website and Digital Media – We will identify and locate your yorCMO Business on our website. We strictly control how you may or may not use websites and digital media and you must assign all website media and digital media accounts to us. (Franchise Agreement, Articles 3.F. and 9).

Site Selection

If permitted by local law, you may locate your Administrative Office within your home residence. Otherwise, you are responsible for selecting a site for your Administrative Office and must obtain our approval of your selected location. We do not typically own or lease the real property that will serve as your Administrative Office, and you are responsible for all costs and expenses in locating and evaluating proposed sites for your Administrative Office. We will provide you with site selection guidelines.

Within 30 days of our written receipt and submission of all information and documentation that we may request, we will respond to your proposed request for our approval or disapproval of the proposed location of your Administrative Office. Factors that into consideration include: the professional appearance of the

site; characteristics of the proposed site; whether or not the proposed site meets our criteria for office operations; and the location of your proposed site. Subject to our approval, you must secure and designate the location of your Administrative Office within 60 days of signing your Franchise Agreement. If we cannot agree on a site, your franchise agreement may be terminated, and your initial fee will be forfeited.

Time to Open

You may not open your yorCMO Business until you have completed our initial training requirements, obtained the necessary licensing and authorization from state and regulatory agencies and, have obtained and provided us with written proof of the required insurance. Within three months from the signing of your Franchise Agreement, you must open and offer services and products of your yorCMO. We estimate that the length of time between the signing of your Franchise Agreement and opening your yorCMO Business to be one to three months. Factors that may affect this estimated time period include, the length of time undertaken by you to satisfactorily complete our initial training program, obtaining third party lender financing, if necessary, and obtaining the necessary licenses.

Post-Opening Obligations

1. Communication of Operating Standards – We may establish, update and provide you with consultations and communications as to the standards, procedures and System requirements as to the operation of your yorCMO Business including, but not limited to, Approved Services and Products, System Supplies, marketing and promotion standards, and as we may, in our discretion, designate, modify, supplement and amend from time to time and, as set forth in the Manuals. (Franchise Agreement, Articles 4.B. and 4.C.);

2. Marketing Standards and Approval – We will establish, update and communicate to you our standards for the marketing and promotion of the Franchised Business including, but not limited to, the marketing media that you may use. We will respond to your request respecting the communication of our approval or disapproval of marketing media that may be requested by you for use in the marketing and promotion of the Franchised Business. We maintain full discretion as to the marketing standards and the marketing media may be used in the marketing and promotion of your yorCMO Business (Franchise Agreement, Article 4.B.). We may do the marketing on behalf of your yorCMO Business;

3. Approved Vendors – We will provide the names and addresses of approved vendors and suppliers for the Approved Services and Products and the System Supplies. (Franchise Agreement, Articles 4.B. and 4.C.);

4. Annual System Conference – We may, in our discretion, coordinate an annual conference to be attended by franchisees of the System that are in good standing. (Franchise Agreement, Article 4.B.);

5. Supplemental Training – We may require that your Primary CMO and associate CMO's participate in supplemental on-site or virtual training that we may designate and require in our discretion. If you are not meeting what we believe to be System performance standards, we may provide, in our discretion, supplemental training. You will be required to pay our then current supplemental training fee, which is currently $500, per trainer, per day, plus travel expenses, meals and accommodation expenses incurred by us. (Franchise Agreement, Article 4.A.);

6. Administration of Marketing Funds – We may administer and manage System-wide marketing funds comprised of a Sales and Marketing Fund. (Franchise Agreement, Articles 9.A. and 9.G.);

7. Hiring and Training of Employees – We do not provide assistance with the hiring and training of your employees. You will be directly responsible for the management and supervision of your employees. You must monitor and ensure that all System Supplies and Approved Services and Products are prepared, maintained, and served in accordance with the System standards and Manuals; and

8. Pricing – You will exclusively determine the prices that you charge for the Approved Services and Products served and sold by your yorCMO Business. However, we may suggest pricing levels that we recommend.

Advertising

1. Generally – All advertising, marketing, marketing materials and all marketing mediums used by you in the marketing and promotion of your yorCMO Business must be pre-approved by us in writing and conform to our standards and specifications. You may only utilize those advertising and marketing materials and mediums that we designate and approve in writing. In our discretion, we may make available to you approved marketing templates comprised of pre-approved ads, ad copy and digital media that you may utilize at your own expense. If you wish to utilize marketing materials and/or marketing mediums that are not currently approved by us in writing, you may submit a written request requesting permission and we will approve or disapprove of your request within 15 days of your submission of the written request and sample marketing materials. We are not required to spend any amount on your behalf on advertising on behalf of your Franchised Business. (Franchise Agreement, Article 9);

2. Marketing – You are not authorized to engage in any marketing unless it is pre-approved by us (Franchise Agreement, Article 9.B.) in our discretion. Currently, we do not require you to spend any amount on the marketing of your yorCMO Business. We reserve the right to require that on an on-going monthly basis, you spend not less than 2% of your monthly Gross Sales on the marketing of your yorCMO Business in accordance with our standards and specifications. We will review your marketing programs and notify you if we approve same. We will make available to you and provide you with access, in the form of a source document, to our approved marketing campaigns, media, and messaging that may be used by you. In those instances where we provide you with access to our marketing campaigns, we provide you with the source designs, copy, and design specifications. However, you will incur the direct costs associated with customizing, duplicating, and using such marketing campaigns and in having them printed, distributed and/or placed with media sources. (Franchise Agreement, Article 9);

3. Digital Media and Website – All digital media and marketing must be approved by us. In the event your digital media is branded as a yorCMO business, we will require you to provide us with access to the digital media account. We may designate for your yorCMO Business information about your yorCMO Business on the www.yorcmo.com webpage or such other websites as we may designate for the System. (Franchise Agreement, Article 9);

4. Sales and Marketing Fund – We may control and administer a Sales and Marketing Fund (the "Sales and Marketing Fund") (Franchise Agreement, Article 9.A.). As disclosed in Item 6 of this Disclosure Document, you must contribute a monthly sum not to exceed $750 to the Sales and Marketing Fund. We may use the Sales and Marketing Fund for direct marketing, market studies, research, service development, product development, testing, research studies, technology development, advertising and public relations studies or services, creative production and printing of advertising and marketing materials, advertising copy and commercials, tracking costs, agency fees, administrative costs, which may include reimbursement for direct administrative and personnel costs associated with advertising and public relations, and any other costs associated with the development, marketing and testing of advertising, marketing and public relations materials, and the purchase of media placement, advertising time and public relations materials in national, regional or other advertising and public relations media in a manner determined by us, in our discretion, to be in the best interest of the franchisees and the System. Our company and/or affiliate owned yorCMO Businesses may but are not required to contribute to the Sales and Marketing Fund. The Sales and Marketing Fund will be required to maintain unaudited financial records detailing its expenditures and will make available to you (no more frequently than one time in any 12-month period) an unaudited accounting of how the monies contributed to the Sales and Marketing Fund were spent each year. We are not required to segregate the Sales and Marketing Fund from our general operating funds, and we are not a fiduciary or

trustee of the Sales and Marketing Fund. The Sales and Marketing Fund will not be used to directly promote your yorCMO Business or the marketing area in which your yorCMO Business will be located. (Franchise Agreement, Article 9.A). We may utilize the Sales and Marketing Fund to develop and test various media and technologies for potential utilization and/or improvement of the operations of yorCMO Businesses and the marketing of yorCMO Businesses. These technology developments and/or improvements may relate, among other things, to our website and to the interaction and potential enhancement of web offerings that may or may not be implemented on behalf of yorCMO Businesses. You may or may not benefit from these technology developments and improvements. We do not have any obligations to conduct advertising for the franchise system. (Franchise Agreement, Article 9.A.).

We may use the Sales and Marketing Fund to compensate ourselves for administrative fees associated with managing the Sales and Marketing Fund and for our internal employee salaries, expenses and overhead associated with or reasonably allocated to managing the activities of the Sales and Marketing Fund and performing services on behalf of the Sales and Marketing Fund including, but not limited to, directing, developing and managing media of the Sales and Marketing Fund. We may not directly use the Sales and Marketing Fund to directly market the sale of yorCMO Business franchises, however the advertising, marketing and brand development materials developed including, the System website, may contain basic information as to the availability of yorCMO Business franchises for sale and contact information for franchise inquiries.

Our affiliate has established a Sales and Marketing Fund for our affiliate's existing Independent Contractors/Licensees. We will establish a segregated Sales and Marketing Fund for our franchisees and will require contributions to the Sales and Marketing Fund.

As of December 31, 2025, we have collected $74,400 from franchisees towards the Sales and Marketing Fund. We contributed our own separate funds, a total of $143,255, to further assist in the growth of the yorCMO Franchise System. The total funds spent towards the Sales and Marketing Fund in 2025 is $217,655. Of the said sum collected and allocated towards the Sales and Marketing Fund, we have spent 23.72% towards production expenses, 1.15% towards media placement, 35.50% towards administrative expenses, and 39.63% towards other expenses. We do not have any funds rolled over into 2026;

5. Advertising Council – We have established an advertising council for our franchisees (Franchise Agreement, Article 9.A.). The advertising council is comprised of at least three Primary CMO's who serve a term of 12 months; and

6. Advertising Cooperative – We have not established an advertising cooperative but reserve the right to do so in the future.

Computer System

You are required to operate and maintain at least one new notebook computer to be used from your Administrative Office that must possess broadband internet access, a laptop with webcam, multifunction printer, and a smartphone. You must use the Business Management System that we designate. At all times, we will possess direct access to the Business Management System used by you and we will have access to all information entered into these systems including, information about your sales and clients. The cost of the computer system that you will be required to purchase varies but the estimated range of cost for a laptop with a webcam is $1,103 to $3,589. You are responsible for hardware repairs or replacement of systems that are no longer covered under warranty. Your estimated costs for the maintenance, repair and updates for the computer systems may be up to $1,500 per year. There are no contractual obligations imposed on us to maintain, repair, update, or upgrade your computer systems. You will also be required to utilize those client reward programs and systems that we designate. There are no contractual limitations on the frequency or cost of this obligation. There are no contractual limits on the frequency and cost of your obligation to maintain, upgrade and update the computer system. We will have independent access to all of the

information and data that is electronically collected and stored on your Business Management System and, as such, will have access to all data related to the sales, inventory and financial performance of your Franchised Business. There are no contractual limitations upon our access to your computer information.

Initial Training

If this is your first yorCMO Business, we will provide initial training for you or, if you are a Corporate Entity, your Primary CMO. You or your Primary CMO, as the case may be, must successfully complete the initial training program to our satisfaction no later than 10 days prior to the scheduled opening of your yorCMO Business. The initial training program takes place over an approximate three-day period. If more than two individuals attend initial training, you will be charged an additional fee per additional persons attending initial training. Although we provide you, if you are a Corporate Entity, your Primary CMO, with initial training at no additional fee or charge, you will be responsible for all travel expenses and employee wages related to your attendance and completion of training. (Franchise Agreement, Article 4). Currently, we provide our initial training program four to six times a year and is held approximately every eight to 12 weeks. We may, in our discretion, provide training virtually.

TRAINING PROGRAM

The following chart summarizes the subjects covered in our initial training program:

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Introduction: Overview of Training, History, Our Values, Vision and Brand Culture – Review of Onboarding Pre-work Survey	2	0	Omaha, Nebraska Area and/or Virtual
Practice Development: Planning, Target Clients, How to Acquire and Retain Clients, Pitching, Brand Standards, Positioning – What We are Not	3	7	Omaha, Nebraska Area and/or Virtual
Our Systems: yorCMO Approach, Process, and Proprietary Tools	2	2	Omaha, Nebraska Area and/or Virtual
Personnel: (Firm Model Only) Recruiting, Hiring, Training and Employee Retention	1	0	Omaha, Nebraska Area and/or Virtual
Client and CMO Support: Client Onboarding, Processes, Communications and Coordinator Support	2	2	Omaha, Nebraska Area and/or Virtual
Management and Finance: Banking, Accounting and Financial Management, Royalty Reporting	1	0	Omaha, Nebraska Area and/or Virtual
Assessment: Review of Skills, Pitch Meeting, Launch Plan and Schedule	1	1	Omaha, Nebraska Area and/or Virtual
Subtotal Hours	12	12	
Total Hours	**24**		

Instructional materials that will be used in the initial training process includes our Manuals, live instruction, and handouts. Initial training will be conducted under the direction and supervision of our Co-Founder, Joseph Frost. Since October 26, 2017, and continuing to date, Mr. Frost operated our affiliate location in Omaha, Nebraska. The level of experience of our trainer will, at a minimum, include the trainer's

satisfactory completion of our initial training program. In addition to initial training, you will also be required to participate in and satisfy all other training programs that we may designate respecting the Franchised Business. (Franchise Agreement, Articles 4 and 7.I.).

In addition to providing Initial Franchise Training mentioned in the chart above, we provide first client launch support (either virtually or on-site). The time needed for this depends on client needs and will last between 12 to 20 hours.

After the opening of your yorCMO Business, we reserve the right to require that you (or your Primary CMO if you are a Corporate Entity) attend a system-wide training program (the "System-Wide Training Program") that we may establish in our discretion. If we establish a System-Wide Training Program, the program will be offered from our affiliate owned yorCMO Business in Omaha, Nebraska and you will be responsible for all travel and expenses, lodging, food, automobile rental expenses, and employee wages that you incur in connection with your attendance. We will not require your attendance at a System-Wide Training Program for more than a total of five days in any calendar year.

ITEM 12
TERRITORY

Your yorCMO Business
Under the Franchise Agreement, you are granted the right to operate a yorCMO Business at your home or an office as your Administrative Office. You are not granted any territory rights or any minimum territory.

You will not receive an exclusive or protected territory. You may face competition from other franchisees, from practices that we own, or from other channels of distribution or competitive brands that we control.

We may establish other franchised or company-owned practices that may or may not compete with your yorCMO Business. We and you and all other yorCMO franchisees will honor the integrity of any clients acquired by other yorCMO practices. Neither we, nor you, nor our other yorCMO franchisees will knowingly solicit any yorCMO Client. We may restrict you from marketing and promoting in certain venues that other franchisees actively market.

You may advertise on the internet, including on social media, only in compliance with the Franchise Agreement. You have the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, other direct marketing, to solicit and/or make sales for your yorCMO Business anywhere.

Relocation
Your right to relocate your yorCMO Business is not guaranteed and approval of a relocation request by you is completely at our discretion. We evaluate relocation requests on a case-by-case basis and consider factors such as operational history, our expansion plans, and other factors that, at the time of a relocation request, are relevant to us.

Establishment of Additional Franchised Businesses
You do not have the right to establish additional yorCMO Businesses.

Options and Rights of First Refusal to Acquire Additional Franchises
You are not granted any options, rights of first refusal, or similar rights to acquire additional franchises.

Restrictions on Us from Soliciting or Accepting Orders
Except as otherwise noted above, there are no restrictions on us from soliciting or accepting clients from anywhere. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales using our principal trademarks or using

trademarks different from the ones you will use under the Franchise Agreement. We do not pay any compensation to you for soliciting or accepting any clients.

Competition by Us Under Different Trademarks

We do not current have plans to operate or franchise a business under trademarks different from the Licensed Marks that sell or will sell goods or services similar to those that will be offered by you through the Franchised Business.

ITEM 13
TRADEMARKS

Under the terms of the Franchise Agreement, you will be granted a license to use the "yorCMO" trademark and those other marks that we designate. Our affiliate yorCMO IP, Inc. is the owner of the Licensed Marks and has granted to us a license with an initial 20-year term and with automatic renewal thereafter to use the Licensed Marks and to license our franchisees to use the Licensed Marks. Although the License Agreement may be terminated as a result of a breach of the License Agreement, in the event of any termination of the License Agreement, our franchisees will continue to maintain the right to use the Licensed Marks pursuant to the terms of their Franchise Agreement. We reserve the right to supplement and modify the marks that you may or may not use in connection with the operations of your yorCMO Business. You may only use the Licensed Marks as authorized by us in writing and under the terms of your Franchise Agreement. You may not use the Licensed Marks in the name of any Corporate Entity that you establish.

Principal Trademarks Registered with the United States Patent and Trademark Office

The principal trademarks identified in the schedule below are a part of the Licensed Marks, our System, are registered with the United States Patent and Trademark Office (the "USPTO") and, unless otherwise designated by us, will be used by you in the operations of the Franchised Business. As to these marks all required affidavits have been filed with the USPTO.

Mark	USPTO Registration Number	Registration Type	Registration Date
YORCMO	5648858	Principal	January 8, 2019
yor CMO FRACTIONAL MARKETING SYSTEM	6682490	Principal	March 29, 2022

As to our principal trademarks there are no currently effective material determinations by the USPTO, the Trademark Trial and Appeal Board, any court, or the trademark administrator of any state. There are no pending infringement, opposition or cancellation proceedings and no pending litigation involving our principal marks. We know of no superior rights or infringing uses that could materially affect your use of our principal marks or other related rights in any state.

You are required to provide us with written notice of all claims that you may become aware of concerning the Licensed Marks including your use of the Licensed Marks and/or a claim associated with a third party's use of a trademark that is identical or confusingly similar to the Licensed Marks. We maintain the exclusive discretion to take any and all actions or, to refrain from any action, that we believe to be appropriate in response to any trademark infringement, challenge or claim. We possess the sole right to exclusively control any and all litigation, legal proceedings, administrative proceedings and/or settlement(s) concerning any actual or alleged infringement, challenge or claim relating to the Licensed Marks. You must sign all documents, instruments and agreements and undertake the actions that we, with the advice of our legal counsel, determine to be necessary or advisable respecting the protection and/or maintenance of our interests in the Licensed Marks in any legal proceeding, administrative proceeding or as may be otherwise determined by us. As to the foregoing, we will reimburse you for the reasonable out-of-pocket administrative expenses that you incur and pay in complying with our written instructions.

We will protect your right to use the Licensed Marks and to protect you against claims of infringement and unfair competition related to the Licensed Marks, provided that your use of the Licensed Marks is in accordance with the Franchise Agreement, the Manuals, and is consistent with our instructions and the license granted to you. We will indemnify you against direct damages for trademark infringement in a proceeding arising out of your use of the Licensed Marks, provided your use of the Licensed Marks comply with the terms of your Franchise Agreement, the Manuals, our written instructions to you and, you have timely notified us of the claim, have given us sole control of the defense and settlement of the claim, and you are in compliance with your Franchise. If we defend the claim, we have no obligation to indemnify or reimburse you with respect to any fees or disbursements of any attorney that you retain. Our affiliate, yorCMO, LLC, previously offered agreements for individuals to act as independent contractors and the license to operate under the Licensed Marks prior to the development of our franchise system.

If any third party establishes, to our satisfaction and in our discretion that its rights to the Licensed Marks are, for any legal reason, superior to any of our rights or of a nature that we believe, in our discretion, that it is advisable to discontinue and/or modify the Licensed Marks, then we will modify and/or replace the Licensed Marks and you must use the substitutions, replacements and/or variations of and/or to the Licensed Marks and use the those trademarks, service marks, logos and trade names designated by us. In such event, our sole liability and obligation will be to reimburse you for the direct out-of-pocket costs of complying with this obligation, which you must document to our satisfaction, including, by way of example, alterations in signage and replacement of marketing materials.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights to, or licenses in any patent or copyrights material to the franchise System**.** We may copyright advertising materials and design specifications, our Manuals and other written materials and items. We have not applied to the USPTO for the issuance of any patents.

You must keep as confidential our Manuals and any supplements to the Manuals. Our Manuals may take the form of written materials and/or digitally distributed and stored materials and made available to you for use in connection with the Franchised Business. The Manuals contain information about our System, Approved Services and Products, System Supplies, proprietary products, marketing systems, training, and confidential methods of operation. You must use all reasonable and prudent means to maintain the Manuals and the information maintained in the Manuals as confidential and prevent any unauthorized copies, recordings, reproduction, or distribution of the Manuals or the information contained in the Manuals. You must restrict access to the Manuals to management level employees who sign a confidentiality agreement with you and are required by you to maintain the confidentiality of the Manuals and refrain from distributing or disclosing the Manuals and the information contained in the Manuals. You must provide us with immediate notice if you learn of any unauthorized use of the Manuals or of the information contained in the Manuals, or any infringement or challenge to the proprietary or confidentiality of the information contained in the Manuals. We will take any and all action(s) or, refrain from taking action, that we determine, in our discretion, to be appropriate. We may control any action or legal proceeding we choose to bring. We need not participate in your defense or indemnify you for damages or expenses in a proceeding involving a copyright or patent. If any third party establishes to our satisfaction, in our discretion, that it possesses rights superior to ours, then you must modify or discontinue your use of these materials in accordance with our written instructions.

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ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Franchise Agreement requires that you or, if you are a Corporate Entity, your Primary CMO be personally responsible for the daily management and supervision of the Franchised Business. We must approve your Primary CMO. Your Primary CMO must have satisfactorily completed our initial training and must have obtained all required licenses and permits necessary to operate a yorCMO Business in any area you will operate.

Your Primary CMO must assume responsibility for the daily management and supervision of the Franchised Business. All of your employees and other agents and representatives who may have access to our confidential information must sign a confidentiality agreement approved by us. Your Primary CMO is required to possess equity interest in the Franchised Business.

You and, if you are Corporate Entity, each of your members, shareholders and/or partners (collectively, "Owners"), must personally guarantee all of your obligations to us under the Franchise Agreement. Each Owner and Owner's spouse must personally guarantee your obligations to us under the Franchise Agreement. You and each Owner and spouse shall promise in writing that, among other things, during the term of the Franchise Agreement you will not participate in any business that in any way competes with the Franchised Business during the Term, and that for 24 months after the expiration or termination of the Franchise Agreement (with said period being tolled during any periods of non-compliance), you will not provide services to nor solicit any yorCMO Client, unless you are in compliance with our Client Buyout process. For purposes of this Disclosure Document, the term "yorCMO Client" means any prospective client, active client, or former client of any yorCMO practice, including, but not limited to (i) the Franchised Business; (ii) another licensed or franchised yorCMO practice; and/or a company-owned/affiliated yorCMO practice. Upon transfer, expiration or termination of the Franchise Agreement, you may buyout your ability to continue to service a yorCMO Client of the Franchised Business, provided you (i) pay us an amount equal to the highest Gross Sales amount achieved by the yorCMO Client in any calendar month within the prior 12 month period, multiplied by 6 per yorCMO Client you wish to continue to provide services to ("Client Buyout Payment"); (ii) pay us all outstanding balances owed prior to the termination or expiration of the Franchise Agreement; and (iii) remain in compliance of the in term and post-term obligations of the Franchise Agreement.

Your Primary CMO, associate CMO's and all other employees and agents with access to our confidential information will be required to sign a confidentiality agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only sell the Approved Services and Products as specified in the Manuals or otherwise approved by us in writing and you may only sell the products and services required by us. We can change the products and services that you must offer. There is no limitation on our right to change the products and services offered and sold by yorCMO Businesses. You are not limited to whom you may sell products and services of your yorCMO Business, provided you do so as required by us and in compliance with the standards we determine for the System.

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ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Article in Franchise Agreement	Summary
a. Length of the franchise term	2.B.	The term of your Franchise Agreement is five years
b. Renewal or extension of the term	15	If you meet our conditions for renewal, you may renew your franchise for continuous three-year terms.
c. Requirements for franchisee to renew or extend	15	To renew your franchise, you must be in compliance with the terms of your Franchise Agreement, provide us with 180 days prior written notice of your request to renew, may be asked to sign our then current Franchise Agreement and related agreements for the renewal term with materially different terms and conditions than their original Franchise Agreement, sign a general release in our favor, pay a renewal fee, and meet all other renewal requirements contained in the Franchise Agreement. Your Owners must be in compliance with their agreements with us, including the Franchise Owner and Spouse Agreement and Guaranty, and they must personally guarantee the terms of your renewal Franchise Agreement which may contain terms materially different from your current Franchise Agreement.
d. Termination by franchisee	16.B.	You may terminate the Franchise Agreement if you are in compliance with its terms, we are in material breach of the Franchise Agreement, and we fail to cure the material breach within 30 days of receiving written notice or, if the breach cannot be cured within 30 days, such period of time that is reasonable to cure the material breach.
e. Termination by franchisor without cause	Not applicable	Not applicable.
f. Termination by franchisor with "cause"	16.A.	We can terminate if you are in default of the terms of the Franchise Agreement.
g. "Cause" defined-curable defaults	16.A.(3), 16.A.(4)	You have 10 days to cure a default where you fail to pay any fees and/or obligations due to us and/or to an affiliate of ours. Also, if you fail to pay a supplier without, as determined by us, a legal justification. Provided that the foregoing defaults were not intentionally and knowingly in violation of the Franchise Agreement. You will have 30 days to cure a default where you, timely develop and open your yorCMO Business; operate your yorCMO Business in accordance with the specifications, standards, and

		requirements set forth in our Manuals; develop or operate your yorCMO Business in compliance with all federal, state, and local laws, rules, and regulations, unless, such violation poses a threat to public health or safety; maintain insurance coverage that we require; comply with our standards, systems or specifications as we may designate or as otherwise designated in the operations manual; fail to operate your yorCMO Business in conformity with our System or otherwise violate the Franchise Agreement, except as to events of default that are not curable.
h. "Cause" defined-non-curable defaults	16.A.(1), 16.A.(2)	The following are defaults that cannot be cured: three or more instances where you commit a curable default, whether or not you timely cured such default in each instance; you intentionally and knowingly refuse to comply with the terms of the Franchise Agreement, and/or the standards specifications, and/or requirements set forth in the operations manual and/or as communicated to you by us from time to time; you intentionally, knowingly, or negligently operate the Franchised Business in violation of applicable laws, rules, and regulations and, in doing so, create a foreseeable, imminent, and/or immediate threat to the health and safety of others; or you abandon the Franchised Business; you or your Owners intentionally made a material statement or omission in questionnaires submitted to us; the data, information, and/or records that you record and/or submit to us are intentionally misleading or false; you transfer or attempt to transfer the Franchised Business or the ownership interests in your franchise company without our approval; you disclose or permit the disclosure of information contained in the operations manual and/or of confidential information; you or your Owners engage in intentionally dishonest or unethical conduct that impacts our System; you and/or your Owners breach and, if such breach is capable of a cure, fail to timely cure another agreement with us including the Owner and Spouse Agreement and Guaranty; you and your Owners, Primary CMO, and/or associate CMO's fail to complete, to our satisfaction, our initial and on-going training programs; you fail to notify us of the misuse of confidential information and you fail to protect same; you misappropriate or misuse the Licensed Marks; you are deemed insolvent, make an assignment for the benefit of creditors, admit in writing your inability to pay debts; are adjudicated bankrupt, file a voluntary bankruptcy petition or have one filed against you, and/or you acquiesce to the appointment of a trustee or receiver, or a court orders one; execution is levied against the Franchised Business; a final judgment is entered against the Franchised Business and is not satisfied within 30 days; you are dissolved; a lawsuit or action is commenced against the Franchised Business to foreclose on a lien on equipment of the Franchised Business and such action is not dismissed after 60 days; and/or real or personal property used by the Franchised Business is sold or levied by a sheriff or other law enforcement officer; you

		abandon or fail to continuously own and operate the Franchised Business.
i. Franchisee's obligations on termination/non-renewal	6, 17	You must: pay all sums that you owe to us under the Franchise Agreement and all other agreements with us; cease owning and operating the Franchised Business; cease representing yourself as a franchisee of ours; permanently cease using and/or accessing the System, the Licensed Marks, our confidential information, the operations manual, the Business Management System, the Business Management System Data, and the System Supplies; return the operations manual and all confidential information to us in the original form provided to you and document the destruction of all electronic files related to same; completely de-identify the location and/or facility associated with the Franchised Business; as requested by us, transfer to us all data, telephone listings, digital media, accounts, web listings and websites associated with the Franchised Business; and abide by the post-termination non-competition covenants and restrictions.
j. Assignment of the contract by franchisor	14.A.	No restriction on our right to assign.
k. "Transfer" by franchisee-definition	14.B.	A transfer means and includes, whether voluntary or involuntary, conditional or unconditional, direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; and (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee.
l. Franchisor's approval of transfer by franchisee	14.B.	Transfers require our prior written consent, which may be granted or withheld in our discretion.
m. Conditions for franchisor's approval of transfer	14.C.	For approval of your transfer, you must provide us with 30 days prior written notice of the proposed transfer; you and your Owners must not have defaulted in your obligations under the Franchise Agreement and all other agreements with us; you and your Owners must be in compliance with your obligations under the Franchise Agreement and all other agreements with us; the transferee must agree to be bound by all of the terms and provisions of the Franchise Agreement; the transferee's owners and their spouses must personally guarantee all of the terms and provisions of the Franchise Agreement; you and your Owners and their spouses must sign a general release in favor of us; the

		transfer must provide for the assignment and/or ownership of the approved location for the Franchised Business, and the transferees continued use and occupancy of such location throughout the term of the Franchise Agreement; the assets of the Franchised Business must be transferred to the transferee; the transferee and the transferee's owners, at the transferee's expense must complete our training programs; we waive our right of first refusal; and we approve of the transfer and transferee in writing and subject to our discretion; you pay the Transfer Fee (Subject to applicable state laws).
n. Franchisor's right of first refusal to acquire franchisee's business	14.F.	We have the right to match any offer to purchase your yorCMO Business or the Corporate Entity operating your yorCMO Business.
o. Franchisor's option to purchase franchisee's business	Not applicable	Not applicable.
p. Death or disability of franchisee	14.D.	Upon the death or permanent disability of the Primary CMO of the Franchised Business, a payment equal to 50% of the net revenue received by any other yorCMO Business that engages any former yorCMO Clients of the Franchised Business shall be paid for the first 90-day period following the engagement. The proceeds shall be paid as directed by your executor and/or legal representative.
q. Non-competition covenants during the term of the franchise	6	No involvement in any competitive business and must comply with confidentiality, non-disclosure and non-solicitation covenants.
r. Non-competition covenants after the franchise is terminated or expires	6	No solicitation of a yorCMO Client.
s. Modification of the agreement	18.L.	Requires writing signed by you and us, except for unilateral changes that we may make to the Manuals or our unilateral reduction of the scope of a restrictive covenant that we may make in our discretion.
t. Integration/merger clauses	18.M.	Only the terms of the Franchise Agreement and schedules to the Franchise Agreement and the respective signed exhibits to the Franchise Agreement are binding, subject to state law. Nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	18.G.	Except for certain claims for injunctive relief, all disputes must first be submitted to non-binding mediation within Douglas County, Nebraska or the nearest suitable location to our corporate headquarters at the time such mediation is conducted as chosen by the mediator and, if mediation is unsuccessful, then to binding arbitration in Douglas County, Nebraska or the nearest suitable location to our corporate

		headquarters at the time such arbitration is conducted as chosen by the arbitrator. This provision is subject to applicable state law.
v. Choice of forum	18.G.	Except for certain claims for injunctive relief, all litigation proceedings must be conducted in, the appropriate State or Federal Court within or closest to either Douglas County, Nebraska or the State or Federal Court nearest to our corporate headquarters at the time such action is commenced. This provision is subject to applicable state law.
w. Choice of law	18.F.	Nebraska law will govern. However, this provision is subject to state law and as otherwise disclosed in Exhibit H to this Disclosure Document.

ITEM 18
PUBLIC FIGURES

We do not currently use any public figure to promote our franchise. No public figure is currently involved in our management.

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ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned 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 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

DEFINITIONS

(a) Adjusted Profit – means Gross Profit less Disclosed Expenses. Adjusted Profit is not equal to net profit or income and, except as to Cost of Goods and Services Sold and Disclosed Expenses, does not include the deduction of all other expenses incurred by a yorCMO Business including, but not limited to, other operating expenses, interest, taxes, depreciation, and amortization.

(b) Calendar Year – means, as to each respective year, the 12-month period commencing on January 1 and ending on December 31.

(c) Company Owned Outlet – means an Outlet owned either directly or indirectly by us, our affiliate or any person identified in Item 2 of this Disclosure Document. A Company Owned Outlet also includes any Outlet that is operated as a joint venture owned in part by us, our affiliate or any person identified in Item 2 of this Disclosure Document, or that is managed by us, our affiliate or any person identified in Item 2.

(d) Costs of Goods and Services Sold – means the direct non-managerial and non-administrative cost of goods sold and labor incurred by a yorCMO Business in directly performing Approved Services and Products resulting in Gross Sales. Cost of Goods and Services Sold do not include managerial expenses, administrative expenses, Disclosed Expenses, general expenses, or operating expenses.

(e) Disclosed Expenses – refers to a limited selection of expenses as disclosed in the tables to this Item 19, comprised of the following select expense categories: merchant account fees, insurance expense, telephone expenses, and franchisor related charges for royalty fees, marketing fund fees, technology fees, and client support fees.

(f) Franchise Outlet – refers to a yorCMO Business operated under a Franchise Agreement that is not a Company Owned Outlet.

(g) Franchise Related Expenses – means the following select fees currently required under the Franchise Agreements: Royalty Fees, Sales and Marketing Fund Fees, Technology Fees, Client Audit Support Fees, Client Foundation Support Fees, Monthly Client Support Fees, Success Fees, and Client Project Support Fees. Franchise Related Expenses do not include all fee and payment obligations required under a Franchise Agreement.

(h) Gross Sales – means the total revenue derived by each outlet less sales tax, discounts, allowances and returns.

(i) New Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet and not as an Operational Franchise Outlet, see definition below. If this Franchise

Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2025 Calendar Year.

(j) Operational Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that was open and in operation on or prior to the commencement of the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet, see definition above, and not as an Operational Franchise Outlet. If this Franchise Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2025 Calendar Year.

(k) Outlet – refers to both Company Owned Outlets and Franchise Outlets, as the context requires.

BASES AND ASSUMPTIONS

The financial information was not prepared on a basis consistent with generally accepted accounting principles during the respective measurement periods. Data for our Company Owned Outlet is based on information reported to us by our affiliate. Data for the Franchise Outlets are based on financial information reported to us by our franchisees. The information in this analysis has not been audited, is based on historical financial data and is not a forecast or projection of future financial performance.

ANALYSIS OF RESULTS COMPANY OWNED OUTLET

During the 2023 Calendar Year, we had one Company Owned Outlet located in Omaha, Nebraska. During the 2024 Calendar Year our Company Owned Outlet ceased direct client project engagements in October 2024 but, for purposes of this in Item 19, we report financial data for our Company Owned Outlet from January 1, 2024, until October 31, 2024, at which time this Outlet ceased direct client project engagements for the remainder of the 2024 Calendar Year and the entire 2025 Calendar Year. This Company Owned Outlet has been in operation since March 2017 and is representative of a Solo yorCMO offering. During the 2019 Calendar Year and 2020 Calendar Year, our Company Owned Outlet initially operated as a Firm yorCMO model but converted to a Solo yorCMO model during the 2021 Calendar Year. The reasonable basis for inclusion of this Financial Performance Representation is the Company Owned Outlet is similar to a Solo yorCMO being offered under this Disclosure Document in terms of operations, utilization of Associate CMO's, computer system, and service offerings. The operational characteristics that make the Company Owned Outlet different are that it does not pay any Royalty Fees, Client Audit Support Fees, Client Foundation Support Fees, Monthly Client Support Fees, Success Fees, or Brand Fund Contributions to us, expend any minimum amount on local advertising and is not subject to service restrictions.

This Item 19 sets forth certain historical information for the Company Owned Outlet for the 2023 and 2025 Calendar Years, and as noted above, the partial 2024 Calendar Year. The Gross Sales information and expense information set forth in this Item 19 is derived from the Company Owned Outlet's accounting software.

Our affiliate previously entered into Independent Contractor Agreements whereby it granted licenses to third party licensees to utilize the System and the Licensed Marks in connection with the establishment and operation of yorCMO Businesses. As we do not consider these Independent Contractor Agreements to be representative of the Franchised Business, we have not included their information in this Item 19.

Material financial and operational characteristics that are reasonably anticipated to differ from future operational franchise outlets include: (a) managerial skill and efficiency experienced by our Company Owned Outlets as a result of our extensively experienced management team; (b) brand recognition within the local markets in which our Company Owned Outlets operate; and (c) no obligation to pay ongoing monthly fees that a franchisee will pay to us, such as Royalty Fees and Brand Development Fund Fees.

Table 1

Company Owned Outlet: Omaha, Nebraska Date Outlet Opened: March 2017					
	2023 Calendar Year		**2024 Calendar Year Jan 1, 2024 – Oct 31, 2024**		**2025 Calendar Year N/A**
	Total	**%[1]**	**Total**	**%[1]**	
Gross Sales	**$154,280**	100.0%	**$70,950**	100.0%	
Total Cost of Goods and Services Sold	$0	0.0%	$0	0.0%	
Less: Disclosed Expenses					
Merchant Account Fees	($256)	0.2%	($419)	0.6%	
Insurance Expense	($0)	0.0%	$0	0.0%	
Telephone Expense	($0)	0.0%	$0	0.0%	
Less: Adjustments for Select Franchise Related Expenses					
Royalty Fee[2]	($7,714)	5.0%	($3,547)	5.0%	
Sales and Marketing Fund Fee[3]	($9,000)	5.8%	($7,500)	10.6%	
Technology Fee[4]	($1,200)	0.7%	($1,200)	1.7%	
Client Support Fee[5]	N/A	N/A	N/A	N/A	
Success Fee[6]	N/A	N/A	N/A	N/A	
Total Cost of Goods and Services Sold and Disclosed Expenses	($17,870)	11.6%	($12,366)	17.4%	
Adjusted Profit After Disclosed Expenses and Select Franchise Related Expenses	**$136,110**	**88.2%**	**$58,184**	**82.0%**	

Notes to Table 1:
Footnote [1] – "%" represents the percentage of total Gross Sales.
Footnote [2] – For the Firm yorCMO Business, the Royalty Fee is equal to 5% of Gross Sales. For the Solo yorCMO Business, the Royalty Fee is equal to 7% of Gross Sales.
Footnote [3] – The Sales and Marketing Fund Fee is equal to $750 per month.
Footnote [4] – The Technology Fee is equal to $100 per month.
Footnote [5] – Client Support Fees include Client Audit Support Fees, Client Foundation Support Fees, and Monthly Client Support Fees that a franchisee would pay to us or required by the Franchise Agreement if its yorCMO Business generated the same Gross Sales over the 2021and 2022 Calendar Years.
Footnote [7] – The Success Fee is a commission paid to us in an amount of up to 30% of all Gross Sales generated from any yorCMO client that engages you and was referred to you by us and/or the Practice Development Support. Currently, the Success Fee is 10% of Gross Sales.

General Notes to Item 19:

Note 1: We recommend that you make your own independent investigation to determine whether or not the Franchise may be profitable to you. You should use the above information as a reference in conducting your analysis and preparing your own projected income statements and cash flow statements. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections and federal, state and local income taxes and any other applicable taxes that you may incur in operating a yorCMO Business.

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ANALYSIS OF RESULTS OF FRANCHISE OUTLETS

During the 2023 Calendar Year, we had a total of 10 Operational Franchise Outlets. During the 2024 Calendar Year, we had a total of 19 Operational Franchise Outlets. During the 2025 Calendar Year, we had a total of 20 Operational Franchise Outlets. We exclude the financial data for New Franchise Outlets that were not open and operational for the respective Calendar Year as well as exclude the financial data for two Franchise Outlets that ceased operations during the 2024 Calendar Year. We also exclude financial data for six Franchised Outlets that ceased operations during the 2025 Calendar Year. Also, as noted above, we do not consider the Independent Contractor Agreements that our affiliate previously entered into with third party licensees granting them licenses to utilize the System and Licensed Marks in connection with the establishment and operation of a yorCMO Business as representative of the Franchised Business and have therefore excluded them from this Item 19. Our Franchise Outlets are further described below:

Table 2

Franchise Outlets	
Franchise Outlet	**Descriptions**
Franchise Outlet 1	This Franchise Outlet has an administrative office located at 563 Canterbury Dr., Carol Stream, Illinois 60188. This Franchise Outlet opened in September 2019 and is representative of the Franchised Business for a Firm yorCMO Business model.
Franchise Outlet 2	This Franchise Outlet has an administrative office located at 16565 Locust Street, Omaha, Nebraska 68116 and operates under the Solo yorCMO Business model. This Franchise Outlet opened in October 2019 and is representative of the Franchised Business for a Solo yorCMO Business model.
Franchise Outlet 3	This Franchise Outlet has an administrative office located at 43429 Sperrin Court, Ashburn, Virginia 20147 and operated under the Solo yorCMO Business model for the 2023 and 2024 Calendar Years and is representative of the Franchised Business for a Solo yorCMO Business model for those years. This franchise outlet upgraded to the Firm model in 2025 and is representative of the Franchised Business for a Firm model for the 2025 Calendar year. This Franchise Outlet opened in January 2019.
Franchise Outlet 4	This Franchise Outlet has an administrative office located at 12901 NE 176th Circle, Battle Ground, Washington 98604 and began operation under the Lite yorCMO Business model but currently operates under the Solo yorCMO Business model. This Franchise Outlet opened in July 2020 and is representative of the Franchised Business for a Solo yorCMO Business model.
Franchise Outlet 5	This Franchise Outlet has an administrative office located at 315 Avalon Way, Thomasville, Georgia 31792 and operates under the Lite yorCMO Business model. This Franchise Outlet opened in March 2022 and is representative of the Franchised Business for a Lite yorCMO Business model which is no longer a franchise opportunity offered under this Disclosure Document but substantially similar to the Licensee yorCMO model.
Franchise Outlet 6	This Franchise Outlet has an administrative office located at 6135 Long Stirrup Lane, Mint Hill, North Carolina 28227 and operates under the Lite yorCMO Business model. This Franchise Outlet opened in March 2022 and is representative of the Franchised Business for a Lite yorCMO Business model which is no longer a franchise opportunity offered under this Disclosure Document but substantially similar to the Licensee yorCMO model.
Franchise Outlet 7	This Franchise Outlet has an administrative office located at 3662 Deacon Drive, Mead, Colorado 80542. This Franchise Outlet opened in September 2022 and, as to the 2022 and 2023 Calendar Years, this Franchise Outlet operated under the Lite yorCMO Business model and was representative of the Franchised Business for a Lite yorCMO Business model. During the 2024 Calendar Year, this Franchise Outlet converted to a Solo yorCMO Business and then to a Firm yorCMO Business and is now operated under the Firm yorCMO Business model and representative of the Franchised Business for a Firm yorCMO Business model.
Franchise Outlet 8	This Franchise Outlet has an administrative office located at 2144 O'Rourke Drive, Mobile, Alabama 36695 and operates under the Lite yorCMO Business model. This Franchise

	Outlet opened in October 2022 and is representative of the Franchised Business for a Lite yorCMO Business model which is no longer a franchise opportunity offered under this Disclosure Document but substantially similar to the Licensee yorCMO model.
Franchise Outlet 9	This Franchise Outlet has an administrative office located at 18791 Caminito Pasadero, Unit 84, San Diego, California 92128 and operates under the Solo yorCMO Business model after starting out as a Lite yorCMO Business model. This Franchise Outlet opened in December 2022 and is representative of the Franchised Business for a Solo yorCMO Business model.
Franchise Outlet 10	This Franchise Outlet has an administrative office located at 1151 Stone Dr. Suite D, Harrison, Ohio 45030 and began operation under the Lite yorCMO Business model but currently operates under the Firm yorCMO Business model. This Franchise Outlet opened in January 2023 and is representative of the Franchised Business for a Firm yorCMO Business model. This franchise outlet upgraded to the Firm model in 2025 and is representative of the Franchised Business for a Firm model for the 2025 Calendar year.
Franchise Outlet 11	This Franchise Outlet has an administrative office located at 6673 Mount Holly Drive, San Jose, California, 95120 and operates under the Lite yorCMO Business model. This Franchise Outlet opened in January 2023 and is representative of the Franchised Business for a Lite yorCMO Business model which is no longer a franchise opportunity offered under this Disclosure Document but substantially similar to the Licensee yorCMO model.
Franchise Outlet 12	This Franchise Outlet has an administrative office located at 232 Gladstone Road, Pittsburgh, Pennsylvania 15217 and began operation under the Lite yorCMO Business model but currently operates under the Firm yorCMO Business model. This Franchise Outlet opened in February 2023 and is representative of the Franchised Business for a Firm yorCMO Business model. This franchise outlet upgraded to the Firm model in 2025 and is representative of the Franchised Business for a Firm model for the 2025 Calendar year.
Franchise Outlet 13	This Franchise Outlet has an administrative office located at 3722 E. Jefferson Street, Seattle, Washington 98122 and operates under the Lite yorCMO Business model. This Franchise Outlet opened in March 2023 and is representative of the Franchised Business for a Lite yorCMO Business model which is no longer a franchise opportunity offered under this Disclosure Document but substantially similar to the Licensee yorCMO model.
Franchise Outlet 14	This Franchise Outlet has an administrative office located at 1926 Altavue Road Catonsville, Maryland, 21228 and operates under the Lite yorCMO Business model. This Franchise Outlet opened in March 2023 and is representative of the Franchised Business for a Lite yorCMO Business model which is no longer a franchise opportunity offered under this Disclosure Document but substantially similar to the Licensee yorCMO model.
Franchise Outlet 15	This Franchise Outlet has an administrative office located at 14081 Heritage Landing Blvd. Unit 227, Punta Gorda, Florida 33955 and operates under the Lite yorCMO Business model. This Franchise Outlet opened in May 2023 and is representative of the Franchised Business for a Lite yorCMO Business model which is no longer a franchise opportunity offered under this Disclosure Document but substantially similar to the Licensee yorCMO model.
Franchise Outlet 16	This Franchise Outlet has an administrative office located at 5868 Scotsman Court, Dublin, Ohio 43016 and began operation under the Lite yorCMO Business model but currently operates under the Firm yorCMO Business model. This Franchise Outlet opened in July 2023 and is representative of the Franchised Business for a Solo yorCMO Business model. This franchise outlet upgraded to the Firm model in the year 2025 and is representative of the Franchised Business for a Firm model for the 2025 Calendar year.
Franchise Outlet 17	This Franchise Outlet has an administrative office located at S75W21384 Crimson Court, Muskego, Wisconsin 53150 and operates under the Solo yorCMO Business model. This Franchise Outlet opened in August 2024 and is representative of the Franchised Business for a Solo yorCMO Business model.
Franchise Outlet 18	This Franchise Outlet has an administrative office located at 10579 Durrey Court, Reminderville, Ohio 44202 and operates under the Lite yorCMO Business model. This Franchise Outlet opened in October 2024 and is representative of the Franchised Business for a Lite yorCMO Business model which is no longer a franchise opportunity offered under this Disclosure Document but substantially similar to the Licensee yorCMO model.

Franchise Outlet 19	This Franchise Outlet has an administrative office located at 503 Ben Allen Road, Unit B, Nashville, Tennessee 37216 and operates under the Lite yorCMO Business model. This Franchise Outlet opened in October 2024 and is representative of the Franchised Business for a Lite yorCMO Business model which is no longer a franchise opportunity offered under this Disclosure Document but substantially similar to the Licensee yorCMO model.
Franchise Outlet 20	This Franchise Outlet has an administrative office located at 2626 North 170th Avenue, Omaha, Nebraska 68116. This Franchise Outlet opened in October 2024 and is representative of the Franchised Business for a Firm yorCMO Business model. This outlet was a Company Owned Outlet until October 2024, when one of former owner and managing member became a Firm franchisee.

Table 3

Franchise Outlet 1* (Firm yorCMO) Date Outlet Opened: September 2019 Location: Carol Stream, IL						
	2023 Calendar Year		**2024 Calendar Year**		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$221,953.34**	**100.0%**	**$230,479.62**	**100.0%**	**$215,588.00**	**100.0%**
Less: Adjustments for Select Franchisee Related Expenses						
Royalty Fee[2]	($0)	0%	($0)	0%	$0	0%
Sales and Marketing Fund Fee[3]	($5,100)	1.7%	($5,100)	2.21%	($5,100)	2.37%
Technology Fee[4]	($1,200)	0.54%	($1,200)	0.52%	($1,200)	0.56%
Client Support Fees[5]	($48,381.36)	16.0%	($67,853.16)	29.44%	($56,888)	26.39%
Success Fee[6]	($43,960)	14.5%	($8,583.33)	3.72%	($9,225)	4.28%
Adjusted Profit	**$123,311.98**	**55.56%**	**$147,743.13**	**64.10%**	**$143,175.00**	**66.41%**

*Outlet Information: This Franchise Outlet was previously granted a license from our affiliate to operate under the "yorCMO" mark prior to the development of the yorCMO Franchise System. The franchisee of this Franchise Outlet has since converted to and operates as a Firm yorCMO Business franchisee of the System under terms that are different than those offered in this Disclosure Document.

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Table 4

Franchise Outlet 2* (Solo yorCMO) Date Outlet Opened: October 2019 Location: Omaha, NE						
	2023 Calendar Year		**2024 Calendar Year**		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$97,700**	**100.0%**	**$235,000**	**100.0%**	**$131,200**	**100.0%**
Less: Adjustments for Select Franchisee Related Expenses						
Royalty Fee[2]	($0)	0%	($0)	0%	$0	0%
Sales and Marketing Fund Fee[3]	($5,100)	5.2%	($5,100)	2.17%	($5,100)	3.89%
Technology Fee[4]	($1,200)	1.2%	($1,200)	0.51%	($1,200)	0.91%
Client Support Fees[5]	($38,556)	39.5%	($65,020)	27.67%	($28,000)	21.34%
Success Fee[6]	N/A	N/A	($8,010)	3.41%	N/A	N/A
Adjusted Profit	**$52,844**	**54.0%**	**$155,670**	**66.24%**	**$96,900**	**73.85%**

*Outlet Information: This Franchise Outlet was previously granted a license from our affiliate to operate under the "yorCMO" mark prior to the development of the yorCMO Franchise System. The franchisee of this Franchise Outlet has since converted to and operates as a franchisee of the System under terms that are different than those offered in this Disclosure Document.

Table 5

Franchise Outlet 3* (Firm yorCMO 2025) Date Outlet Opened: January 2019 Location: Ashburn, VA						
	2023 Calendar Year		**2024 Calendar Year**		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$274,500**	**100.0%**	**$287,000**	**100.0%**	**$307,000**	**100.0%**
Less: Adjustments for Select Franchisee Related Expenses						
Royalty Fee[2]	($0)	0%	($0)	0%	($0)	0%
Sales and Marketing Fund Fee[3]	($5,100)	1.9%	($5,100)	1.78%	($5,100)	1.66%
Technology Fee[4]	($1,200)	0.4%	($1,200)	0.41%	($1,200)	0.39%
Client Support Fees[5]	($24,000)	8.7%	($29,000)	10.10%	($31,000)	10.10%
Success Fee[6]	N/A	N/A	N/A	N/A	N/A	N/A
Adjusted Profit	**$244,200**	**88.96%**	**$251,700**	**87.77%**	**$269,700**	**87.85%**

*Outlet Information: This Franchise Outlet was previously granted a license from our affiliate to operate under the "yorCMO" mark prior to the development of the yorCMO Franchise System. The franchisee of this Franchise Outlet has since converted to and operates as a franchisee of the System under terms that are different than those offered in this Disclosure Document. This franchise outlet upgraded to the Firm model in 2025.

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Table 6

Franchise Outlet 4* (Solo yorCMO) Date Outlet Opened: July 2020 Location: Battle Ground, WA						
	2023 Calendar Year		**2024 Calendar Year**		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$79,800**	**100.0%**	**$110,984**	**100.0%**	**$5,400**	**100.0%**
Less: Adjustments for Select Franchisee Related Expenses						
Royalty Fee[2]	($0)	0%	($0)	0%	($0)	0%
Sales and Marketing Fund Fee[3]	($5,100)	6.4%	($5,100)	4.60%	($5,100)	94.44%
Technology Fee[4]	($1,200)	1.5%	($1,338)	1.21%	($1,223)	22.65%
Client Support Fees[5]	($13,630)	17.1%	($20,992)	18.91%	($1,000)	18.52%
Success Fee[6]	($7,380)	9.3%	($9,048)	8.15%	($540)	10.00%
Adjusted Profit	**$52,490**	**65.78%**	**$74,506**	**67.13%**	**($2,463)**	**(45.61%)**

*Outlet Information: This Franchise Outlet was previously granted a license from our affiliate to operate under the "yorCMO" mark prior to the development of the yorCMO Franchise System. The franchisee of this Franchise Outlet has since converted to and operates as a franchisee of the System under terms that are different than those offered in this Disclosure Document.

Table 7

Franchise Outlet 5 (Lite yorCMO) Date Outlet Opened: March 2022 Location: Thomasville, Georgia						
	2023 Calendar Year		**2024 Calendar Year**		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$12,000**	**100.0%**	**$0**	**100.0%**	**$0**	**100.0%**
Less: Adjustments for Select Franchisee Related Expenses						
Royalty Fee[2]	($6,000)	50.0%	($0)	0%	($0)	0%
Sales and Marketing Fund Fee[3]	N/A	N/A	N/A	N/A	N/A	N/A
Technology Fee[4]	($1,200)	10%	($1,200)	0%	($1,200)	0%
Client Support Fees[5]	($0)	0%	N/A	N/A	N/A	N/A
Success Fee[6]	N/A	N/A	N/A	N/A	N/A	N/A
Adjusted Profit	**$4,800**	**40.00%**	**($1,200)**	**0%**	**($1,200)**	**0%**

Table 8

Franchise Outlet 6 (Lite yorCMO) Date Outlet Opened: March 2022 Location: Mint Hill, North Carolina						
	2023 Calendar Year		**2024 Calendar Year**		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$34,572.63**	**100.0%**	**$16,000**	**100.0%**	**$19,733.33**	**100.0%**
Less: Adjustments for Select Franchisee Related Expenses						
Royalty Fee[2]	($15,250)	44.1%	($8,000)	50.0%	N/A	N/A
Sales and Marketing Fund Fee[3]	N/A	N/A	N/A	N/A	N/A	N/A
Technology Fee[4]	($1,200)	3.47%	($1,200)	7.50%	($1,200)	6.08%
Client Support Fees[5]	N/A	N/A	N/A	N/A	N/A	N/A
Success Fee[6]	N/A	N/A	N/A	N/A	N/A	N/A
Adjusted Profit	**$18,122.63**	**52.42%**	**$6,800**	**42.50%**	**$18,533.33**	**93.92%**

Table 9

Franchise Outlet 7* (Firm yorCMO) Date Outlet Opened: September 2022 Location: Mead, Colorado						
	2023 Calendar Year		**2024 Calendar Year**		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$160,750**	**100.0%**	**$171,000**	**100.0%**	**$252,000.00**	**100.0%**
Less: Adjustments for Select Franchisee Related Expenses						
Royalty Fee[2]	($60,950)	37.92%	($22,163)	12.96%	($12,600)	5.00%
Sales and Marketing Fund Fee[3]	N/A	N/A	($6,750)	3.95%	($9,000)	3.57%
Technology Fee[4]	($1,200)	0.75%	($1,200)	0.70%	($1,200)	0.48%
Client Support Fees[5]	N/A	N/A	($27,000)	15.79%	($51,500)	20.44%
Success Fee[6]	($625)	0.4%	($1,875)	1.10%	($3,000)	1.19%
Adjusted Profit	**$97,975**	**60.95%**	**$112,012**	**65.50%**	**$174,700**	**69.33%**

* Outlet Information: During the 2023 Calendar Year this Franchise Outlet operated under the Lite yorCMO Business model and, during the 2024 Calendar Year, this Franchise Outlet converted to a Solo yorCMO Business and then to a Firm yorCMO Business and now currently operates under the Firm yorCMO Business model.

Table 10

Franchise Outlet 8 (Lite yorCMO) Date Outlet Opened: October 2022 Location: Mobile, Alabama						
	2023 Calendar Year		**2024 Calendar Year**		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$100,000**	**100.0%**	**$22,500**	**100.0%**	**$0**	**100.0%**
Less: Adjustments for Select Franchisee Related Expenses						
Royalty Fee[2]	($50,000)	50.0%	($11,250)	50.00%	N/A	N/A
Sales and Marketing Fund Fee[3]	N/A	N/A	N/A	N/A	N/A	N/A
Technology Fee[4]	($1,200)	1.20%	($1,200)	5.33%	($1,200)	0.00%
Client Support Fees[5]	N/A	N/A	N/A	N/A	N/A	N/A
Success Fee[6]	N/A	N/A	N/A	N/A	N/A	N/A
Adjusted Profit	**$48,800**	**48.80%**	**$10,050**	**44.67%**	**($1,200)**	**0.00%**

Table 11

Franchise Outlet 9 (Solo yorCMO) Date Outlet Opened: December 2022 Location: San Diego, California						
	2023 Calendar Year		**2024 Calendar Year**		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$99,200**	**100.0%**	**$172,500**	**100.0%**	**$273,100**	**100.0%**
Less: Adjustments for Select Franchisee Related Expenses						
Royalty Fee[2]	($4,960)	5.0%	($8,625)	5.00%	($12,395)	4.54%
Sales and Marketing Fund Fee[3]	($750)	0.8%	($9,000)	5.22%	($9,000)	3.30%
Technology Fee[4]	($1,200)	1.21%	($1,200)	0.70%	($1,200)	0.44%
Client Support Fees[5]	($0)	0%	($33,000)	19.13%	($49,720)	18.21%
Success Fee[6]	N/A	N/A	($0)	0.00%	($600)	0.22%
Adjusted Profit	**$92,290**	**93.03%**	**$120,675**	**69.96%**	**$200,185**	**73.30%**

Table 12

Franchise Outlet 10* (Firm yorCMO) Date Outlet Opened: January 2023 Location: Harrison, Ohio				
	2024 Calendar Year		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**
Gross Sales	**$175,150**	**100.00%**	**$252,500**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses				
Royalty Fee[2]	($28,557)	16.30%	($12,475)	4.94%
Sales and Marketing Fund Fee[3]	($3,000)	1.71%	($9,000)	3.56%
Technology Fee[4]	($1,200)	0.69%	($1,200)	0.48%
Client Support Fees[5]	($33,881)	19.34%	($54,900)	21.74%
Success Fee[6]	($5,800)	3.31%	($12,000)	4.75%
Adjusted Profit	**$102,712**	**58.64%**	**$162,925**	**64.52%**
* Outlet Information: This franchise outlet upgraded to the Firm model in the 2025.				

Table 13

Franchise Outlet 11 (Lite yorCMO) Date Outlet Opened: January 2023 Location: San Jose, California				
	2024 Calendar Year		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**
Gross Sales	**$64,000**	**100.00%**	**$40,000**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses				
Royalty Fee[2]	($32,000)	50.00%	($20,000)	50.00%
Sales and Marketing Fund Fee[3]	N/A	N/A	N/A	N/A
Technology Fee[4]	($1,200)	1.88%	($1,200)	3.00%
Client Support Fees[5]	N/A	N/A	N/A	N/A
Success Fee[6]	N/A	N/A	N/A	N/A
Adjusted Profit	**$30,800**	**48.13%**	**$18,800**	**47.00%**

Table 14

Franchise Outlet 12* (Firm yorCMO) Date Outlet Opened: February 2023 Location: Pittsburgh, Pennsylvania				
	2024 Calendar Year		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**
Gross Sales	**$38,600**	**100.00%**	**$74,600**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses				
Royalty Fee[2]	($1,930)	5.00%	($3,300)	4.42%
Sales and Marketing Fund Fee[3]	($9,000)	23.32%	($9,000)	12.06%
Technology Fee[4]	($1,260)	3.26%	($1,200)	1.61%
Client Support Fees[5]	($10,170)	26.35%	($15,250)	20.44%
Success Fee[6]	($2,000)	5.18%	N/A	N/A
Adjusted Profit	**$14,240**	**36.89%**	**$45,850**	**61.46%**
* Outlet Information: This franchise outlet upgraded to the Firm model in the 2025.				

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Table 15

Franchise Outlet 13 (Lite yorCMO) Date Outlet Opened: March 2023 Location: Seattle, Washington				
	2024 Calendar Year		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**
Gross Sales	**$1,900**	**100.00%**	**$0**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses				
Royalty Fee[2]	($950)	50.00%	N/A	N/A
Sales and Marketing Fund Fee[3]	N/A	N/A	N/A	N/A
Technology Fee[4]	($1,200)	63.16%	($1,200)	0.00%
Client Support Fees[5]	N/A	N/A	N/A	N/A
Success Fee[6]	N/A	N/A	N/A	N/A
Adjusted Profit	**($250)**	**0.00%**	**($1,200)**	**0.00%**

Table 16

Franchise Outlet 14 (Lite yorCMO) Date Outlet Opened: March 2023 Location: Catonsville, Maryland				
	2024 Calendar Year		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**
Gross Sales	**$0**	**100.00%**	**$0**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses				
Royalty Fee[2]	N/A	N/A	N/A	N/A
Sales and Marketing Fund Fee[3]	N/A	N/A	N/A	N/A
Technology Fee[4]	($1,200)	0.00%	($1,200)	0.00%
Client Support Fees[5]	N/A	N/A	N/A	N/A
Success Fee[6]	N/A	N/A	N/A	N/A
Adjusted Profit	**($1,200)**	**0.00%**	**($1,200)**	**0.00%**

Table 17

Franchise Outlet 15 (Lite yorCMO) Date Outlet Opened: May 2023 Location: Punta Gorda, Florida				
	2024 Calendar Year		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**
Gross Sales	**$0**	**100.00%**	**$2,050**	**100%**
Less: Adjustments for Select Franchisee Related Expenses				
Royalty Fee[2]	N/A	N/A	N/A	N/A
Sales and Marketing Fund Fee[3]	N/A	N/A	N/A	N/A
Technology Fee[4]	($1,200)	0.00%	($1,200)	58.54%
Client Support Fees[5]	N/A	N/A	N/A	N/A
Success Fee[6]	N/A	N/A	N/A	N/A
Adjusted Profit	**($1,200)**	**0.00%**	**$850**	**41.46%**

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Table 18

Franchise Outlet 16* (Firm yorCMO) Date Outlet Opened: July 2023 Location: Dublin, Ohio				
	2024 Calendar Year		**2025 Calendar Year**	
	Total	**%[1]**	**Total**	**%[1]**
Gross Sales	**$290,496**	**100.00%**	**$410,500**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses				
Royalty Fee[2]	($14,525)	5.00%	($20,525)	5.00%
Sales and Marketing Fund Fee[3]	($8,250)	2.84%	($9,000)	2.19%
Technology Fee[4]	($1,200)	0.41%	($1,200)	0.29%
Client Support Fees[5]	($41,604)	14.32%	($56,300)	13.71%
Success Fee[6]	($12,000)	4.13%	($22,300)	5.43%
Adjusted Profit	**$212,917**	**73.29%**	**$301,175**	**73.37%**
* Outlet Information: This franchise outlet upgraded to the Firm model in the 2025.				

Table 19

Franchise Outlet 17 (Solo yorCMO) Date Outlet Opened: August 2024 Location: Muskego, Wisconsin		
	2025 Calendar Year	
	Total	**%[1]**
Gross Sales	**$42,000**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses		
Royalty Fee[2]	($2,100)	5.00%
Sales and Marketing Fund Fee[3]	($9,000)	21.43%
Technology Fee[4]	($1,200)	2.86%
Client Support Fees[5]	($8,500)	20.24%
Success Fee[6]	($4,200)	10.00%
Adjusted Profit	**$17,000**	**40.48%**

Table 20

Franchise Outlet 18 (Lite yorCMO) Date Outlet Opened: October 2024 Location: Reminderville, Ohio		
	2025 Calendar Year	
	Total	**%[1]**
Gross Sales	**$4,180.25**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses		
Royalty Fee[2]	N/A	N/A
Sales and Marketing Fund Fee[3]	N/A	N/A
Technology Fee[4]	($1,200)	28.71%
Client Support Fees[5]	N/A	N/A
Success Fee[6]	N/A	N/A
Adjusted Profit	**$2,980.25**	**71.29%**

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Table 21

Franchise Outlet 19 (Lite yorCMO) Date Outlet Opened: October 2024 Location: Nashville, Tennessee		
	2025 Calendar Year	
	Total	**%[1]**
Gross Sales	**$23,050.50**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses		
Royalty Fee[2]	N/A	N/A
Sales and Marketing Fund Fee[3]	N/A	N/A
Technology Fee[4]	($1,200)	5.21%
Client Support Fees[5]	N/A	N/A
Success Fee[6]	N/A	N/A
Adjusted Profit	**$21,850.50**	**94.79%**

Table 22

Franchise Outlet 20 (Firm yorCMO) Date Outlet Opened: October 2024 Location: Omaha, Nebraska		
	2025 Calendar Year	
	Total	**%[1]**
Gross Sales	**$60,000**	**100.00%**
Less: Adjustments for Select Franchisee Related Expenses		
Royalty Fee[2]	N/A	N/A
Sales and Marketing Fund Fee[3]	N/A	N/A
Technology Fee[4]	($1,200)	2.00%
Client Support Fees[5]	($10,000)	16.67%
Success Fee[6]	N/A	N/A
Adjusted Profit	**$48,800**	**81.33%**

Notes to Tables 3 to 21

[1] "%" – Represents the percentage of total Gross Sales.

[2] Royalty Fee – For the Firm yorCMO Business, the Royalty Fee is equal to 5% of Gross Sales. For the Solo yorCMO Business, the Royalty Fee is equal to 7% of Gross Sales. For a Lite yorCMO Business, which is no longer a franchise opportunity offered under this Disclosure Document, the recurring Royalty Fee was equal to 50% of Gross Sales.

[3] Sales and Marketing Fund Fee – For a Solo yorCMO or Firm yorCMO Business, the Sales and Marketing Fund Fee is equal to $750 per month. For a Lite yorCMO Business, which is no longer a franchise opportunity offered under this Disclosure Document, we did not charge the Sales and Marketing Fund Fee.

[4] Technology Fee – The Technology Fee is currently equal to an amount of $100 per month but we reserve the right to increase the Technology Fee to an amount equal to up to $150 per month.

[5] Client Support Fees – Client Support Fees include Client Audit Support Fees, Client Foundation Support Fees, Monthly Client Support Fees, Client Project Support Fees, and Marketing Virtual Professional (MVP) Fees that a Franchise Outlet would pay to us or required by the Franchise Agreement if its Business generated the same Gross Sales over the 2023, 2024 and/or 2025 Calendar Year. The Client Audit Support Fee is currently equal to an amount of up to $6,000 per engage new client of the Franchised Business. The

Client Foundation Support Fee is currently equal to an amount of up to $8,500 per engage new client of the Franchised Business. The Monthly Client Support Fee is currently equal to an amount of up to $2,500 per month per new client of the Franchised Business. The Client Project Support Fee is currently 20% of Gross Sales per engaged new client of the Franchised Business. For a Lite yorCMO Business, which is no longer a franchise opportunity offered under this Disclosure Document, we did not charge the Client Audit Support Fees, Client Foundation Support Fees, and Monthly Client Support Fees.

[6] Success Fee – The Success Fee is a commission paid to us in an amount of up to 30% of all Gross Sales generated from any yorCMO client that engages you and was referred to you by us and/or the Practice Development Support. Currently, the Success Fee is equal to an amount of 10% of Gross Sales.

Some Outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

Other than the preceding financial performance representations, yorCMO Franchising, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Joseph Frost, yorCMO Franchising, LLC at 802 S 80th Street, Omaha, Nebraska 68114 and (402) 807-5414, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised**	2023	14	25	+11
	2024	25	29	+4
	2025	29	25	-4
Company Owned	2023	1	1	0
	2024	1	1	0
	2025	1	1	0
Total Outlets	2023	15	26	+11
	2024	26	30	+4
	2025	30	26	-4

** Effective as of the Issuance Date of this Disclosure Document, we no longer offer franchise opportunities to individuals wishing to operate as a Lite yorCMO Business

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2023 to 2025

State	Year	Number of Transfers
None	2023	0
	2024	0
	2025	0

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TABLE NO. 3
STATUS OF FRANCHISED OWNED OUTLETS
FOR YEARS 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Alabama	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
California	2023	1	2	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	1	0	0	0	2
Colorado	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Florida	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Georgia	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	1	0	0	0	1
Illinois	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Indiana	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Maryland	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

Minnesota	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Nebraska	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
New Jersey	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	1	0	0	0	0
North Carolina	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	1	0	0	0	1
Ohio	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	1	0	0	0	0	3
Pennsylvania	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Tennessee	2023	1	1	0	0	0	0	2
	2024	2	1	1	0	0	0	2
	2025	2	0	1	0	0	0	1
Texas	2023	0	2	0	0	0	0	2
	2024	2	0	0	0	0	1	1
	2025	1	0	1	0	0	0	0
Virginia	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Washington	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2

Wisconsin	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Totals	2023	14	11	0	0	0	0	25
	2024	25	6	1	0	0	1	29
	2025	29	2	6	0	0	0	25

TABLE NO. 4
STATUS OF COMPANY OWNED OUTLETS
FOR YEARS 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired by Franchisor	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Nebraska	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Totals	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1

TABLE NO. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2025

State	Franchise Agreement Signed but Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
Nebraska	0	0	0
TOTAL	0	0	0

Notes to Tables:

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses with us that restrict them from discussing with you their experiences as a franchisee in our franchise system.

There are no trademark-specific franchisee organizations associated with the franchise system being offered in this Franchise Disclosure Document.

Exhibit F to this Disclosure Document contains a list of our then current franchisees and licensee as of the end of the Issuance Date of this Disclosure Document.
Exhibit G to this Disclosure Document contains a list of franchisees that had a practice terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the Issuance Date of this Disclosure Document.

ITEM 21
FINANCIAL STATEMENTS

Attached as Exhibit D are our audited financial statements for 2023, 2024, and 2025. We were established on December 22, 2020, and our fiscal year ends on December 31.

ITEM 22
CONTRACTS

Attached to this Disclosure Document or to the Exhibits attached to and comprising the Franchise Agreement attached to this Disclosure Document are copies of the following franchise and other contracts and agreements in use or proposed for use:

Exhibits to this Disclosure Document

Exhibit E(1)	Franchise Agreement
Exhibit E(2)	License Agreement
Exhibit H	State Specific Addenda

Schedules and Exhibits to the Franchise Agreement

Schedule 1	Administrative Office Acknowledgment and Model Type
Schedule 2	Statement of Franchisee's Owners
Exhibit 1	Franchise Owner and Spouse Agreement and Guaranty
Exhibit 2	Confidentiality Agreement
Exhibit 3	Assignment of Telephone Numbers and Digital Media Accounts
Exhibit 4	ACH Authorization Form
Exhibit 5	General Release
Exhibit 6	Additional Service Offerings Addendum

Individual state law may supersede the provisions contained in your Franchise Agreement respecting the requirement that you execute a general release as a condition to assignment, sale or transfer. See, the state specific addendums contained in Exhibit H of this Disclosure Document.

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ITEM 23
RECEIPTS

Two copies of a detachable receipt in Exhibit J are located at the very end of this Disclosure Document. Please sign one copy of the receipt and return it to us at the following address Joseph Frost, yorCMO Franchising, LLC, 802 S 80th Street, Omaha, Nebraska 68114. The duplicate is for your records.

[THE DISCLOSURE DOCUMENT ENDS HERE]

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT A
STATE ADMINISTRATORS

List of State Administrators

California
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, CA 90013

651 Bannon Street, Suite 300
Sacramento, CA 95811
1-866-275-2677

Connecticut
Connecticut Banking Commissioner
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, CT 06103

Florida
Division of Consumer Services
Attn: Business Opportunities
2005 Apalachee Parkway
Tallahassee, FL 32399

Hawaii
Commissioner of Securities
Dept of Commerce & Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813

Illinois
Office of the Attorney General
Franchise Bureau
500 South Second Street
Springfield, IL 62706

Indiana
Indiana Secretary of State
Indiana Securities Division
Franchise Section
302 W. Washington Street, Room E-111
Indianapolis, IN 46204

Kentucky
Office of the Attorney General
Consumer Protection Division
Attn: Business Opportunity
1024 Capital Center Drive
Frankfort, KY 40601

Maine
Department of Professional and Financial Regulations
Bureau of Banking
Securities Division
121 Statehouse Station
Augusta, ME 04333

Maryland
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202

Michigan
Michigan Department of the Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
670 Law Building
P.O. Box 30213
Lansing, MI 48909

Minnesota
Minnesota Department of Commerce
Securities Division
85 7th Place East, Suite 280
St. Paul, MN 55101

Nebraska
Nebraska Department of Banking and Finance
Commerce Court
1230 O Street, Suite 400
Lincoln, NE 68509

New York
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
212-416-8222

North Carolina
Secretary of State
Securities Division
300 North Salisbury Street, Suite 100
Raleigh, NC 27603

North Dakota
North Dakota Insurance and Securities Department
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505-0510
Phone 701-328-2910

List of State Administrators (continued)

Rhode Island
Department of Business Registration
Division of Securities
233 Richmond Street Suite 232
Providence, RI 02903

South Carolina
Office of the Secretary of State
1205 Pendleton Street
Edgar Brown Building, Suite 525
Columbia, SC 29201

South Dakota
Franchise Office
Division of Securities
124 S. Euclid Avenue
Pierre, SD 57501

Texas
Office of the Secretary of State
Statutory Document Section
1019 Brazos Street
Austin, TX 78701

Utah
Utah Department of Commerce
Division of Consumer Protection
160 East Three Hundred South
P.O. Box 146704
Salt Lake City, UT 84114

Virginia
State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Washington
Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, WA 98504
360-902-8700

Wisconsin
Franchise Office
Wisconsin Securities Commission
P.O. Box 1768
Madison, WI 53701

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT B
AGENTS FOR SERVICE OF PROCESS

Agents for Service of Process

yorCMO Franchising, LLC,
802 S 80th Street, Omaha, Nebraska 68114
Attn: Joseph Frost, Co-Founder

California
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, CA 90013

651 Bannon Street, Suite 300
Sacramento, CA 95811
1-866-275-2677

Connecticut
Banking Commissioner
Department of Banking
Securities and Business Investment Division
260 Constitution Plaza
Hartford, CT 06103

Hawaii
Commissioner of Securities
Department of Commerce & Consumer Affairs
Business Registration Division
335 Merchant Street, Suite 203
Honolulu, HI 96813

Illinois
Illinois Attorney General
500 South Second Street
Springfield, IL 62706

Maryland
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202

Michigan
Michigan Department of Commerce
Corporation and Securities Bureau
6546 Mercantile Way
Lansing, MI 48910

Minnesota
Commissioner of Commerce of Minnesota
Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101

New York
Secretary of State of the State of New York
99 Washington Avenue
Albany, NY 12231

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North Dakota Insurance and Securities Department
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Bismarck, ND 58505-0510
Phone 701-328-2910

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Director of Department of Business Regulation
233 Richmond Street, Suite 232
Providence, RI 02903

South Dakota
Director, Division of Securities
124 S. Euclid Avenue
Pierre, SD 57501

Virginia
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, VA 23219

Washington
Securities Administrator
Washington Department of Financial Institutions
150 Israel Road SW
Tumwater, WA 98501

Wisconsin
Wisconsin Commissioner of Securities
345 W Washington Avenue
Madison, WI 53703

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FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT D
FINANCIAL STATEMENTS

ROOS & MCNABB CPA'S
A PROFESSIONAL CORPORATION

March 26 , 2026

RE: yorCMO Franchising, LLC

CONSENT

Tyler McNabb, CPA from Roos & McNabb CPA's PC consents to the use in the Franchise Disclosure Document issued by yorCMO Franchising, LLC ("Franchisor") on March 26, 2026, of our report dated March 26, 2026, relating to the financial statements of Franchisor for the period ending December 31, 2025 and 2024.

Should you have any questions or require any further information, please let us know.

Sincerely,

TYLER MCNABB, CPA 139452
ROOS & MCNABB CPA'S PC
4384 E ASHLAN AVE STE 107
FRESNO, CA 93726
www.roosmcnabbcpa.com

YORCMO FRANCHISING, LLC

FINANCIAL REPORT

AS OF DECEMBER 31, 2025

YORCMO FRANCHISING, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Management of
YorCMO Franchising, LLC

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of YorCMO Franchising, LLC, which comprise the balance sheet as December 31, 2025 and 2024, related statement of and the income, change in members' equity, and cash flow for year then ended, the and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YorCMO Franchising, LLC as of December 31, 2025 & 2024, & the results of its operations and its cash flow for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basisfor Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of YorCMO Franchising, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of ManagementfortheFinancialStatements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about YorCMO Franchising, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of YorCMO Franchising, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about YorCMO Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

ROOS & MCNABB CPA'S PC

Fresno, CA
March 26, 2026

YORCMO FRANCHISING, LLC
BALANCE SHEETS

	AS OF DECEMBER 31,	
	2025	**2024**
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	$ 35,744	$ 40,245
Accounts receivable	36,726	16,340
TOTAL CURRENT ASSETS	72,470	56,585
NON-CURRENT ASSETS	-	-
TOTAL ASSETS	$ 72,470	$ 56,585
LIABILITIES AND MEMBERS' (DEFICIT):		
CURRENT LIABILITIES		
Accounts payable & Accrued Liabilities	$ 172,773	$ 202,649
Due from related parties	279,094	285,600
Non-refundable deferred franchise fees, current	17,250	17,250
TOTAL CURRENT LIABILITIES	469,117	505,499
NON-CURRENT LIABILITIES		
Non-refundable deferred franchise fees	53,767	36,517
Other Liabilities	80,000	50,000
TOTAL LIABILITIES	602,884	592,016
MEMBERS' (DEFICIT)	(530,414)	(535,431)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	$ 72,470	$ 56,585

The accompanying notes are an integral part of these financial statements.

YORCMO FRANCHISING, LLC
STATEMENTS OF OPERATIONS

	YEARS ENDED DECEMBER 31,	
	2025	**2024**
REVENUES		
Success fees	$ 51,865	$ 48,517
Support fees	401,065	463,042
Marketing fund fees	78,215	59,925
Technology and other fees	105,601	142,035
Franchise fees	88,905	77,297
TOTAL REVENUES	725,651	790,816
OPERATING EXPENSES		
Payroll and related costs	313,288	416,473
General and administrative	238,908	220,966
Advertising and promotion	137,018	147,309
Professional fees	110,934	81,407
Franchise-related expenses	855	2,392
TOTAL OPERATING EXPENSES	801,003	868,547
OPERATING (LOSS) INCOME	(75,352)	(77,731)
OTHER INCOME	-	-
NET (LOSS) INCOME	$ (75,352)	$ (77,731)

The accompanying notes are an integral part of these financial statements.

YORCMO FRANCHISING, LLC
STATEMENTS OF CHANGES IN MEMBERS' (DEFICIT)
YEARS ENDED DECEMBER 31, 2025 AND 2024

	Accumulated Earnings (Deficit)	Total Members Equity (Deficit)
BALANCE, DECEMBER 31, 2024	$ (535,431)	$ (535,431)
Net (loss)	(75,352)	(75,352)
Owner Contributions/Distributions	80,369	80,369
BALANCE, DECEMBER 31, 2025	$ (530,414)	$ (530,414)

The accompanying notes are an integral part of these financial statements.

YORCMO FRANCHISING, LLC
STATEMENTS OF CASH FLOWS

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)	$ (75,352)	$ (77,731)
Adjustments to reconcile net income to net cash provided by operating activities:		
Recognition of non-refundable deferred franchise fees	-	(77,297)
Changes in assets and liabilities:		
Accounts receivable	(20,386)	27,640
Prepaid expense	-	-
Accounts payable	(6,382)	152,722
Non-refundable deferred franchise fee	17,250	(17,250)
Net cash provided by operating activities	(84,870)	8,084
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used for investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Due to related parties & Owner Contributions/Draws	80,369	(72,801)
Net cash provided by financing activities	80,369	(72,801)
NET INCREASE (DECREASE) IN CASH CASH,	(4,501)	(64,717)
BEGINNING	40,245	104,962
CASH, ENDING	$ 35,744	$ 40,245
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	$ 109,918	$ 10,559
Cash paid for taxes	$ 915	$ 2,376

The accompanying notes are an integral part of these financial statements.

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

YorCMO Franchising, LLC ("Company") was formed on December 22, 2020, (Inception) in the State of Nebraska as a limited liability company. The Company offer a franchise under the name of yorCMO, a fractional marketing service that provides businesses with the opportunity to engage a shared chief marketing officer ("CMO") to develop and implement marketing strategies for their businesses and, other services and products.

Affiliates

yorCMO, LLC was formed on October 26, 2017, in the state of Nebraska as a limited liability company and operates a yorCMO business similar to the franchise offered.

yorCMO IP, Inc. was incorporated on December 22, 2020, in the state of Nebraska and is the owner of the Marks and has exclusively licensed use of the Marks to the Company and its franchisees.

The above affiliates do not sell franchises in any other line of business and are not otherwise engaged in any other business activity.

The following table summarizes the number of locations open and operating for the year ended December 31, 2025, and 2024:

	2025	2024
Locations in operation, beginning	30	26
Locations opened	2	6
Locations terminated or closed	6	2
Locations in operation, ending	26	30
Franchised locations	25	29
Affiliate owned locations	1	1

A summary of significant accounting policies follows:

Basis of Presentation

The accompanying financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

Preparation of the Company's financial statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. The Company had no cash equivalents as of December 31, 2025, and 2024.

Accounts Receivable

The timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized subsequent to invoicing. Management evaluates individual customers' receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company did not have any accounts receivable or allowance for doubtful accounts as of December 31, 2025, and 2024 and did not charge-off any accounts receivable during the years ended December 31, 2025 and 2024.

Property, Plant & Equipment

The Company has adopted ASC 360 – Property, Plant and Equipment. Property and equipment are stated at historical cost. Depreciation is provided using straight-line method based on the estimated useful lives of the related assets (generally three to seven years). The Company had no property, plant & equipment as of December 31, 2025 and 2024.

Intangible Assets

The Company has adopted ASC 350, Intangibles – Goodwill and Other that requires that goodwill and intangible assets with indefinite lives no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which it is expected to contribute directly or indirectly to future cash flows. Intangible assets with infinite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable. The Company had no intangible assets as of December 31, 2025, and 2024.

Revenue Recognition

The Company recognizes revenue under the guidance of ASC 606 "Contracts with Customers".
The Company's revenue mainly consists of initial franchise fees, support fees and success fees.

Each franchise agreement is comprised of several performance obligations. The Company has concluded that these items represent a single performance obligation and recognize the initial franchise fees over the term of the contract which is currently five years from the effective date of the franchise agreement.

Support fee revenue consists of a service fee of up to $2,500 monthly and $6,000 annually per client. Success fee revenue is currently 20%, but can be increased to 30%, of the gross sales for the duration of the contract term for any client originated by the Company.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Sales and Marketing Fund Contribution

The Company has established a sales and marketing fund to provide regional and national advertising for the benefit of the franchisees. The sales and marketing fund fees are $750, are billed monthly and are recognized as revenue when earned up to the amount spent on marketing activities as defined in the franchise disclosure document. Funds collected, but not yet spent are recorded as deferred revenue on the balance sheet. As of December 31, 2025, and 2024, $0 and $0 was included in deferred revenue.

Income Taxes

The Company has elected to be treated as “pass through” entity under the provisions of the Internal Revenue Code. Under those provisions, taxable income and losses of the Company are reported on the income tax returns of the members and no provisions for federal or state income taxes have been recorded on the accompanying balance sheet and statement of operations.

The Company adopted ASC 740-10-25-6 “Accounting for Uncertainty in Income Taxes”, that requires the Company to disclose uncertain tax positions. Under the standard an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold upon examination by taxing authorities. Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements.

Advertising Costs

The Company expenses advertising costs as incurred. Advertising expense, including marketing fund advertising for the years ended December 31, 2025 and 2024 was $137,018 and $147,309.

Fair Value of Financial Instruments

For the Company’s financial instruments consist of cash and cash equivalents, the carrying amounts approximate fair value due to their short maturities.

NOTE 2 – CONTRACTS WITH CUSTOMERS

The Company has recorded a liability for unearned revenue associated with the performance obligation of the Company's franchise agreements. The account balances and activity for the years ended December 31, are as follows:

	December 31, 2025	December 31, 2024
Deferred Non-refundable Franchise Fees:		
Balance beginning of year	$ 53,767	$ 71,017
Deferral of non-refundable franchise fees	17,250	60,047
Recognition of non-refundable franchise fees	-	(77,297)
Balance at end of year	$ 71,017	$ 53,767

Estimated Recognition of Deferred Franchise Fees

Estimated revenues and franchise acquisition costs to be recognized in future periods related to deferred franchise fees reported as of December 31, 2025, is as follows:

	Non-refundable Franchise Fees
Year ending December 31:	
2026	$ 17,250
2027	17,250
2028	17,250
2029	14,290
2030	4,977
Thereafter	-
	$ 71,017

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company's contracts with franchisees for the years ended December 31, 2025 and 2024 is as follows:

	2025	2024
Performance obligations satisfied at a point in time	$ 725,651	$ 713,519
Performance obligations satisfied through the passage of time	-	77,297
Total revenues	$ 725,651	$ 790,816

NOTE 3 – COMMITMENTS AND CONTINGENCIES

Litigation

The Company may be party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

NOTE 4 - SUBSEQUENT EVENTS

Date of Management's Evaluation

Management has evaluated subsequent events through March 26, 2026, the date on which the financial statements were available to be issued.

ROOS & MCNABB CPA'S
A PROFESSIONAL CORPORATION

October 27, 2025

RE: yorCMO Franchising, LLC

CONSENT

Tyler McNabb, CPA from Roos & McNabb CPA's PC consents to the use in the Franchise Disclosure Document issued by yorCMO Franchising, LLC ("Franchisor") on April 18, 2025, as amended May 12, 2025, as amended October 27, 2025, of our report dated October 27, 2025, relating to the financial statements of Franchisor for the period ending December 31, 2024 and 2023.

Should you have any questions or require any further information, please let us know.

Sincerely,

TYLER MCNABB, CPA 139452
ROOS & MCNABB CPA'S PC

YORCMO FRANCHISING, LLC

FINANCIAL REPORT

AS OF DECEMBER 31, 2024

YORCMO FRANCHISING, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Management of
YorCMO Franchising, LLC

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of YorCMO Franchising, LLC, which comprise the balance sheet as December 31, 2024 and 2023, related statement of and the income, change in members' equity, and cash flow for year then ended, the and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YorCMO Franchising, LLC as of December 31, 2024 & 2023, & the results of its operations and its cash flow for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basisfor Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of YorCMO Franchising, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of ManagementfortheFinancialStatements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about YorCMO Franchising, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of YorCMO Franchising, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about YorCMO Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

ROOS & MCNABB CPA'S PC

Fresno, CA
August 27, 2025

YORCMO FRANCHISING, LLC
BALANCE SHEETS

	AS OF DECEMBER 31,	
	2024	**2023**
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	$ 40,245	$ 104,962
Accounts receivable	16,340	43,980
TOTAL CURRENT ASSETS	56,585	148,942
NON-CURRENT ASSETS	-	-
TOTAL ASSETS	$ 56,585	$ 148,942
LIABILITIES AND MEMBERS' (DEFICIT):		
CURRENT LIABILITIES		
Accounts payable & Accrued Liabilities	$ 202,649	$ 49,927
Due from related parties	285,600	276,807
Non-refundable deferred franchise fees, current	17,250	17,250
TOTAL CURRENT LIABILITIES	505,499	343,984
NON-CURRENT LIABILITIES		
Non-refundable deferred franchise fees	36,517	53,767
Other Liabilities	50,000	-
TOTAL LIABILITIES	592,016	397,751
MEMBERS' (DEFICIT)	(535,431)	(248,809)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	$ 56,585	$ 148,942

The accompanying notes are an integral part of these financial statements.

YORCMO FRANCHISING, LLC
STATEMENTS OF OPERATIONS

	YEARS ENDED DECEMBER 31,	
	2024	**2023**
REVENUES		
Success fees	$ 48,517	$ 17,883
Support fees	463,042	382,639
Marketing fund fees	59,925	22,650
Technology and other fees	142,035	144,419
Franchise fees	77,297	12,398
TOTAL REVENUES	790,816	579,989
OPERATING EXPENSES		
Payroll and related costs	416,473	317,653
General and administrative	220,966	125,584
Advertising and promotion	147,309	71,271
Professional fees	81,407	65,888
Franchise-related expenses	2,392	1,782
TOTAL OPERATING EXPENSES	868,547	582,178
OPERATING (LOSS) INCOME	(77,731)	(2,189)
OTHER INCOME	-	883
NET (LOSS) INCOME	$ (77,731)	$ (1,306)

The accompanying notes are an integral part of these financial statements.

YORCMO FRANCHISING, LLC
STATEMENTS OF CHANGES IN MEMBERS' (DEFICIT)
YEARS ENDED DECEMBER 31, 2024 AND 2023

	Accumulated Earnings (Deficit)	Total Members Equity (Deficit)
BALANCE, DECEMBER 31, 2023	$ (248,809)	$ (248,809)
Net (loss)	(77,731)	(77,731)
Owner Draws/Distributions	(208,891)	(208,891)
BALANCE, DECEMBER 31, 2024	$ (535,431)	$ (535,431)

The accompanying notes are an integral part of these financial statements.

YORCMO FRANCHISING, LLC
STATEMENTS OF CASH FLOWS

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)	$ (77,731)	$ (1,306)
Adjustments to reconcile net income to net cash provided by operating activities:		
Recognition of non-refundable deferred franchise fees	(77,297)	(12,398)
Changes in assets and liabilities:		
Accounts receivable	27,640	(14,123)
Prepaid expense	-	-
Accounts payable	152,722	23,789
Non-refundable deferred franchise fee	(17,250)	63,750
Net cash provided by operating activities	8,084	59,712
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used for investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Due to related parties & Owner Draws/Distributions	(72,801)	23,303
Net cash provided by financing activities	(72,801)	23,303
NET INCREASE (DECREASE) IN CASH	(64,717)	83,015
CASH, BEGINNING	104,962	21,947
CASH, ENDING	$ 40,245	$ 104,962
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	$ 10,559	$ -
Cash paid for taxes	$ 2,376	$ -

The accompanying notes are an integral part of these financial statements.

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

YorCMO Franchising, LLC ("Company") was formed on December 22, 2020, (Inception) in the State of Nebraska as a limited liability company. The Company offer a franchise under the name of yorCMO, a fractional marketing service that provides businesses with the opportunity to engage a shared chief marketing officer ("CMO") to develop and implement marketing strategies for their businesses and, other services and products.

Affiliates

yorCMO, LLC was formed on October 26, 2017, in the state of Nebraska as a limited liability company and operates a yorCMO business similar to the franchise offered.

yorCMO IP, Inc. was incorporated on December 22, 2020, in the state of Nebraska and is the owner of the Marks and has exclusively licensed use of the Marks to the Company and its franchisees.

The above affiliates do not sell franchises in any other line of business and are not otherwise engaged in any other business activity.

The following table summarizes the number of locations open and operating for the year ended December 31, 2024, and 2023:

	2024	2023
Locations in operation, beginning	26	15
Locations opened	6	11
Locations terminated or closed	2	-
Locations in operation, ending	30	26
Franchised locations	29	25
Affiliate owned locations	1	1

A summary of significant accounting policies follows:

Basis of Presentation

The accompanying financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

Preparation of the Company's financial statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. The Company had no cash equivalents as of December 31, 2024, and 2023.

Accounts Receivable

The timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized subsequent to invoicing. Management evaluates individual customers' receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company did not have any accounts receivable or allowance for doubtful accounts as of December 31, 2024, and 2023 and did not charge-off any accounts receivable during the years ended December 31, 2024 and 2023.

Property, Plant & Equipment

The Company has adopted ASC 360 – Property, Plant and Equipment. Property and equipment are stated at historical cost. Depreciation is provided using straight-line method based on the estimated useful lives of the related assets (generally three to seven years). The Company had no property, plant & equipment as of December 31, 2024 and 2023.

Intangible Assets

The Company has adopted ASC 350, Intangibles – Goodwill and Other that requires that goodwill and intangible assets with indefinite lives no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which it is expected to contribute directly or indirectly to future cash flows. Intangible assets with infinite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable. The Company had no intangible assets as of December 31, 2024, and 2023.

Revenue Recognition

The Company recognizes revenue under the guidance of ASC 606 "Contracts with Customers".
The Company's revenue mainly consists of initial franchise fees, support fees and success fees.

Each franchise agreement is comprised of several performance obligations. The Company has concluded that these items represent a single performance obligation and recognize the initial franchise fees over the term of the contract which is currently five years from the effective date of the franchise agreement.

Support fee revenue consists of a service fee of up to $2,500 monthly and $6,000 annually per client. Success fee revenue is currently 20%, but can be increased to 30%, of the gross sales for the duration of the contract term for any client originated by the Company.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Sales and Marketing Fund Contribution

The Company has established a sales and marketing fund to provide regional and national advertising for the benefit of the franchisees. The sales and marketing fund fees are $750, are billed monthly and are recognized as revenue when earned up to the amount spent on marketing activities as defined in the franchise disclosure document. Funds collected, but not yet spent are recorded as deferred revenue on the balance sheet. As of December 31, 2024, and 2023, $0 and $0 was included in deferred revenue.

Income Taxes

The Company has elected to be treated as “pass through” entity under the provisions of the Internal Revenue Code. Under those provisions, taxable income and losses of the Company are reported on the income tax returns of the members and no provisions for federal or state income taxes have been recorded on the accompanying balance sheet and statement of operations.

The Company adopted ASC 740-10-25-6 “Accounting for Uncertainty in Income Taxes”, that requires the Company to disclose uncertain tax positions. Under the standard an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold upon examination by taxing authorities. Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements.

Advertising Costs

The Company expenses advertising costs as incurred. Advertising expense, including marketing fund advertising for the years ended December 31, 2024 and 2023 was $147,309 and $71,271.

Fair Value of Financial Instruments

For the Company’s financial instruments consist of cash and cash equivalents, the carrying amounts approximate fair value due to their short maturities.

NOTE 2 – CONTRACTS WITH CUSTOMERS

The Company has recorded a liability for unearned revenue associated with the performance obligation of the Company's franchise agreements. The account balances and activity for the years ended December 31, are as follows:

	December 31, 2024	December 31, 2023
Deferred Non-refundable Franchise Fees:		
Balance beginning of year	$ 71,017	$ 19,665
Deferral of non-refundable franchise fees	60,047	63,750
Recognition of non-refundable franchise fees	(77,297)	(12,398)
Balance at end of year	$ 53,767	$ 71,017

Estimated Recognition of Deferred Franchise Fees

Estimated revenues and franchise acquisition costs to be recognized in future periods related to deferred franchise fees reported as of December 31, 2024, is as follows:

	Non-refundable Franchise Fees
Year ending December 31:	
2025	$ 17,250
2026	17,250
2027	14,290
2028	4,977
2029	-
Thereafter	-
	$ 53,767

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company's contracts with franchisees for the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Performance obligations satisfied at a point in time	$ 713,519	$ 567,591
Performance obligations satisfied through the passage of time	77,297	12,398
Total revenues	$ 790,816	$ 579,989

NOTE 3 – COMMITMENTS AND CONTINGENCIES

Litigation

The Company may be party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

NOTE 4 - SUBSEQUENT EVENTS

Date of Management's Evaluation

Management has evaluated subsequent events through August 27, 2025, the date on which the financial statements were available to be issued.

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT E(1)
FRANCHISE AGREEMENT

YORCMO FRANCHISING LLC
FRANCHISE AGREEMENT

FRANCHISEE:

yorCMO Franchise Agreement

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yorCMO

FRANCHISE AGREEMENT

This Franchise Agreement (the "Agreement") is entered into on _____, 20__ ("Effective Date"), by and between yorCMO Franchising, LLC, a Nebraska limited liability company with a principal place of business located at 802 S 80th Street, Omaha, Nebraska 68114, (the "Franchisor") and _____(the "Franchisee").

RECITALS

WHEREAS, Franchisor has developed a distinctive and proprietary system (the "System") for the establishment, development and operation of a business that offers, sells and provides fractional marketing service that provides businesses with the opportunity to engage a shared chief marketing officer ("CMO") to develop and implement marketing strategies for their businesses, artificial intelligence marketing products, and other products and services that the Franchisor authorizes (the "Approved Services and Products") under the Licensed Marks (defined below) (each, a "Franchised Business", or "yorCMO Business");

WHEREAS, Franchisor offers the yorCMO Business under two franchise models: (i) the "Solo yorCMO" model, which will permit an operator to act as the sole CMO for the Franchised Business; and (ii) the "Firm yorCMO" model, which will permit an operator to act as a CMO but will also permit an operator to hire multiple associate CMOs, yorCMO licensees and/or a Solo yorCMO franchisee, to provide services on behalf of the Franchised Business;

WHEREAS, the System and, therefore, each yorCMO Business, is identified by the Licensed Marks and distinctive trade dress, service offerings, business formats, equipment, products, supplies, operating procedures, programs, methods, procedures, and marketing and advertising standards, all of which are part of the System and all of which Franchisor may modify from time to time; and

WHEREAS, Franchisee desires to obtain the non-exclusive license and right to use the System in the development and operation of a yorCMO Business pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and other valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties agree, as follows:

ARTICLE 1
DEFINITIONS

Supplementing the terms and definitions contained in the foregoing "Recitals":

"**Accounting Period**" refers to and means the period of time selected and determined by Franchisor for the required measurement and reporting of financial information and payment of financial obligations by Franchisee. The applicable measurement period will be determined by Franchisor from time to time with respect to Franchisee's obligations to report financial information and data to Franchisor and Franchisee's payment of all fees and other obligations under this Agreement. The respective "Accounting Period" shall be those Franchisor designated times, whether, weekly, monthly, or otherwise, as designated by Franchisor, with all such Accounting Periods automatically commencing on the Commencement Date of the Franchised Business and, continuing, throughout the Term of this Agreement. Unless otherwise designated by Franchisor at any time, unless otherwise specified in this Agreement, the Accounting Period shall be a monthly period for each and every month throughout the Term of this Agreement.

"**Active Client**" refers to and means a yorCMO client that signed an engagement contract with the Franchised Business and was billed in accordance with the signed engagement contract in the previous Accounting Period.

"**Actual Business Commencement Date**" refers to and means the date of the grand opening of the Franchised Business and/or the date upon which the Franchised Business is open to the public.

"**Additional Initial Training Fee**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Administrative Office(s)**" refers to and means the fixed administrative offices and/or facilities from which yorCMO Businesses are administratively managed.

"**Advertising Contributions**" refers to and means any and all obligations of Franchisee to contribute to or pay fees to Franchisor, Franchisor's affiliate and/or designees as set forth in this Agreement including, but not limited to, the Sales and Marketing Fund Fee as set forth in Article 9.A. of this Agreement.

"**Alternative Channels of Distribution**" refers to and means retail and/or wholesale based sales and/or distribution outlets based on the world wide web, print catalogs, and mail order outlets.

"**Ancillary Agreements**" refers to and means, individually and collectively, each and every agreement between: (a) Franchisor and Franchisee but, not including this Agreement; (b) Franchisor and each of Franchisee's Owners, whether individually and/or collectively; and (c) Franchisor and each Spouse of Franchisee's Owners, whether individually and/or collectively. Without limitation to the foregoing, the term Ancillary Agreements includes the Franchise Owner and Spouse Agreement and Guaranty, Lease Agreement Rider, Collateral Assignment of Lease and the Assignment of Telephone Numbers and Digital Media Accounts, as said agreements, individually and/or collectively, may have been entered into between the foregoing parties.

"**Annual Conference Attendance Fee**" refers to and means an annual conference fee to be paid by Franchisee to Franchisor in an amount determined by Franchisor but not to exceed $2,500 annually.

"**Annual System Conference**" refers to and means a conference that may be established and organized by Franchisor for the purpose of facilitating networking among yorCMO Business franchisees, and general education. Franchisor shall designate and determine whether or not an Annual System Conference shall occur and, if one is established in any particular year, the dates, content and location of the Annual System Conference. The Annual System Conference shall be for a duration of not more than three consecutive days per calendar year. Franchisee is responsible for all costs and expenses associated with Franchisee's travel to and attendance at the Annual System Conference.

"**Approved Services and Products**" shall have the meaning defined in the "Recitals" section of this Agreement and shall further refer to and mean refers to and means those products and services that Franchisor authorizes for sale by yorCMO Businesses. Franchisor shall exclusively designate and determine the Approved Services and Products and Franchisor, in Franchisor's Reasonable Business Judgment, may change, modify, reduce or supplement the Approved Services and Products that must be offered and sold by the Franchised Business and those products and services that may not be sold by the Franchised Business. The Operations Manual, subject to changes that Franchisor may make from time to time and Franchisor's right to change and modify the Approved Services and Products, shall designate the Approved Services and Products that must be offered and sold by the Franchised Business. The Franchised Business may only offer and sell the Approved Services and Products.

"**Assignee Corporate Entity**" shall have the meaning defined and set forth in Article 14.E. of this Agreement.

"**Assignment of Telephone Numbers and Digital Media Accounts**" refers to and means the Assignment of Telephone Numbers and Digital Media Accounts agreement attached to this Agreement as Exhibit 3.

"**Associate Training Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Audit Support Fee Commission**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Business Management System**" refers to and means the software, internet, web based and/or cloud based system or systems, and client relationship management system or systems as same may be individually or collectively designated by Franchisor, in Franchisor's Reasonable Business Judgment, as being required for use by the Franchised Business, including, but not limited to, the day-to-day sales, ordering, operations and management of the Franchised Business. Franchisor reserves the right to modify and designate alternative Business Management Systems as Franchisor determines in Franchisor's Reasonable Business Judgment. At all times, Franchisor shall possess direct live access and storage based access to the Business Management System for the Franchised Business and to Franchisee's Business Management System Data.

"**Business Management System Data**" refers to and means the forms, data, tools, client information, inventory and sales information that: (a) is pre-populated or entered into the Business Management System utilized by Franchisee; (b) is entered (whether by Franchisor or Franchisee) into the Business Management System utilized by Franchisee; and/or (c) is recorded, stored and/or maintained by the Business Management System in connection with the management and operations of the Franchised Business.

"**Client Audit Support Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Client Foundation Support Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Client Project Support Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Client Support Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Client Vouchers**" refers to and means any and all gift cards, vouchers, receipts, cards and other evidence of a pre-paid purchase transaction (for goods and/or services and whether in electronic form, printed form, card or otherwise) concerning a yorCMO Business.

"**CMO for a Day Service Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"Commencement Date" refers to and means the sooner of the Actual Business Commencement Date or Scheduled Business Commencement Date.

"**Competitive Business**" refers to and means any business that is the same as or similar to a yorCMO Business including, but not limited to, any business that offers and/or provides services and/or products relating to business marketing services or providing marketing personnel to businesses.

"**Confidential Information**" refers to and means all of Franchisor's and/or Franchisor's affiliates trade secrets, methods, standards, techniques, procedures, data and information, as same may exist as of the Effective Date of this Agreement and as same may be developed, modified and supplemented in the future, constituting and comprising: (a) methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of yorCMO Businesses; (b) information concerning consumer preferences for services, products, materials and supplies used or sold by, and specifications for and knowledge of suppliers of certain materials, equipment, products, supplies and procedures used or sold by yorCMO Businesses; (c) information concerning clients, client lists, email lists, database lists, product sales, operating results, financial performance and other financial data of yorCMO Businesses; (d) client lists and information related to yorCMO Businesses and the Franchised Business; (e) Business Management System Data; (f) current and future information contained in the Operations Manual; and (g) Know-How.

"**Confidentiality Agreement**" refers to and means the form of Confidentiality Agreement attached to this Agreement as Exhibit 2.

"**Controlling Interest**" shall exist for the following individuals, Owners, partners and/or entities: (a) (If Franchisee is a corporation) a controlling interest shall exist for such shareholders and Owners of the voting shares of stock of Franchisee as (i) shall permit voting control of Franchisee on any issue and/or (ii) shall prevent any other person, group, combination, or entity from blocking voting control on any issue or exercising any veto power; (b) (If Franchisee is a general partnership) a controlling interest shall exist for such partners and Owners that possess a managing partnership interest or such percentage of the general partnership interests in Franchisee as (i) shall permit determination of the outcome on any issue, and (ii) shall prevent any other person, group, combination, or entity from blocking voting control on any issue or exercising any veto power; (c) (If Franchisee is a limited partnership) a controlling interest shall exist for such partners and Owners that possess a general partnership interest; and (d) (If Franchisee is a limited liability company) a controlling interest shall exist for such members and Owners that possess a percentage of the membership interests as (i) shall permit determination of the outcome on any issue, and (ii) shall prevent any other person, group, combination or entity from blocking voting control on any issue or exercising any veto power.

"**Copyrights**" refers to and means all works and materials for which Franchisor or any affiliate of Franchisor has secured common law or registered copyright protection and Franchisor utilizes and/or allows yorCMO Business franchisees to use, sell or display in connection with the development, marketing and/or operation of a yorCMO Business, whether as of the Effective Date of this Agreement or any time in the future.

"**Corporate Entity**" refers to and means a corporation, Limited Liability Company, partnership or other corporate legal entity that is not an individual person.

"**Digital Media**" refers to and means any interactive or static electronic document, application or media that is connected to and/or in a network of computers, servers and/or other devices linked by communications software, part of the world wide web (including, but not limited to websites), linked by the internet or part of a web-based application, software application, smart phone based application or social media platform including, but not limited to social media platforms and applications such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, TikTok, YouTube, and world wide web and internet-based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to, yorCMO Businesses, the Franchised Business, the Licensed Marks, the

System and/or Franchisor. Digital Media further includes the System Website, web pages and website subdomains (including those related to, associated with and/or a part of the System Website) associated with and/or related to the Franchised Business and all web pages, blog posts, videos, articles, social media accounts and pages, website directory pages, information, sub-domains and all other media and/or publications relating to the System that is displayed and/or transmitted digitally.

"**Direct Solicitation**" refers to and means communications and/or contacts occurring through in person contact, telephone, mail, electronic mail, direct mail, distributed print media, Digital Media, Marketing Media, Media Distribution and/or marketing directed toward clients, potential clients or referral sources of a yorCMO Business.

"**Due Date**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Effective Date**" shall be the date set forth, defined and referred to in the first paragraph of this Agreement.

"**Firm yorCMO Licensee Service Commission Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Foundation Support Fee Commission**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Franchise Fee Commission**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Franchise Owner and Spouse Agreement and Guaranty**" refers to and means the form of agreement attached to this Agreement as Exhibit 1. The Franchise Owner and Spouse Agreement and Guaranty is an agreement and guarantee individually, jointly and severally entered into by the Owners and Spouses of Franchisee.

"**Franchised Business**" refers to and means the yorCMO Business that Franchisee shall develop and is required to establish, maintain and operate as part of the System and in accordance with the terms, conditions and obligations set forth in this Agreement and the Operations Manual.

"**Franchisee's Administrative Office**" refers to and means the Administrative Office from which Franchisee manages the Franchised Business.

"**Franchisor's Reasonable Business Judgment**" refers to, means, and relates to any and all decisions, actions and choices made by Franchisor concerning or relating to this Agreement, the System generally, yorCMO Businesses and/or the Franchised Business where Franchisor undertakes or makes such decision with the intention of benefitting or acting in a way that could benefit the System. When making decisions and/or taking actions in Franchisor's Reasonable Business Judgment, Franchisor may, in addition to all other rights afforded to Franchisor under this Agreement, consider factors, in whole or in part, that include: Franchisor's profits; enhancing the value of the Licensed Marks, increasing client satisfaction, minimizing potential client confusion as to the Licensed Marks, determining markets, minimizing potential client confusion as to the location of yorCMO Businesses, expanding brand awareness of the Licensed Marks, implementing marketing and accounting control systems, approving products, services, supplies and equipment. Franchisee agrees that when a decision, determination, action and/or choice is made by Franchisor in Franchisor's Reasonable Business Judgment that such decision, determination, action or choice shall take precedence and prevail, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable. Franchisee agrees that in connection with any decision, determination, action and/or choice made by

Franchisor in Franchisor's Reasonable Business Judgment that: (a) Franchisor possesses a legitimate interest in seeking to maximize Franchisor's profits; (b) Franchisor shall not be required to consider Franchisee's individual economic or business interests as compared to the overall System; and (c) should Franchisor economically benefit from such decision, determination, action and/or choice that such economic benefit to Franchisor shall not be relevant to demonstrating that Franchisor did not exercise reasonable business judgment with regard to Franchisor's obligations under this Agreement and/or with regard to the System. Franchisee agrees that neither Franchisee and/or any third party, including, but not limited to, any third party acting as a trier of fact, shall substitute Franchisee's or such third party's judgment for Franchisor's Reasonable Business Judgment. Franchisee further agrees that should Franchisee challenge Franchisor's Reasonable Business Judgment in any legal proceeding that Franchisee possesses the burden of demonstrating, by clear and convincing evidence, that Franchisor failed to exercise Franchisor's Reasonable Business Judgment.

"**GAAP**" refers to and means United States Generally Accepted Accounting Principles.

"**Gross Sales**" refers to and means the total dollar sales from all business and clients of the Franchised Business and includes the total gross amount of revenues and sales from whatever source derived, whether in form of cash, credit, agreements to pay or other consideration including the actual retail value of any goods or services traded, borrowed, or received by Franchisee in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by Franchisee or any other person or Corporate Entity from business conducted or which started in, on, from or through the Franchised Business, whether such business is/was conducted in compliance with or in violation of the terms of this Agreement. Supplementing the foregoing, Gross Sales further includes the total gross amount of revenues and sales from whatever source derived from and/or derived by Franchisee (including any person and/or Corporate Entity acting on behalf of Franchisee) from business that is related to the Franchised Business and/or a Competitive Business (the foregoing does not constitute approval for Franchisee's operation of a Competitive Business). Gross Sales do not include sales or use taxes collected by Franchisee.

"**Immediate Family Member**" refers to and means the spouse of a person and any other member of the household of such person, including, without limitation, children, and grandchildren of such person. Immediate Family Member shall further refer to and mean the spouse, children, grandchildren, and other members of the household of each Franchisee, if Franchisee is an individual, or each Owner of Franchisee if Franchisee is a Corporate Entity.

"**Initial Training Fee**" shall have the meaning defined and set forth in Article 5.A. of this Agreement.

"**IP Claim**" shall have the meaning defined and set forth in Article 11.E. of this Agreement.

"**Know-How**" refers to means Franchisor's trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of a yorCMO Business including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information reflected in, included in, comprising and/or constituting a part of the System. Without limitation to the foregoing, Know-How shall further include information contained in the Operations Manual and the Confidential Information.

"**Licensee Fee Commission**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Licensed Marks**" refers to and means the trademarks, service marks, emblems and indicia of origin, including the "yorCMO" trademark, the yorCMO logo, Trade Dress, and other trade names, service marks, trademarks, logos, slogans and designs authorized by Franchisor in connection with the

identification of yorCMO Businesses and the Approved Services and Products, provided that such trade names, trademarks, service marks, logos and designs are subject to modification, replacement and discontinuance by Franchisor in Franchisor's Reasonable Business Judgment.

"**Marketing Media**" refers to and means all communications, whether written, oral, digital, or otherwise utilized for and/or designed for the purpose of marketing, advertising and/or promoting Franchisee's yorCMO Business including, but not limited to, Direct Solicitations, Web-Based Media, Digital Media, social media, print publications, print mailers, email communications and public relations.

"**Marketing Virtual Professional (MVP) Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Media Distribution**" refers to and means methods, by any means, for the publication, transmission, dissemination, distribution and/or delivery of Marketing Media.

"**Monthly Advisory and Mentoring Service Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Net Sales**" refers to and means Gross Sales less any fees owed to Franchisor pursuant to this Franchise Agreement.

"**Notice Period**" shall have the meaning defined and set forth in Article 16.A. of this Agreement.

"**Operations Manual**" refers to and means, individually and collectively, the manual(s) designated by Franchisor and relating to the development and/or operations of yorCMO Businesses including, but not limited to, the policies, procedures and requirements for the development and operation of yorCMO Businesses. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet-based list-service, intranet, internet-based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by Franchisor from time to time in Franchisor's Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to Franchisor's modification from time to time and based on Franchisor's Reasonable Business Judgment, the Operations Manual shall, among other things, designate the Approved Services and Products that must be offered and provided by the Franchised Business and the System Supplies that must be exclusively utilized by the yorCMO Business. Only Approved Services and Products may be offered and sold by the Franchised Business. Only System Supplies may be utilized by Franchisee in the operations of the Franchised Business.

"**Operations Non-Compliance Fee**" shall have the meaning defined and set forth in Article 7.J. of this Agreement.

"**Operations Violation**" shall have the meaning defined and set forth in Article 7.J. of this Agreement.

"**Owner**" refers to and means collectively, individually and jointly: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee; (b) the managing member or manager of Franchisee, if franchisee is a limited liability company; (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee and/or of any entity directly or indirectly controlling Franchisee; and (d) the Primary CMO. Franchisee's Owners are identified in Schedule 2 to this Agreement.

"**Payment Non-Compliance Fee**" shall have the meaning defined and set forth in Article 5.D. of this Agreement.

"**Post-Term Restricted Period**" refers to and means the 24-month period after the earliest to occur of the following: (a) the expiration or termination of this Agreement for any reason; or (b) the date on which Franchisee Transfers this Agreement to another person or Corporate Entity. Provided however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Post-Term Restricted Period" means the 18 month period after the earliest to occur of the following: (a) the expiration or termination of this Agreement for any reason; or (b) the date on which Franchisee Transfers this Agreement to another person or Corporate Entity.

"**Primary CMO**" refers to and means the Franchisee if the Franchisee is an individual or the person designated by Franchisee that is the primary contact of Franchisee and charged with the obligation and responsibility to supervise and manage (on-site at Franchisee's Administrative Office) the day-to-day operations of the Franchised Business. At all times, the Primary CMO must: (a) meet all of Franchisor's minimum training and brand quality control standards and criteria for Primary CMO's as may be set forth in the Operations Manual; (b) successfully complete Franchisor's initial training program; (c) sign the Confidentiality Agreement; and (d) agree, in writing, to assume responsibility for the on-site management and supervision of the Franchised Business.

"**Prohibited Activities**" shall have the meaning defined and set forth in Article 6.D. of this Agreement.

"**Published Content**" refers to and means any and all information, data, articles, blog posts, press releases, frequently asked questions, special offers, product information, service information, web posts, videos and other information relating to or concerning the Franchised Business, the System, or the Licensed Marks that is or was made available by Franchisee or Franchisee's agents to the public in print or electronic media that is published, listed, made available, uploaded on, downloaded to or posted to Digital Media.

"**Renewal Ancillary Agreements**" shall have the meaning defined and set forth in Article 15.B. of this Agreement.

"**Renewal Fee**" The Renewal Fee is a fixed sum of $2,000.

"**Renewal Franchise Agreement**" shall have the meaning defined and set forth in Article 15.B. of this Agreement.

"**Renewal Notice**" shall have the meaning defined and set forth in Article 15.B. of this Agreement.

"**Renewal Term**" shall have the meaning defined and set forth in Article 15 of this Agreement.

"**Reporting Non-Compliance Fee**" shall have the meaning defined and set forth in Article 12.C. of this Agreement.

"**Reserved Rights**" shall have the meaning defined and set forth in Article 2.D. of this Agreement.

"**Restricted Territory**" refers to and means the United States of America, provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the largest geographic area permitted by the court of competent jurisdiction.

"**Royalty and Activity Report**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Royalty Commission**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Royalty Fees**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Sales and Marketing Fund**" shall have the meaning defined and set forth in Article 9.A. of this Agreement.

"**Sales and Marketing Fund Fee**" shall have the meaning defined and set forth in Article 9.A. of this Agreement.

"**Scheduled Business Commencement Date**" refers to and means the date that occurs on the 90th day following the Effective Date of this Agreement.

"**Solo to Firm yorCMO Upgrade Initial Training Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Spouse**" refers to and means the legal spouse of an Owner as of the Effective Date.

"**Success Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Supplemental Training**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Supplemental Training Fee"** shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Supplier Evaluation Fee**" refers to and means the fee determined by Franchisor, in Franchisor's Reasonable Business Judgment, and based upon the fees and/or expenses incurred by Franchisor in connection with the evaluation of a request by Franchisee for Franchisor's consideration and/or review of a potential supplier. Under no circumstance is Franchisor required to approve of suppliers requested by Franchisee.

"**System**" shall have the meaning defined in the "Recitals" section of this Agreement and is further supplemented, as follows: without limitation to the Recitals section of this Agreement and supplementing the definition and meaning of the term "System", System shall be defined to further include and mean: (a) the Approved Services and Products, System Supplies and the services, procedures and systems that are designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a yorCMO Business; (b) the Licensed Marks; (c) the Trade Dress; (d) Copyrights; (e) other trade names, service marks, signs, and logos, copyrights and trade dress that is designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a yorCMO Business; (f) Operations Manual; (g) Business Management System Data; (h) Know-How; (i) Confidential Information; and (j) Digital Media. All determinations as to the system including components to the system and modifications and replacements thereto shall be determined by Franchisor in Franchisor's Reasonable Business Judgment.

"**System Supplies**" refers to and means the products, equipment and supplies designated by Franchisor as required for use in connection with Franchisee's yorCMO Business and the Approved Services and Products. Without limitation to the foregoing, the System Supplies shall include yorCMO branded,

non-branded and third party branded equipment and supplies designated by Franchisor for use in the day-to-day operations of Franchisees yorCMO Business materials, stationary, receipts, client notices and other forms and materials, designated by Franchisor in the Operations Manual and/or otherwise in writing and, as may be modified and supplemented by Franchisor from time to time in Franchisor's Reasonable Business Judgment. System Supplies shall further include those products that Franchisor authorizes for sale to clients of Franchisee's yorCMO Business.

"**System Website**" refers to and means the web page and pages located on the world wide web at the www.yorcmo.com domain and shall further include all webpages and subdomains including, those that are franchisee and/or geography specific, that are a part of www.yorcmo.com, or as designated by Franchisor being associated with the URL of www.yorcmo.com and/or yorCMO Businesses.

"**Technology Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Term**" refers to and means the period of time set forth and defined in Article 2.B. of this Agreement and the Renewal Term if Franchisee invokes Franchisee's renewal rights in accordance with the terms of this Agreement.

"**Trade Dress**" refers to and means the yorCMO Business designs, images, marketing materials, packaging, branding and/or branding images which Franchisor authorizes and requires Franchisee to use in connection with the operation of the Franchised Business and as may be revised and further developed by Franchisor from time to time.

"**Training Fee Commission**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Training Program**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Transfer**" refers to and means and shall include, without limitation, the following, whether voluntary or involuntary, conditional or unconditional, and/or direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee; and/or (e) the legal and/or equitable transfer and/or sale of an Owners interests and/or voting rights in Franchisee.

"**Transfer Fee**" shall have the meaning defined in Article 14.C. (11) of this Agreement. The Transfer Fee is as follows: (a) for all transfers except as provided in (b) the transfer fee is a fixed fee of $5,000, plus training fee; or (b) if transferee is an entity controlled and owned by current Franchisee then there will be no charge.

"**Upgrade Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**yorCMO Business(s)**" shall have the meaning defined in the Recitals section of this Agreement and, without limitation to the Recitals section definition of "yorCMO Businesses", shall further include, refer to and mean: every business and all businesses owned and/or operated by Franchisor, Franchisor's affiliates and/or authorized franchisee(s) that utilize and/or is/are required to utilize the System and/or Licensed Marks including, but not limited to, the Franchised Business. Franchisee shall indicate the

model type of the yorCMO Business he/she/it wishes to license by indicating same on Schedule 1 of the Franchise Agreement.

"yorCMO Client" means any prospective client, Active Client, or former client of any yorCMO practice, including, but not limited to (i) the Franchised Business; (ii) another licensed or franchised yorCMO practice; and/or a company-owned/affiliated yorCMO practice.

ARTICLE 2
GRANT OF FRANCHISE

2.A. GRANT OF FRANCHISE

Franchisee has requested that Franchisor grant to Franchisee the non-exclusive license and right to develop, own and operate a yorCMO Business. In reliance on the representations made by Franchisee and/or Franchisee's Owners in any submitted application and during the application process, and, subject to the terms and conditions of this Agreement, Franchisee's request has been approved by Franchisor, subject to the following terms and conditions:

(1) During the Term of this Agreement and subject to the rights of Franchisor including, but not limited to, the Reserved Rights, Franchisor grants to Franchisee and Franchisee accepts, the non-exclusive license, right and obligation to develop and operate a yorCMO Business and the model type designated and set forth in Schedule 1 of this Agreement. If Schedule 1 does not specifically identify and designate a model type, the model type shall be a Solo yorCMO;

(2) If, as of the Effective Date, Franchisee has selected a proposed Administrative Office that Franchisor approves as Franchisee's Administrative Office, then the location of Franchisee's Administrative Office shall be identified in Schedule 1 of this Agreement;

(3) If, as of the Effective Date, Franchisee has not selected a proposed Administrative Office location that is approved by Franchisor in Schedule 1 to this Agreement, or if Schedule 1 is left incomplete as to the specific location of Franchisee's Administrative Office, Franchisee must locate, identify and secure an Administrative Office for the Franchised Business in accordance with the terms of this Agreement, including the requirement that Franchisee must obtain Franchisor's written approval of Franchisee's Administrative Office;

(4) Franchisee must manage the Franchised Business from Franchisee's Administrative Office;

(5) Franchisee may only offer and sell the Approved Services and Products in accordance with the requirements set forth in the Operations Manual;

(6) Franchisee may face competition from other yorCMO Businesses and System franchisees that market and promote their yorCMO Business through internet, mail, public relations, and/or other marketing activities and mediums. Franchisee agrees that Franchisee shall not receive any compensation whatsoever if Franchisor or another System franchisee solicits any yorCMO Clients; and

(7) The foregoing rights granted in this Article 2.A. are subject to and contingent upon each and every, term and condition of this Agreement, the rights of any prior user, and are non-exclusive and subordinate to the Reserved Rights.

2.B. TERM

Unless previously terminated pursuant to the terms of this Agreement, the term of this Agreement will be for a period of five consecutive years, commencing from the Effective Date (the "Term").

2.C. GUARANTEES, CONFIDENTIALITY AND RESTRICTIVE COVENANTS

If Franchisee is, at any time, a Corporate Entity, Franchisee agrees that each Owner and their respective Spouse shall execute, sign and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1 and, in doing so, among other things, will individually, jointly, and severally, guarantee Franchisee's obligations under this Agreement and personally bind themselves to confidentiality and non-competition covenants and restrictions.

2.D. RESERVATION OF RIGHTS

Franchisor on behalf of itself, its affiliates and its assigns retains all rights, on any and all terms and conditions that Franchisor deems advisable and without any compensation or consideration to Franchisee to engage in the following activities (the "Reserved Rights"): (a) operate and grant to others the right to operate a Franchised Business, yorCMO Business and/or other businesses using the System and Licensed Marks anywhere; (b) acquire or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, and after such acquisition, merger or affiliation to own and operate and to franchise or license others to own and operate and to continue to own and operate such businesses, including Competitive Businesses (but not using the Licensed Marks) anywhere; (c) be acquired by or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, even if such business or businesses presently or, in the future, own and operate and franchise or license others to own and operate such businesses, including Competitive Businesses (but not using the Licensed Marks) anywhere; and (d) use the Licensed Marks and System and to license others to use the Licensed Marks and System to engage in all other activities not expressly prohibited by this Agreement.

2.E. MODIFICATION OF SYSTEM

Franchisor, in Franchisor's Reasonable Business Judgment, reserves the right, at all times, to supplement, modify, alter and/or amend the System including any and/or all components of the System. Franchisee shall promptly comply with all such modifications to the System whether such modification results in the addition, subtraction, modification and/or enhancement to any and/or all components of the System. Franchisor shall provide Franchisee with a reasonable time period to comply with any change or modification to the System, which shall be communicated to Franchisee by Franchisor including, but not limited to, communication through the Operations Manual. Franchisor's modifications to the System shall not materially alter Franchisee's fundamental rights under this Agreement.

2.F. CORPORATE ENTITY OWNERSHIP

If Franchisee is a Corporate Entity, Franchisee represents that the information contained in Schedule 2 to this Agreement is and shall remain complete, true and accurate throughout the Term of this Agreement.

ARTICLE 3
DEVELOPMENT AND OPERATION OF THE FRANCHISED BUSINESS

3.A. DEVELOPMENT OF THE FRANCHISED BUSINESS

Franchisee must develop and open the Franchised Business on or before the Scheduled Business Commencement Date. Notwithstanding the foregoing, prior to opening and commencing the operations of the Franchised Business, Franchisee must, as determined by Franchisor: (a) be in compliance with the terms and conditions of this Agreement; (b) have satisfied the pre-opening obligations designated by Franchisor in the Operations Manual; (c) have completed and satisfied the training obligations designated by Franchisor; (d) have developed an Administrative Office in conformity with Franchisor's standards and specifications and as otherwise required by Franchisor in the Operations Manual; (e) have obtained the necessary licenses and permits to operate the Franchised Business; and (f) have obtained Franchisor's written consent to open.

3.B. OPERATIONS OF THE FRANCHISED BUSINESS

At all times, Franchisee's yorCMO Business shall: (a) be operated from an approved Administrative Office; (b) exclusively offer, sell and provide the Approved Services and Products in accordance with Franchisor's standards, specifications, and requirements; (c) ensure that the Approved Services and Products are only offered and provided by Franchisee through employees and/or Owners that have, to Franchisor's satisfaction, completed the training requirements and Training Programs required by Franchisor; (d) exclusively use, maintain, and, stock in inventory, the System Supplies in such quantities as designated by Franchisor; (e) exclusively purchase the System Supplies from the supplier and/or suppliers, vendor and/or vendors approved by Franchisor and designated by Franchisor, in Franchisor's Reasonable Business Judgment; (f) be exclusively managed and operated by Franchisee or, if Franchisee is a Corporate Entity, Franchisee's Primary CMO; (g) maintain the necessary licenses and permits and, those licenses and permits required, and/or recommended by Franchisor, for Franchisee's development, ownership, and operation of the Franchised Business; and (h) be operated in conformity with Franchisors standards, specifications, criteria and requirements as set forth by Franchisor in the Operations Manual as such Operations Manual exists as of the Effective Date of this Agreement and as the Operations Manual may be modified and supplemented from time to time in the future by Franchisor, in Franchisor's Reasonable Business Judgment.

3.C. FRANCHISEE'S ADMINISTRATIVE OFFICE

Franchisee must operate the Franchised Business from an Administrative Office that conforms to Franchisor's standards and specifications and, such other requirements as set forth in the Operations Manual. Franchisee must obtain Franchisor's written approval of the location of Franchisee's Administrative Office. If permitted by applicable laws, rules, and regulations, including, but not limited to, local zoning laws and regulations (to be independently verified by Franchisee) Franchisee may designate Franchisee's personal residence as Franchisee's Administrative Office. If applicable, Franchisor will furnish Franchisee with Franchisor's then current preliminary plans and specifications for an Administrative Office. Franchisee shall develop, operate and manage the Franchised Business from an Administrative Office, that: (a) was identified and evaluated by Franchisee; (b) complies with the terms and conditions of this Agreement; (c) satisfies and meets Franchisor's standards and specifications; (d) is timely presented by Franchisee to Franchisor for approval as Franchisee's proposed Administrative Office; (e) is approved by Franchisor as Franchisee's Administrative Office; (f) is timely secured by Franchisee within 60 days of the Effective Date of this Agreement, as evidenced by a binding lease with a duration equal to the full Term of this Agreement; and (g) otherwise meets the terms and conditions of this Agreement and Franchisor's standards and specifications.

Franchisee will not lease, purchase or otherwise acquire a proposed Administrative Office until such information as Franchisor may require as to the proposed Administrative Office has been provided to Franchisor by Franchisee and, Franchisor has approved the location in accordance with the terms and conditions of this Agreement. Franchisor shall respond to Franchisee's request for approval of a proposed Administrative Office within 30 days following Franchisor's receipt, from Franchisee, of complete written information about Franchisee's proposed Administrative Office. If Franchisor rejects or disapproves Franchisee's proposed Administrative Office, Franchisee must nevertheless identify and obtain Franchisor's approval of a proposed Administrative Office within the time requirements set forth in this Agreement. Franchisor's disapproval of a proposed Administrative Office shall not serve as a basis to extend any deadline or requirement set forth in this Agreement.

Franchisor's approval of Franchisee's proposed Administrative Office is not and does not constitute a representation or warranty of any kind other than that Franchisor does not object to or disapprove of Franchisee's proposed Administrative Office. No provision of this Agreement shall be construed or interpreted to impose an obligation on Franchisor to locate an Administrative Office for the Franchised Business, to assist Franchisee in the selection of a suitable Administrative Office, or, to provide assistance to the Franchisee in the purchase or lease of an Administrative Office.

3.D. FURNITURE, FIXTURES, EQUIPMENT AND SIGNS

Franchisee agrees to use in the construction and operation of Franchisee's Administrative Office only those types of construction and decorating materials, fixtures, equipment, furniture, and signs that Franchisor has approved or designated in the Operations Manual for Franchised Business as meeting Franchisor's specifications and standards for appearance, function and performance. Franchisee shall purchase approved or designated types of construction and decorating materials, fixtures, equipment, furniture and signs including, but not limited to, System Supplies, only from suppliers approved or designated by Franchisor from time to time in writing and/or in the Operations Manual.

3.E. SYSTEM SUPPLIES

Franchisee shall exclusively purchase and use the System Supplies in the operations of the Franchised Business. Franchisee shall exclusively purchase the System Supplies from the supplier and/or suppliers and vendor and/or vendors designated by Franchisor from time to time. Franchisee acknowledges and agrees that control over the nature, quality, branding and source of the System Supplies is critical to the System and that irrespective of the availability of substitute products, supplies, equipment and/or sources of supply, Franchisee shall only purchase and use the System Supplies as designated by Franchisor and only from those suppliers designated and approved by Franchisor. Franchisee agrees that in many instances Franchisor and/or Franchisor's affiliates may be and/or may become the sole and exclusive supplier of the System Supplies.

3.F. BUSINESS MANAGEMENT SYSTEM

Franchisee shall exclusively use the Business Management System or systems designated by Franchisor, in Franchisor's Reasonable Business Judgment, and as may be modified, supplemented or replaced by Franchisor from time to time. Franchisee shall purchase, license and maintain such Business Management System and/or systems from Franchisor and/or such third party suppliers designated by Franchisor. Franchisor, in Franchisor's Reasonable Business Judgment, may require that Franchisee's license, and use of the Business Management System occur through accounts registered to Franchisor, controlled by Franchisor, or licensed through Franchisor. At all times, Franchisee shall provide and grant Franchisor with unlimited and uninterrupted direct internet-based and/or remote access to the Business Management Systems of the Franchised Business. At all times, Franchisee shall pay and be responsible for all fees associated with the Business Management Systems including, but not limited to, initial and on-going license fees. Supplementing and, without limitation to the foregoing, Franchisee agrees that:

(1) The Business Management System will contain proprietary and confidential information owned by Franchisor and related to the System;

(2) The Business Management System shall be exclusively used by Franchisee in connection with the operations of the Franchised Business, in accordance with the terms of this Agreement, and the standards and specifications set forth by Franchisor in the Operations Manual;

(3) As between Franchisee and Franchisor, Franchisor is and shall be the exclusive owner of the Business Management System Data, except that Franchisee shall store and maintain such data in accordance with all applicable local, state and federal privacy, data collection and solicitation laws. Upon expiration or termination of this Agreement for any reason, Franchisee shall preserve and maintain the Business Management System data for the purpose of transferring such data to Franchisor;

(4) At all times, Franchisee shall provide and permit Franchisor to maintain direct and independent access to the Business Management System and the Business Management System Data and to duplicate and evaluate the data;

(5) Franchisee shall upgrade, replace and modify the Business Management System at the request of Franchisor and in accordance with Franchisor's written instructions;

(6) Other than permitting access to employees of the Franchised Business for the purpose of conducting the authorized operations of the Franchised Business, Franchisee shall not permit or allow any third party to access, use or duplicate the Business Management System or, the Business Management System Data;

(7) Franchisee shall keep and maintain the Business Management System and the Business Management System Data as secret and confidential and, Franchisee shall maintain security precautions to maintain the confidentiality of the Business Management System and the Business Management System Data; and

(8) In no event shall Franchisor be liable to Franchisee for any damages, including any lost profits, lost savings, or other incidental or consequential damages, relating to Franchisee's use or, Franchisee's inability to use, the Business Management System even if Franchisor has been advised of the possibility of such damages, or for any claim by any other party including the software manufacturer. The foregoing limitations of liability are intended to apply without regard to whether other provisions of the Agreement have been breached or proven ineffective.

3.G. DIGITAL MEDIA, SYSTEM WEBSITE AND TELEPHONE NUMBERS

Franchisee acknowledges the significance of Digital Media to the System and necessity for Franchisor's control over Digital Media. As between Franchisor and Franchisee, Franchisor is the absolute owner of the Digital Media, and nothing contained in this Agreement grants to Franchisee any ownership interest in or to the Digital Media. Franchisee shall not use, access or open accounts regarding or related to Digital Media unless expressly approved by Franchisor in writing which approval Franchisor may withhold, condition or limit as determined by Franchisor in Franchisor's Reasonable Business Judgment and which approval, if given, shall be limited to the marketing and promotion of the Franchised Business in accordance with Franchisor's standards and specifications. Upon expiration or termination of this Agreement for any reason, any prior authorization by Franchisor as to Franchisee's right to use the Digital Media and/or otherwise as to any rights of Franchisee in or to the Digital Media shall be automatically terminated and, at Franchisor's election, the right to any and all accounts and/or sites (if any) associated with Digital Media utilized by Franchisee shall be transferred to Franchisor. Under no circumstance shall Franchisee utilize the Digital Media for purposes of or with the effect of libeling or disparaging another nor shall Franchisee violate any copyrights – as to such actions as between Franchisee and any third party, Franchisee is exclusively responsible for disparagement, libel and/or copyright infringement if Franchisee published and/or caused such content to be published.

Franchisee agrees that Digital Media and/or Published Content, if permitted by Franchisor, must be approved by Franchisor prior to publication or use in any form. Digital Media and Published Content that is approved by Franchisor or that otherwise is acceptable to Franchisor as meeting Franchisor's standards shall be owned by Franchisor. As between Franchisor and Franchisee, any and all interest and right in or to the Digital Media and/or Published Content shall, at all times, be and is the exclusive property of Franchisor both during the Term of this Agreement and upon the expiration or termination of this Agreement. Franchisee agrees that the System Website and all improvements and modifications made to the System Website, Digital Media, and Published Content is and shall be the exclusive property of Franchisor. During the Term of this Agreement and subject to Franchisee's compliance with the terms and conditions of this Agreement, the System Website, shall include information related to the Franchised Business as shall be determined and designated by Franchisor in Franchisor's Reasonable Judgment. Franchisee agrees that in the event of the termination of this Agreement, for any reason, that the accounts related to all telephone numbers associated with the Franchised Business and all rights in and to the telephone numbers associated with the Franchised Business, shall, at Franchisor's election, be transferred to Franchisor.

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Without limitation to the foregoing, Franchisee shall, upon the request of Franchisor, execute and deliver to Franchisor the Assignment of Telephone Numbers and Digital Media Accounts attached to this Agreement as Exhibit 3. Upon the request of Franchisor, Franchisee shall execute, update, and/or re-execute the Assignment of Telephone Numbers and Digital Media agreement upon the request of Franchisor. As between Franchisor and all third parties, Franchisee does hereby represent and acknowledge that such third party is authorized to rely on the Assignment of Telephone Numbers and Digital Media agreement, irrespective of any dispute and/or controversy between Franchisor and Franchisee and irrespective of any contrary instructions of Franchisee. Franchisor may, in its Reasonable Business Judgment, limit the required assignment to Telephone Numbers and Digital Media that are solely related to the Franchised Business and may exclude personal telephone numbers and digital media accounts that are personal to Franchisee.

3.H. RELOCATION

To the extent that Franchisee wishes to relocate Franchisee's Administrative Office, Franchisee must obtain Franchisor's prior written consent which shall not be unreasonably withheld provided that Franchisee is in compliance with the terms and conditions of this Agreement and, provided that the new location and/or facility meets Franchisor's then current standards and specifications.

ARTICLE 4
TRAINING AND OPERATING ASSISTANCE

4.A. INITIAL TRAINING, SUPPLEMENTAL TRAINING AND SYSTEM-WIDE TRAINING

(1) Within 45 days of the earlier of the Scheduled Business Commencement Date or the Actual Business Commencement Date, Franchisee's Primary CMO must complete, to Franchisor's satisfaction, Franchisor's initial training program (the "Training Program"). Franchisor will provide Franchisee, comprised of the Primary CMO, with Franchisor's Training Program. If Franchisee would like an Associate CMO to attend the initial Training Program, subject to Franchisor's approval, Franchisee shall pay to Franchisor an additional fee of $2,000 per additional person attending Initial Training (the "Additional Initial Training Fee"). Additional Initial Training Fees shall be pre-paid in advance of training and upon submission of invoice by Franchisor to Franchisee.

Prior to opening and commencing the operations of the Franchised Business, the Primary CMO and other personnel as designated or determined by Franchisor, must attend and successfully complete the Training Program designated by Franchisor. The training may include classroom and on-the-job instruction at a location or facility designated by Franchisor, and/or, at the election of Franchisor and as determined by Franchisor, in Franchisor's Reasonable Business Judgment, may be conducted remotely through online web-based conferencing. Following completion of the initial Training Program, Franchisee shall be responsible for the ongoing training of Franchisee's employees, staff and all other employees of the Franchised Business. Said on-going training must conform to Franchisors standards and specifications. The Training Program shall be structured, configured and established by Franchisor from time to time. The Training Program may be structured so that it is offered and completed by Franchisee in various phases.

(2) Franchisee or, if Franchisee is a Corporate Entity, Franchisee's Primary CMO and Manager, at Franchisee's sole cost and expense, must attend and successfully complete all refresher training courses or system-wide training courses, additional training programs and seminars as Franchisor periodically may designate or offer in Franchisor's Reasonable Business Judgment. Franchisor provides instructors and training materials for those programs and seminars, but Franchisor reserves the right to assess Franchisee reasonable charges for such training. Franchisee is responsible for all expenses Franchisee and Franchisee's employee incurs in connection with attendance and

participation in these programs and seminars, including, without limitation, the cost of transportation, lodging, meals and any salaries and other wages.

(3) Franchisee shall pay all costs and expenses incurred by Franchisee and, those attending training on behalf of Franchisee, in connection with Franchisee's participation in all Training Programs and, satisfaction of Franchisee's Training Program obligations as designated by Franchisor.

(4) Subject to Franchisor's approval and agreement, Franchisor may offer supplemental training to Franchisee at Franchisee's Administrative Office, or, as elected by Franchisor, remotely through online web-based conferencing (hereinafter referred to as "Supplemental Training"). Franchisor, in Franchisors Reasonable Business Judgment, reserves the right to reject or approve of any request by Franchisee for Supplemental Training. If Franchisor does agree to offer and provide Supplemental Training, Franchisee shall pay to Franchisor a supplemental training fee at the rate of $500 per trainer per day plus, if applicable, reimbursement of travel and hotel accommodation expenses incurred by Franchisor (the "Supplemental Training Fee"). Franchisee agrees that in each instance where, in Franchisor's Reasonable Business Judgment, determines that Franchisee is not satisfying and/or meeting Franchisor's operational standards, then, Franchisor may require that Franchisee, and/or, as applicable, Franchisee's Primary CMO participate in and, successfully complete, Supplemental Training pay the Supplemental Training Fees designated by Franchisor. Supplemental Training Fees shall be pre-paid in advance of training and upon submission of invoice by Franchisor to Franchisee.

(5) Franchisor, in Franchisor's Reasonable Business Judgment must approve of all individuals attending and participating in the Training Program and all Supplemental Training programs. All participants in the Training Program must qualify as either an Owner or Primary CMO and, prior to training, among other things, must have executed the Franchise Owner and Spouse Agreement and Guaranty or the Confidentiality Agreement, respectively.

4.B. OPERATING ASSISTANCE

From time to time and as determined by Franchisor, in Franchisor's Reasonable Business Judgment, Franchisor shall advise Franchisee of those applicable standards, procedures and System requirements concerning the Franchised Business. Operating assistance may, as determined by Franchisor, in Franchisor's sole discretion, consist of:

(1) Establishing and communicating systems and procedures related to the development and operation of the Franchised Business;

(2) Establishing and communicating Approved Services and Products and, as applicable and as determined by Franchisor, modifications, if any, to the Approved Services and Products including, but not limited to, additions, deletions, and/or changes to the Approved Services and Products;

(3) Designating and communicating System Supplies and, as applicable and as determined by Franchisor, modifications, if any, to the System Supplies including, but not limited to, additions, deletions, and/or changes to the System Supplies;

(4) Designating and communicating approved and designated suppliers of the Franchised Business and, as applicable and as determined by Franchisor, modifications, if any, to approved and designated suppliers including, but not limited to, additions, deletions, and/or changes to the approved and designated suppliers;

(5) Establishing and communicating marketing and brand standards related to the promotion of the Franchised Business;

(6) Approving or disapproving of Franchisee requests related to marketing materials and Digital Media that may be used to market the Franchised Business; and

(7) Establishing and communicating System standards and requirements in the form of the Operations Manual and, as Franchisor, in Franchisor's sole discretion.

4.C. OPERATIONS MANUAL

Franchisor shall provide Franchisee with access to the Operations Manual. The Operations Manual contains, as designated and determined by Franchisor, mandatory and, as applicable, suggested specifications, standards and operating procedures that Franchisor prescribes for yorCMO Businesses. Franchisee shall operate the Franchised Business in strict accordance with the standards, specifications, and requirements set forth in the Operations Manual as, such standards, specifications, and requirements including, but not limited to, the Approved Services and Products, System Supplies, and, authorized and designated suppliers, as of the Effective Date of this Agreement, and, as they may be supplemented, modified, changed, and/or replaced in the future and, from time to time, by Franchisor, in Franchisor's Reasonable Business Judgment. Franchisee shall keep and maintain the confidentiality of the Operations Manual and, shall keep and maintain all files, data and information contained in the Operations Manual in a secure location and/or in a protected confidential state and, as otherwise directed by Franchisor. The master copy and official version of the Operations Manual is and shall be the copy and/or version maintained and designated by Franchisor in Franchisor's ordinary course of business.

Franchisor shall provide Franchisee with reasonable notice of modifications and changes made to the Operations Manual and, such notice may take the form of electronic communications including emails and, if the Operations Manual is maintained on an online web-based platform, notifications within said platform. Franchisor shall provide Franchisee with a reasonable period of time, as determined by Franchisor, in Franchisor's Reasonable Business Judgment, to implement change and modifications to the as set forth in the Operations Manual. Without limitation to the foregoing, Franchisee may only offer and sell the Approved Services and Products and utilize the System Supplies as designated by Franchisor, in Franchisor's Reasonable Business Judgment, in the Operations Manual and, in accordance with the terms, specifications and requirements set forth in the Operations Manual and as Franchisor may supplement and modify the Operations Manual from time to time or, as Franchisor may otherwise designate in writing.

ARTICLE 5
FEES

5.A. INITIAL FRANCHISE FEE

Upon execution of this Agreement, in the event Franchisee chooses and is otherwise approved by Franchisor to operate a Solo yorCMO, Franchisee shall pay to Franchisor a non-recurring initial franchisee fee of $17,000. Upon execution of this Agreement, in the event Franchisee chooses and is otherwise approved by Franchisor to operate a Firm yorCMO, Franchisee shall pay to Franchisor a non-recurring initial franchisee fee of $67,000. The Solo yorCMO initial franchise fee and the Firm yorCMO initial franchise fee are collectively referred to as the "Initial Franchise Fee." The Initial Franchise Fee is fully earned by Franchisor upon execution of this Agreement and is not refundable.

Additional Franchise Agreements: This Agreement does not grant to Franchisee the right to enter into additional yorCMO Business Franchise Agreements, additional franchise rights or, right of first refusal.

In addition to the Initial Franchise Fee, a Franchisee who has elect to operate either a Solo yorCMO or Firm yorCMO Business shall pay a non-recurring initial training fee (the "Initial Training Fee"). The Initial Training Fee for a Solo yorCMO Business is equal to an amount of $15,000 and the Initial Training Fee for a Firm yorCMO Business is equal to an amount of $30,000. The Initial Training Fee is fully earned by

Franchisor upon execution of this Agreement and is not refundable, even if Franchisee does not complete the initial training program.

5.B. ROYALTY FEES

Royalty Fees: Throughout the Term of this Agreement, Franchisee shall pay to Franchisor a continuing non-refundable royalty fee (the "Royalty Fee"). If Franchisee elects to develop and operate a Solo yorCMO Business or a Firm yorCMO Business, as designated and set forth in Schedule 1 of this Agreement, the Royalty Fee shall be equal to a percentage of Franchisee's Gross Sales (the "Royalty Rate"). If Franchisee elects to develop and operate a Solo yorCMO Business Franchisee shall pay to Franchisor a Royalty Fee in an amount equal to 7% of Franchisee's Gross Sales. If Franchisee elects to develop and operate a Firm yorCMO Business Franchisee shall pay to Franchisor a Royalty Fee in an amount equal to 5% of Franchisee's Gross Sales.

Payment and Due Date: The Royalty Fee shall be due and payable upon receipt of Gross Sales by Franchisor or Franchisee. Franchisee acknowledges and agrees that, if designated by Franchisor, that all Gross Sales shall be transmitted directly to Franchisor, that Franchisee shall cause all Gross Sales to be transmitted directly to Franchisor, and, that in each and every instance, before remitting the proceeds of such Gross Sales to Franchisee, that Franchisor, is authorized to pre-deduct Royalty Fees and all other obligations and/or payments payable to Franchisor and/or Franchisor's affiliates under the terms of this Agreement and, to remit the net balance to Franchisee.

Tax Obligations: If any federal, state or local tax, other than an income tax, is imposed on the Royalty Fee paid by Franchisee to Franchisor that, Franchisor cannot directly and, dollar for dollar, offset against taxes required to be paid by Franchisor under any applicable federal or state laws, Franchisee must compensate Franchisor in the manner prescribed by Franchisor so that the net amount or net rate received by Franchisor for the Royalty Fee is not less than that which has been established by this Agreement and which was due to Franchisor on the effective date of this Agreement.

Payment Authorization: Upon the request of Franchisor and in no event not later than 30 days prior to the Commencement Date, Franchisee shall execute Franchisor's designated ACH Authorization Form and such other authorization agreements, in the form proscribed by Franchisor and permitting Franchisor's direct withdrawal and/or electronic transfer of sums from Franchisee's designated business bank account, for the on-going payment of Royalty Fees and, all other fees and sums due from Franchisee under this Agreement. As of the Effective Date, Franchisor's current ACH Authorization Form that must be executed and complied with by Franchisee is attached to this Agreement as Exhibit 4. Franchisor may require Franchisee to pay the Royalty Fees, and, other amounts due under this Agreement by means other than ACH and/or automatic debit whenever Franchisor deems appropriate, and Franchisee agrees to comply with Franchisor's payment instructions.

5.C. OTHER FEES

As designated by Franchisor in this Agreement, the Operations Manual, or otherwise, Franchisee shall pay to Franchisor and/or as otherwise directed by Franchisor, each of the following additional fees:

(1) Technology Fee – Throughout the Term of this Agreement, Franchisee shall pay to Franchisor a continuing monthly non-refundable technology fee (the "Technology Fee"). Franchisor, in Franchisor's Reasonable Business Judgment, possesses the right, at any and all times throughout the Term of this Agreement, to implement and charge Franchisee a monthly Technology Fee in an amount designated by Franchisor but provided that such monthly fee does not exceed $150 per month. The Technology Fee is a general administrative fee and is not connected to any particular service. The Technology Fee shall be paid to Franchisor each and every month on the Due Date.

(2) Sales and Marketing Fund Fee – Franchisee shall pay to Franchisor, Franchisor's affiliates, or

Franchisor's designees the Sales and Marketing Fund Fee as set forth in Article 9.A. of this Agreement. The Sales and Marketing Fund Fee shall be paid by Franchisee if Franchisee operates a Solo yorCMO Business or a Firm yorCMO Business under this Agreement. If Franchisee operates a Lite yorCMO Business under this Agreement, Franchisee shall not be required to pay the Sales and Marketing Fund Fee as set forth in Article 9.A. of this Agreement.

(3) Client Audit Support Fee – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees the non-refundable client audit support fee (the "Client Audit Support Fee") of up to $6,000 for each client of Franchisee. The Client Audit Support Fee shall be due and payable to Franchisor upon a client's payment. The Client Audit Support Fee may increase but not more than 10% year over year. The Client Audit Support Fee shall be paid by Franchisee if Franchisee operates a Solo yorCMO Business or a Firm yorCMO Business under this Agreement. If Franchisee operates a Lite yorCMO Business under this Agreement, Franchisee shall not be required to pay the Client Audit Support Fee.

(4) Client Foundation Support Fee – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees the non-refundable client foundation support fee (the "Client Foundation Support Fee") of up to $8,500 for each client of Franchisee. The Client Foundation Support Fee shall be due and payable to Franchisor upon a client's payment. The Client Foundation Support Fee may increase but not more than 10% year over year. The Client Foundation Support Fee shall be paid by Franchisee if Franchisee operates a Solo yorCMO Business or a Firm yorCMO Business under this Agreement. If Franchisee operates a Lite yorCMO Business under this Agreement, Franchisee shall not be required to pay the Client Foundation Support Fee.

(5) Monthly Client Support Fee – Throughout the Term of this Agreement, Franchisee shall pay to Franchisor a continuing monthly non-refundable client support fee (the "Client Support Fee") of up to $2,500 per month per client of Franchisee. The Client Support Fee shall be paid to Franchisor each and every month on the Due Date. The Client Support Fee may increase but not more than 10% year over year. The Monthly Client Support Fee shall be paid by Franchisee if Franchisee operates a Solo yorCMO Business or a Firm yorCMO Business under this Agreement. If Franchisee operates a Lite yorCMO Business under this Agreement, Franchisee shall not be required to pay the Monthly Client Support Fee.

(6) Success Fee – Throughout the Term of this Agreement, Franchisee shall pay to Franchisor a continuing non-refundable success fee (the "Success Fee") which shall be an amount up to 30% of Franchisee's Gross Sales for every client referred to Franchisee by Franchisor and/or the Practice Development Support. The Success Fee shall be paid by Franchisee if Franchisee operates a Solo yorCMO Business or a Firm yorCMO Business under this Agreement. If Franchisee operates a Lite yorCMO Business under this Agreement, Franchisee shall not be required to pay the Success Fee.

(7) Associate CMO Training – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees the non-refundable Associate CMO training fee (the "Associate Training Fee") of $2,000 for each Associate CMO that requires training.

(8) Annual Conference Fees – Franchisee shall be responsible for all expenses of its personnel attending the Annual System Conference including travel, meals and lodging. Franchisee shall be required to pay to Franchisor an Annual Conference Attendance Fee. **Franchisee agrees that if Franchisee fails to attend the Annual System Conference that Franchisor shall, nevertheless, charge and Franchisee shall pay the Annual Conference Attendance Fee – even if Franchisor waives such fee for franchisees who attend the Annual System Conference.**

(9) Marketing Virtual Professional (MVP) Fee – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees a marketing virtual professional (MVP) fee (the "Marketing Virtual Professional Fee") of up to $2,500 for initial set up and onboarding of the MVP and between $750 to $1,500 per month for ongoing MVP support.

(10) Solo to Firm yorCMO Business Upgrade Fee – If, during the Term of this Agreement, for a Solo yorCMO Business, Franchisee wishes to upgrade to a Firm yorCMO Business, Franchisee shall pay to Franchisor a non-refundable upgrade fee of $50,000 (the "Upgrade Fee"). Prior to upgrading, Franchisee must maintain at least one client for a period that is not less than a consecutive six-month period, be in compliance with the terms and conditions of this Agreement, and obtain Franchisor's prior approval.

(11) Solo to Firm yorCMO Business Upgrade Initial Training Fee – If, during the Term of this Agreement, for a Solo yorCMO Business, Franchisee elects to upgrade to a Firm yorCMO Business and Franchisor approves Franchisee to upgrade to a Firm yorCMO Business, in addition to the Upgrade Fee, Franchisee must also pay to Franchisor a non-refundable Solo to Firm yorCMO upgrade initial training fee (the "Solo to Firm yorCMO Upgrade Initial Training Fee") in the amount of $15,000 to attend the initial training for a Firm yorCMO Business. The Solo to Firm yorCMO Upgrade Initial Training Fee is fully earned by Franchisor upon payment.

(12) Client Project Support Fee – Franchisee shall pay to Franchisor the client project support fee (the "Client Project Support Fee"), which is equal to a percentage of Franchisee's Gross Sales for each new yorCMO client that engages Franchisee in a project that requires Franchisor's short-term engagement, but does not include a client audit or foundation and is used, at Franchisor's discretion, to defray Franchisor's costs related to the support provided by Franchisor for the project. The Client Project Support Fee for a Solo yorCMO or Firm yorCMO Business is equal to 20% of Franchisee's Gross Sales. The Client Project Support Fee shall be due and payable to Franchisor upon a client's payment.

(13) CMO for a Day Service Fee – Franchisee shall pay to Franchisor the CMO for a day service fee (the "CMO for a Day Service Fee"), which is equal to a percentage of Franchisee's Gross Sales for each new yorCMO client that engages Franchisee in a project that requires a one or two and a half day commitment to offer strategic marketing guidance, but does not include a client audit or foundation and is used, at Franchisor's discretion, to defray Franchisor's costs related to the support provided by Franchisor for the project. The CMO for a Day Service Fee for a Solo yorCMO or Firm yorCMO Business is equal to 20% of Franchisee's Gross Sales. The CMO for a Day Service Fee shall be due and payable to Franchisor upon a client's payment.

(14) Monthly Advisory and Mentoring Service Fee – Franchisee shall pay to Franchisor the monthly advisory and mentoring service fee (the "Monthly Advisory and Mentoring Service Fee"), which is equal to 50% of Franchisee's Gross Sales for a Solo yorCMO or Firm yorCMO Business for each new yorCMO client that engages Franchisee in a project that requires access to ongoing marketing leadership through quarterly strategic planning, monthly mentoring and advertisement sessions and ongoing guidance, but does not include a client audit or foundation and is used, at Franchisor's discretion, to defray Franchisor's costs related to the support provided by Franchisor for the project.

(15) Firm yorCMO Business Commissions – If Franchisee elects to develop and operate a Firm yorCMO Business, as designated and set forth in Schedule 1 of this Agreement, and is not in default of this Agreement, Franchisee shall be entitled to certain commissions for any person or entity that Franchisee solicits, screens, recruits, trains, and supports and enters into a yorCMO franchise agreement and remains in good standing (a "Qualifying Franchisee") or enters into a yorCMO

license agreement and remains in good standing (a "Qualifying Licensee"). The commissions include the following:

(a) Franchise Fee Commission – For each Qualifying Franchisee that Franchisor authorizes and approves for development and operation, Franchisor shall pay to Franchisee a one-time payment in an amount equal to 30% of the net initial net franchise fee that is unconditionally paid to Franchisor and received by Franchisor (the "Franchise Fee Commission");

(b) License Fee Commission – For each Qualifying Licensee that Franchisor authorizes and approves to serve as a CMO of a Firm yorCMO Business franchisee, Franchisor shall pay to Franchisee a one-time payment in an amount equal to 30% of the net license fee that is unconditionally paid to Franchisor and received by Franchisor (the "License Fee Commission");

(c) Royalty Commission – For each Qualifying Franchisee that Franchisor authorizes and approves for development and operation, Franchisor shall pay to Franchisee 30% of the net royalty fees paid to Franchisor by each Qualifying Franchisee with an authorized yorCMO Business (the "Royalty Commission"). Franchisee will not receive any Royalty Commissions for a yorCMO Business owned and operated by Franchisee or an affiliated person or Corporate Entity of Franchisee;

(d) Training Fee Commission – For each Qualifying Franchisee that Franchisor authorizes and approves for development and operation, Franchisor shall pay to Franchisee a one-time payment in an amount equal to 30% of the net initial training fee paid to Franchisor by a Qualifying Franchisee that is unconditionally paid to Franchisor and received by Franchisor (the "Training Fee Commission"). Franchisee will not receive any Training Fee Commissions for a yorCMO Business owned and operated by Franchisee or an affiliated person or Corporate Entity of Franchisee;

(e) Audit Support Fee Commission – For each Qualifying Franchisee that Franchisor authorizes and approves for development and operation where Franchisee directly provides the Qualifying Franchisee support on the audit of the respective Qualifying Franchisee's yorCMO Client, Franchisor shall pay to Franchisee 50% of the net client audit support fee paid to Franchisor by each Qualifying Franchisee (the "Audit Support Fee Commission"). If Franchisee does not directly provide the support on the audit provided to the Qualifying Franchisee, Franchisee is not entitled to receive the Audit Support Commission. Franchisee will not receive any Audit Support Fee Commissions for a yorCMO Business owned and operated by Franchisee or an affiliated person or Corporate Entity of Franchisee; and

(f) Foundation Support Fee Commission – For each Qualifying Franchisee that Franchisor authorizes and approves for development and operation where Franchisee directly provides the Qualifying Franchisee support on the foundation session of the respective Qualifying Franchisee's yorCMO Client, Franchisor shall pay to Franchisee 50% of the net client foundation support fee paid to Franchisor by each Qualifying Franchisee (the "Foundation Support Fee Commission"). If Franchisee does not directly provide the support on the foundation session, Franchisee is not entitled to receive the Foundation Support Fee Commission. Franchisee will not receive any Foundation Support Fee Commission for a yorCMO Business owned and operated by Franchisee or an affiliate person or Corporate Entity of Franchisee.

(16) Firm yorCMO Licensee Service Commission Fee – If, during the Term of this Agreement, for

a Firm yorCMO Business, Franchisee elects to engage and hire an individual who is an independent contractor with the license to use the yorCMO Licensed Marks and Approved Services and Products authorized by Franchisor under a Franchisee's Firm yorCMO Business (a "Licensee yorCMO"), Franchisee will be required to pay the Licensee yorCMO a Firm yorCMO licensee service commission fee (the "Firm yorCMO Licensee Service Commission Fee"). The Firm yorCMO Licensee Service Commission Fee is 75% of the net Sales generated from all clients serviced by the Licensee yorCMO Franchisee engaged to provide the Approved Services and Products to a client of Franchisee's Firm yorCMO Business. The Firm yorCMO Licensee Service Commission Fee shall be due and payable to Franchisor upon a client's payment.

(17) All Other Fees and Obligations Set Forth in this Agreement – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees all other fees, charges, and/or expenses set forth in this Agreement and in accordance with the terms of this Agreement. If no particular due date is stated in this Agreement, then such date or dates shall be determined by Franchisor in Franchisor's Reasonable Business Judgment.

5.D. PAYMENT NON-COMPLIANCE FEES AND CHARGES

In addition to all other rights afforded to Franchisor under this Agreement, in connection with each and every fee, charge, and/or obligation payable and due from Franchisee to Franchisor under the terms of this Agreement including, but not limited to, this Article 5, within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor: (a) a payment non-compliance fee in the amount of $150 (the "Payment Non-Compliance Fee") for each and every instance where a fee, charge, and/or obligation payable to Franchisor under this Agreement is not paid in full when due; plus (b) Interest on all unpaid fees, sums, and/or obligations payable and due from Franchisee to Franchisor at an interest rate equal to the lesser of either 18% per annum, or the maximum interest rate allowed by applicable law and with interest accruing on the date when such fee, sum, or obligation was due; plus (c) all costs incurred by Franchisor in the collection of such unpaid and past due obligations including, but not limited to, reasonable attorney's fees, costs, and expenses. Additionally, if Franchisee's bank account possesses insufficient funds and/or fails to process a payment related to any fee due to Franchisor, Franchisor may charge the greater of either (i) $50 for each instance; or (ii) the maximum amount allowed by law. The foregoing does not constitute Franchisor's agreement to accept payments after they are due or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's operation of the Franchised Business. Nothing contained in this Article 5.D. shall be interpreted as interfering with and/or negating Franchisor's rights and remedies as set forth in Article 16 and, as otherwise set forth in this Agreement. All rights and remedies of Franchisor are cumulative and shall be interpreted as cumulative to one another.

5.E. APPLICATION OF PAYMENTS

Franchisor has sole discretion to apply any payments received from Franchisee or to offset any indebtedness of Franchisee to Franchisor to any past due indebtedness of Franchisee for Royalty Fees, Advertising Contributions, purchases from Franchisor or its affiliates, interest or any other indebtedness of Franchisee to Franchisor or its affiliates.

5.F. WITHHOLDING PAYMENTS UNLAWFUL

Franchisee agrees that under no circumstance is Franchisee entitled to withhold payments due to Franchisor under this Agreement. Among other things and without limitation to the foregoing, Franchisee expressly agrees that any claim by Franchisee as to the alleged non-performance of Franchisor's obligations shall not permit and/or entitle Franchisee to withhold payments due Franchisor under this Agreement.

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ARTICLE 6
RESTRICTIVE COVENANTS AND OBLIGATIONS

6.A. NECESSITY FOR RESTRICTIVE COVENANTS

Franchisee agrees that only through the course of entering into this Agreement is Franchisee being provided with access to the System, Franchisor's training, use of the Licensed Marks and, access to the Operations Manual and Confidential Information. Franchisee agrees that competition by Franchisee, Owners, Spouses and/or Immediate Family Members could jeopardize the entire System and cause irreparable harm to Franchisor and franchisees of yorCMO Businesses. Accordingly, Franchisee and Franchisee's Owners and, Spouses, agree to comply with the restrictive covenants set forth in this Article 6 and throughout this Agreement.

6.B. RESTRICTIVE COVENANTS: KNOW-HOW

Franchisee agrees that, at all times, both during the Term of this Agreement and, after its expiration or termination, Franchisee: (a) shall not use the Know-How in any business or capacity other than the operation of the Franchised Business pursuant to this Agreement and as instructed by Franchisor; (b) shall maintain the confidentiality of the Know-How at all times; (c) shall not make unauthorized copies of documents containing any Know-How; (d) shall take all reasonable steps that Franchisor requires from time to time to prevent unauthorized use or disclosure of the Know-How; and (e) shall stop using the Know-How immediately upon the expiration, termination or Transfer of this Agreement. Franchisee agrees that the foregoing covenants and obligations shall also apply to: (a) Franchisee's Owners and Spouses and, that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1; and (b) Franchisee's directors, officers, employees and agents where disclosure of the Know-How was necessary for the operations of the Franchised Business and where such director, officer, employee and/or agent previously executed and timely delivered to Franchisor the Confidentiality Agreement in the form attached as Exhibit 2.

6.C. RESTRICTIVE COVENANTS: CONFIDENTIAL INFORMATION

Franchisee agrees that, at all times, both during the Term of this Agreement and, after its expiration or termination, Franchisee: (a) shall not use the Confidential Information in any business or capacity other than the yorCMO Business operated by Franchisee; (b) shall maintain the confidentiality of the Confidential Information at all times; (c) shall not make unauthorized copies of documents containing any Confidential Information; (d) shall take such reasonable steps as Franchisor may ask of Franchisee from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (e) shall stop using the Confidential Information immediately upon the expiration, termination or Transfer of this Agreement. Franchisee agrees that the foregoing covenants and obligations shall also apply to: (a) Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1; and (b) Franchisee's directors, officers, employees and agents where disclosure of the Confidential Information was necessary for the operations of the Franchised Business and where such director, officer, employee and/or agent previously executed and timely delivered to Franchisor the Confidentiality Agreement in the form attached as Exhibit 2.

6.D. RESTRICTIVE COVENANTS: UNFAIR COMPETITION AND IN-TERM NON-COMPETITION OBLIGATIONS

Franchisee agrees that during the Term of this Agreement, Franchisee shall not engage in the following activities (the "Prohibited Activities"): (a) owning and/or having any legal or equitable interest whether, as an individual proprietor, owner, partner, member or shareholder of a Corporate Entity, or, in any similar capacity, in a Competitive Business other than, owning an interest of 3% or less in a publicly traded company that is a Competitive Business; (b) operating, managing, funding and/or performing services whether, as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or, in

any similar capacity, for or benefitting a Competitive Business; (c) solicit, diverting or attempting to divert any business or any yorCMO Client from Franchisor or, one of Franchisor's affiliates, licensees, or franchisees; (d) inducing any client of Franchisor, Franchisor's affiliates, franchisees of the System, or, of Franchisee, to any other person or business that is not a yorCMO Business; and/or (e) engaging in any actions, inactions, and/or activities in violation of Articles 6.B. and/or 6.C. of this Agreement (all, individually and, collectively, referred to as the "Prohibited Activities"). Franchisee agrees that if Franchisee were to engage in the Prohibited Activities that such actions would be unfair, would constitute unfair competition and, would cause harm to Franchisor, the System and other yorCMO Business franchisees. Franchisee agrees that the foregoing covenants and obligations shall also apply to Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1.

6.E. RESTRICTIVE COVENANTS: UNFAIR COMPETITION AND POST-TERMINATION NON-SOLICITATION OBLIGATIONS

Franchisee agrees that during the Post-Term Restricted Period, Franchisee shall not (i) knowingly engage in any activity to solicit, encourage, or induce any yorCMO Client to commence doing business with Franchisee or any affiliated person or entity of Franchisee; and/or (ii) solicit, divert, take away, or interfere with any employee, vendor, potential franchisees, clients, clients, contractors, trade or patronage of Franchisor or any affiliated person or entity of Franchisor. Notwithstanding the foregoing, upon transfer, expiration or termination of this Agreement, Franchisee may buyout the ability to continue to service a yorCMO Client of the Franchised Business, provided that Franchisee (i) pay Franchisor an amount equal to the highest Gross Sales amount achieved by the yorCMO Client in any calendar month within the prior 12 month period, multiplied by 6 per yorCMO Client Franchisee wishes to continue to provide services to ("Client Buyout Payment"); (ii) pay Franchisor all outstanding balances owed prior to the transfer, termination or expiration of this Agreement; and (iii) remains in compliance of the in term and post-term covenants and obligations of this Agreement. Franchisee agrees that the foregoing covenants and restrictions shall also apply to Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1. Franchisee agrees that the covenants and restrictions set forth in this Article 6.E. and, otherwise in this Article 6, are fair and reasonable and, that if Franchisee engaged in any Prohibited Activity that such actions would constitute acts of unfair competition, causing irreparable harm to Franchisor and the System.

6.F. IMMEDIATE FAMILY MEMBERS

Franchisee agrees that should Franchisee circumvent the restrictive covenants and obligations of this Article 6 by disclosing Confidential Information to an Immediate Family Member that Franchisor and, the System, will be irreparably harmed. Franchisee agrees that if Franchisee or, one of Franchisee's Owners, discloses Confidential Information to an immediate family member and, the immediate family member of Franchisee or an Owner, uses the Confidential Information to engage in activities that, for Franchisee, qualify as Prohibited Activities, that Franchisor and the System will be irreparably harmed. Franchisee agrees that as between Franchisee and Franchisor, that Franchisee and Franchisee's Owners are in a better position to know if Franchisee permitted and/or provided an immediate family member with access to the Confidential Information and that, therefore, Franchisee agrees that Franchisee will be presumed to have violated the terms of this Agreement and, in particular, the restrictive covenants and obligations set forth in this Article 6 if any member of Franchisee's immediate family or the immediate family of an Owner: (a) engages in any Prohibited Activities during any period of time during which Franchisee is prohibited from engaging in the Prohibited Activities; and/or (b) uses or discloses the Confidential Information and/or Know-How. Franchisee may rebut the foregoing presumption by providing evidence conclusively demonstrating that neither Franchisee nor Franchisee's Owners disclosed the Confidential Information and, did not permit disclosure of the Confidential Information to the family member of Franchisee or Franchisee's Owner. Franchisee agrees that the foregoing covenants, obligations, representations and burden of proof shall also

apply to Franchisee's Owners and Spouses and, that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1.

6.G. REASONABLENESS OF RESTRICTIVE COVENANTS AND OBLIGATIONS

Franchisee agrees that: (a) the terms of this Article 6 are reasonable both in time and in scope of geographic area; and (b) Franchisee has sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Article 6. **Franchisee hereby waives any right to challenge the terms of this Article 6 as being overly broad, unreasonable or otherwise unenforceable.** Although Franchisee and Franchisor both believe that the restrictive covenants and obligations of this Article 6 to be reasonable in terms of scope, duration and geographic area, Franchisor may at any time unilaterally modify the terms of this Article 6 (provided that such modification is in writing and signed by Franchisor) by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Post-Term Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon Franchisee under this Article 6 to ensure that the terms and covenants are enforceable under applicable law.

6.H. BREACH OF RESTRICTIVE COVENANTS AND OBLIGATIONS

Franchisee agrees that Franchisee's failure and/or Franchisee's Owner(s) failure to comply with the restrictive covenants and obligations set forth in this Article 6 will cause irreparable harm to Franchisor and/or other yorCMO Business franchisees for which there is no adequate remedy at law. Franchisee agrees that any violation of these Article 6 covenants and obligations by either Franchisee and/or any Owner(s) will entitle Franchisor to injunctive relief. Franchisee agrees that Franchisor may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of Franchisee, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the Franchisee and Franchisor agree that the amount of the bond shall not exceed $1,000. Franchisor's remedies under this Article 6.H. are not exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

6.I. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS, AND INFORMATION

Franchisee agrees that with regard to the Franchised Business all client lists and their contents and information represent Confidential Information and constitute an asset of Franchisor whether or not such information was supplied by Franchisor. During the Term of this Agreement and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, Franchisee shall disclose to Franchisor all of Franchisee's ideas, concepts, methods and products conceived or developed by Franchisee and Franchisee's affiliates, Owners, agents, and employees relating to the development and operation of yorCMO Businesses. Franchisee hereby assigns to Franchisor and Franchisee agrees to procure from Franchisee's Owners, affiliates and employees assignment of any such ideas, concepts, methods, and products that Franchisee is required to disclose to Franchisor under this Article 6.I. Franchisor shall have no obligation to make any lump sum or on-going payments to Franchisee or Franchisee's Owners, affiliates or employees with respect to any such idea, concept, method, technique or product. Franchisee agrees that Franchisee will not use nor will Franchisee allow any other person or entity to use any such concept, method or product without obtaining Franchisor's prior written approval.

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ARTICLE 7
OPERATING STANDARDS

7.A. OPERATING REQUIREMENTS

At all times, Franchisee and the Franchised Business shall, as designated by Franchisor in the Operations Manual and/or as otherwise designated by Franchisor in writing and, as may be modified by Franchisor from time to time: (a) exclusively offer and sell the Approved Services and Products; (b) exclusively purchase and use the System Supplies; (c) maintain a complete and updated inventory and supply of System Supplies; (d) maintain, update, replenish and replace Franchisee's System Supplies; (e) maintain, update, replenish and recondition Franchisee's Administrative Office; and (f) maintain Franchisee's System Supplies in a clean and safe condition and in conformity with the brand standards related to the Licensed Marks and System.

7.B. MAINTENANCE, UPDATES AND UPGRADES

At all times, Franchisee shall update, upgrade, maintain, replenish, replace and recondition Franchisee's System Supplies and, if applicable, Franchisee's Administrative Office as specified by Franchisor in the Operations Manual and/or otherwise in writing, in Franchisor's Reasonable Business Judgment, and as modified by Franchisor from time to time. Notwithstanding the foregoing, Franchisee expressly agrees that the foregoing obligations relate to brand standards and specifications associated with the Licensed Marks and the Approved Services and Products and that, at all times, Franchisee is and shall exclusively remain responsible for conditions involving the safety of clients and employees in connection with the operations of the Franchised Business.

7.C. DAMAGE CAUSED BY CASUALTY

If Franchisee's Administrative Office and/or System Supplies is and/or are damaged or destroyed by fire or any other casualty, Franchisee must, as soon as practicable but in no event later than 1 month after such casualty, initiate repairs or reconstruction, and thereafter, in good faith and with due diligence, continue until completion of the repairs or reconstruction, to their/its original condition before casualty and otherwise in accordance with Franchisor's standards and specifications.

7.D. ALTERATIONS

At all times, Franchisee shall maintain Franchisee's System Supplies and Administrative Office in accordance with Franchisor's current brand standards and specifications and, Franchisee shall not materially alter or modify same.

7.E. BRAND STANDARDS AND FRANCHISOR DESIGNATED REQUIREMENTS

Franchisee shall develop and operate the Franchised Business in strict conformity with the methods, standards, specifications, procedures, and operational requirements as, designated and determined by Franchisor, in Franchisor's Reasonable Business Judgment, and as set forth in the Operations Manual, as prescribed Franchisor in writing, and, as Franchisor, in Franchisor's Reasonable Business Judgment, may supplement, modify, and amend from time to time. Supplementing, and without limitation to the foregoing, Franchisee, agrees that the foregoing standards, specifications, procedures, and operational requirements shall relate and include, among other things, the Approved Services and Products, the System Supplies, System standards as designated by Franchisor, authorized and mandatory inventory levels and inventory items, authorized and mandatory supplies and inventory supply levels, designated suppliers, standards related to brand uniformity including, brand standards regarding uniforms, marketing materials, marketing media, the appearance and operations of the Franchised Business, client service and satisfaction standards including, client rewards programs, refund policies, gift card policies, special promotions and other client incentive and goodwill programs, brand standards and brand standard requirements as to employee knowledge and implementation of System brand standards but, not related to employment or joint employment policies, secret shopper programs, Franchisor designated secret quality control inspections,

payment processing systems, Franchisor access to Business Management Systems, and, the overall operations of the Franchised Business.

7.F. APPROVED SERVICES, PRODUCTS, EQUIPMENT AND SUPPLIERS

Franchisee agrees that, among other things, the products and services to be offered and sold by the Franchised Business, the supplies, suppliers and equipment utilized by the Franchised Business, the methods for monitoring client satisfaction and, the methods for marketing and promoting the Franchised Business must conform to Franchisor's System standards and specifications as determined by Franchisor, in Franchisor's Reasonable Business Judgment, as designated by Franchisor in the Operations Manual, and/or as otherwise designated by Franchisor in writing and, as may be supplemented, modified, and/or amended by Franchisor from time to time. Without limitation to the foregoing, Franchisee agrees that:

(1) The Franchised Business shall exclusively offer and sell the Approved Services and Products;

(2) The Franchised Business shall, in accordance with Franchisor's standards and specifications as, designated and determined by Franchisor from time to time, exclusively: (a) offer and serve the Approved Services and Products; (b) provide the Approved Services and Products in accordance with the System's standards and specifications; (c) exclusively purchase and use System Supplies from Franchisor or Franchisor's designated suppliers; (d) exclusively purchase and use equipment, supplies, promotional materials, and Business Management Systems designated by Franchisor and, subject to Franchisor's specifications; (e) Purchase displays, uniforms, supplies, marketing materials and promotional materials including, but not limited to, System Supplies as designated by Franchisor and only from Franchisor or Franchisor's approved supplier(s); and (f) Purchase from distributors and other suppliers approved by Franchisor all other materials, goods, and supplies including, but not limited to, System Supplies used in preparing, offering, selling, promoting, and serving the Approved Services and Products;

(3) Franchisor has and will periodically approve suppliers and distributors of the equipment, materials, supplies and products including, but not limited to, System Supplies, that meet Franchisor's standards, specifications, and requirements including, without limitation, standards, specifications, and requirements relating to the equipment and supplies to be used by the Franchised Business and, that Franchisee shall abide by same;

(4) Franchisor, in Franchisor's Reasonable Business Judgment, may, from time to time, modify the list of approved brands, suppliers and distributors of System Supplies and approved equipment, supplies and services to be used by the Franchised Business and that Franchisee shall, after receipt in writing of such modification, abide by same and, among other things, not reorder any brand and/or purchase from any supplier or distributor that is no longer designated or approved by Franchisor;

(5) Franchisor reserves the right to designate, from time to time, a single supplier and/or distributor for any services, products, equipment, supplies, or materials including, but not limited to, the System Supplies and to require Franchisee to use such a designated supplier exclusively, which exclusive designated supplier and/or distributor may be Franchisor and/or Franchisor's affiliates. Franchisor and its affiliates may receive payments from suppliers and/or distributors on account of such supplier's or distributor's dealings with Franchisee and other franchisees of the System and that Franchisor may use all amounts so received without restriction and for any purpose, including Franchisor's profit; and

(6) If Franchisee proposes or requests that Franchisor consider the approval of products, services, equipment, supplies, suppliers and/or distributors for use in the Franchised Business where such products, services, equipment, supplies, suppliers and/or distributors are not, presently, at the time

of Franchisee's request, approved for use in the System, Franchisee: (a) must provide Franchisor with a written request where Franchisee specifies the product, service, equipment, supply, supplier and/or distributor, the reason for Franchisee's request; (b) shall timely submit to Franchisor such information, reports, specifications, and samples as Franchisor, in Franchisor's Reasonable Business Judgment requests; and (c) shall pay to Franchisor a Supplier Evaluation Fee per requested product, service, equipment, supply, supplier and/or distributor to be considered including, but not limited to, the Supplier Evaluation Fees that Franchisor, in Franchisors Reasonable Business Judgment, establishes and assesses based on, among other things, the administrative costs and time associated with evaluating, assessing and testing the proposed product, service, equipment, supply, supplier and/or distributor including, but not limited to Franchisor's internal employees and independent third parties engaged and/or retained by Franchisor for evaluation and testing. The foregoing fees and payments shall be paid by Franchisee to Franchisor within 14 days of the date of Franchisor's invoice. Upon Franchisee's compliance with the foregoing, within 60 days of the completion of all evaluations, Franchisor shall notify Franchisee of Franchisor's approval or disapproval, which shall be determined by Franchisor in Franchisor's Reasonable Business Judgment. Under no circumstance shall the foregoing be construed as implying that Franchisor is required to approve alternative suppliers and Franchisor shall exclusively determine, in Franchisor's Reasonable Business Judgment, the level of evaluation to be conducted by Franchisor.

7.G. MARKET RESEARCH AND TESTING

Franchisor may conduct market research and testing to evaluate, modify, test or sample the services, products, equipment and supplies authorized by Franchisor and to determine consumer trends and the viability of certain services and products. Franchisee agrees to participate in Franchisor's market research programs that may be conducted by Franchisor in its discretion, by test marketing services and/or products from the Franchised Business. Franchisee agrees to provide Franchisor with timely reports and other relevant information regarding such market research. Franchisee agrees to purchase a reasonable quantity of the tested products and effectively promote and make a reasonable effort to sell the products and/or services.

7.H. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES

(1) Franchisee shall, at all times, secure and maintain in full force all required licenses, permits and certificates relating to the operation of the Franchised Business, and Franchisee must operate the Franchised Business in full compliance with all applicable laws, ordinances, codes and regulations.

(2) Franchisee shall, at all times, investigate, review, and comply with all laws applicable to the operation of the Franchised Business, including, without limitation, all labor laws and obligations, wage and hour laws and obligations, employer practices laws and obligations, labor department rules and regulations, workers compensation and unemployment laws and rules, insurance obligations, and health and safety laws, rules and obligations.

(3) Franchisee shall, at all times, investigate, review, and comply with all laws, rules, and regulations related to all laws, rules, and regulations related to client and employee privacy obligations and protections and, all laws, rules, and regulations, related to the privacy and protection of client and employee information and data and, all laws, rules, and regulations related to client and employee solicitations.

(4) Franchisee must, at all times, immediately notify Franchisor in writing of any of the following concerning Franchisee, and/or the Franchised Business: (a) any cause of action, claim, lawsuit, proceeding, and investigation; (b) issuance of any order, writ, injunction, award, and/or decree by any court, agency, or other governmental entity; and (c) any notice of violation of any law, ordinance, code, permit, or regulation.

(5) Franchisee shall, at all times, ensure that all advertising and promotion of the Franchised Business by Franchisee is be completely factual and, conforms to the highest standards of ethical advertising, and is in conformity with Franchisor's standards and specifications. Franchisee shall refrain from any business practice, advertising practice, or personal conduct that may be injurious to Franchisor, the System, yorCMO Businesses, and/or the Licensed Marks. Franchisor, in Franchisor's sole discretion, shall possess, among other things, the unilateral right to reject any and all advertising relating to the Franchised Business, Franchisor, the System, yorCMO Businesses and/or using the Licensed Marks.

(6) Franchisee shall comply with, and, cause Franchisee's Owners to comply with and/or to assist Franchisor, to the fullest extent possible, in Franchisor's efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee and each Owner certify, represent, and warrant that Franchisee's or any Owner's property or interests is not subject to being "blocked" under any of the Anti-Terrorism Laws, and Franchisee and each Owner are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee further certifies that Franchisee and each Owner are not listed on the Annex to Executive Order 13244 (the Annex is available at http://www.treasury.gov) and will not become so listed, hire any person so listed, or have dealings with any person so listed. Franchisee agrees to immediately notify Franchisor if Franchisee or any Owner becomes so listed. "Anti-Terrorism Laws" refers to and means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing, or in any way relating to, terrorist acts and acts of war. If Franchisee, an Owner, or Franchisee's employees violate any of the Anti-Terrorism Laws and/or become listed on the Annex to Executive Order 13244, then Franchisor may terminate this Agreement immediately without prior notice to Franchisee.

In connection with Franchisee's compliance with the terms of this Article 7.H., if Franchisee discovers, learns of, and/or becomes aware of any conflict and/or discrepancy between Franchisee's obligations under this Article 7.H. with Franchisor's standards and/or specifications as contained in this Agreement, in the Operations Manual, and/or as otherwise designated by Franchisor from time to time, Franchisee shall immediately notify Franchisor in writing of such discrepancy. In the event of any conflict or ambiguity, Franchisor's determination and/or resolution made by Franchisor, in writing, and, specifically with regard to the presented conflict or ambiguity, shall be determinative as between Franchisor and Franchisee and the operations of the Franchised Business.

7.I. MANAGEMENT OF THE FRANCHISED BUSINESS

(1) Franchisee agrees that, at all times, that the development and operation of the Franchised Business shall be managed, operated, and maintained under the active, continuing management, substantial personal involvement and, hands-on supervision, of Franchisee's Primary CMO. The Primary CMO must at all times be actively involved in the operation of the Franchised Business unless Franchisee delegates management functions to an authorized Primary CMO who, among other things, satisfactorily completes Franchisor's Initial Training Program and, otherwise meets the criteria and conditions for qualification as a Primary CMO as designated and determined by Franchisor from time to time. If the Primary CMO is a family member of Franchisee and/or an Owner then the Primary CMO shall also sign and agree to be bound by the terms of the Franchise Owner and Spouse Agreement and Guaranty.

(2) Franchisee must, at all times, faithfully, honestly and diligently perform its obligations hereunder, and continuously exert its best efforts to promote and enhance the business of the Franchised Business and the goodwill of the Licensed Marks and the System.

(3) If, at any time, the Franchised Business is not being managed by a Primary CMO who satisfactorily completed the Training Program, Franchisor is authorized, but is not required, to immediately appoint a person to maintain the operations of the Franchised Business for and on behalf of Franchisee. Franchisor's appointment does not relieve Franchisee of its obligations or constitute a waiver of Franchisor's right to terminate the Franchise pursuant to Article 16. Franchisor is not liable for any debts, losses, costs or expenses incurred in the operations of the Franchised Business or to any creditor of Franchisee for any products, materials, supplies or services purchased by the Franchised Business while it is managed by Franchisor's appointed person. Any determination as to whether or not Franchisor may elect to provide management services, if any, and the extent of such services, and/or the discontinuation thereof, shall be exclusively determined by Franchisor in Franchisor's Reasonable Business Judgment.

(4) Franchisee shall, at all times, maintain sufficient working capital to fulfill its obligations under this Agreement.

7.J. REMEDIES FOR NONCOMPLIANCE WITH OPERATIONAL STANDARDS

In addition to all other rights afforded to Franchisor under this Agreement, in connection with any, each, and every violation of any term, provision, and/or operational requirement as set forth in this Article 7 (an "Operations Violation"), within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor an operations non-compliance fee (the "Operations Non-Compliance Fee") in the amount of: (a) $1,000 for each and every instance / event related to an Operations Violation involving the sale of services and/or products that are not Approved Services and Products; (b) $1,000 for each and every instance / event related to an Operations Violation involving the failure to exclusively use System Supplies, and/or Franchisor designated suppliers; and (c) $450 for all other Operations Violation. Additionally, in each of the foregoing instances, within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor all costs and expenses incurred by Franchisor in connection with any inspections, audits, and/or re-inspections directed and/or undertaken by Franchisor for the purpose, as determined by Franchisor in Franchisor's Reasonable Business Judgment, of determining whether or not Franchisee's Operations Violation has been cured in accordance with Franchisor's standards and specifications. The foregoing does not constitute Franchisor's consent to and/or acquiescence to Operations Violations. Nothing contained in this Article 7.J. shall be interpreted as interfering with and/or negating Franchisor's rights and remedies as set forth in Article 16 and, as otherwise set forth in this Agreement. All rights and remedies of Franchisor are cumulative and shall be interpreted as cumulative to one another.

ARTICLE 8
INSURANCE

Franchisee, at Franchisee's sole expense, must purchase and maintain in full force at all times during the Term of this Agreement an insurance policy or policies protecting Franchisee as named insured and naming, as additional insureds, Franchisor, Franchisor's affiliates, Franchisor's successors and assigns, and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of Franchisor. The policy or policies must be written by a carrier or carriers with an A.M. Best Rating of at least A-, VII and reasonably acceptable to Franchisor. From time to time Franchisor may designate preferred insurance brokers and insurance carriers. If Franchisor has designated a preferred broker and/or insurance carrier for insurance coverage and Franchisee elects to use a broker and/or insurance carrier other than Franchisor's designated preferred insurance broker and/or carrier, Franchisee must submit the proposed insurance policies to Franchisor for Franchisor's approval and Franchisee shall pay to Franchisor an insurance review fee in the amount of $1,000.

The currently required insurance policies, insurance coverage requirements, and insurance coverage amounts are designated and set forth in the Operations Manual. Franchisor may, in Franchisor's Reasonable Business Judgment, periodically change the amounts of coverage required under such insurance policies

and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Notwithstanding the immediately foregoing sentence, Franchisor shall not increase such minimum coverage more than once every two years. All public liability and property damages policies must contain a provision that Franchisor is entitled to recover under these policies on any loss occasioned to Franchisor, Franchisor's affiliates, Franchisor's successors and assigns, and the officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, and employees of Franchisor by reason of the negligence of Franchisee and/or Franchisee's officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, and employees. By the earlier of 90 days after the Effective Date or prior to the commencement of the Training Program, Franchisee must deliver, or cause to be delivered, to Franchisor a copy of the certificates of insurance demonstrating Franchisee's compliance with this Article 8. All insurance policies required must expressly provide that no less than 30 days' prior written notice shall be given to Franchisor in the event of a material alteration to, or cancellation of, any insurance policy Franchisee is required to maintain in accordance with this Agreement.

In the event Franchisee fails, for any reason, to procure or maintain the insurance required by this Agreement, then Franchisor has the right and authority (but not the obligation) to immediately to procure insurance and charge all costs, fees, and expenses associated with same to Franchisee, which such charges, together with a reasonable administrative fee for Franchisor's expenses in so acting, shall be immediately payable by Franchisee to Franchisor upon demand. The foregoing remedies are in addition to any other remedies Franchisor may have under this Agreement, at law, or in equity.

ARTICLE 9
BRAND DEVELOPMENT AND MARKETING

9.A. SALES AND MARKETING FUND

At all times and from time to time, as determined by Franchisor, in Franchisor's Reasonable Business Judgment, Franchisor may institute, implement, maintain, delegate and administer a Sales and Marketing Fund (the "Sales and Marketing Fund"). The following shall apply to the Sales and Marketing Fund at all times throughout the Term:

(1) If Franchisor institutes the Sales and Marketing Fund, Franchisee shall pay, on the Due Date, a mandatory and continuing fee to the Sales and Marketing Fund in an amount equal to $750 for each monthly Accounting Period (the "Sales and Marketing Fund Fee");

(2) Franchisor, in Franchisor's Reasonable Business Judgment, shall direct all advertising, media placement, marketing and public relations programs and activities financed by the Sales and Marketing Fund, with sole discretion over the strategic direction, creative concepts, materials, and endorsements used by the Sales and Marketing Fund, and the geographic, market, and media placement and allocation thereof. Without limiting the foregoing, the Sales and Marketing Fund may also be utilized for evaluation and monitoring of the Business Management Systems, maintenance and upgrades to the System Website, and development of Digital Media;

(3) Franchisee agrees that the purpose of the advertising, media, marketing and activities financed by the Sales and Marketing Fund is and shall be for the general enhancement of the System brand as associated with the Licensed Marks and general public brand recognition and awareness of the Licensed Marks. The Sales and Marketing Fund will not be utilized to directly or indirectly market or promote the Franchised Business or, unless otherwise directed by Franchisor, in Franchisor's Reasonable Business Judgment, pay for media placements that may benefit or include any media market that includes Franchisee's Administrative Office;

(4) Franchisee agrees that the Sales and Marketing Fund may be used to pay various costs and expenses of Franchisor for such reasonable salaries, wages, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration, activities and/or the brand awareness goals of the Sales and Marketing Fund including expenses incurred by Franchisor for advertising, marketing, product and service testing, product and service development, maintenance, evaluation and monitoring of the Business Management Systems, upgrades to the System Website, development of Digital Media and creative development that is internally administered or prepared by Franchisor and other marketing activities made by Franchisor, provided, however, that salary expenses for Franchisor's personnel paid by the Sales and Marketing Fund shall be commensurate with the amount of that time spent by such personnel on Sales and Marketing Fund matters. Franchisor shall not use contributions to the Sales and Marketing Fund to defray any of Franchisor's general operating expenses, except for such reasonable salaries, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration and activities of the Sales and Marketing Fund and creation or conduct of its marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials and collecting and accounting for contributions to the Sales and Marketing Fund. Franchisor may spend in a fiscal year an amount greater or less than the aggregate contributions of all yorCMO Businesses to the Sales and Marketing Fund in that year;

(5) Franchisee agrees to participate in all advertising, marketing, promotions, research and public relations programs instituted by the Sales and Marketing Fund;

(6) yorCMO Businesses owned by Franchisor or Franchisor's affiliates are not required to pay any Sales and Marketing Fund Fee or contribute to or make any contribution to the Sales and Marketing Fund;

(7) Franchisee and Franchisor acknowledge and agree that (a) the Sales and Marketing Fund is not a trust, (b) Franchisor is not a trustee or fiduciary of the Sales and Marketing Fund, and (c) Franchisor may deposit and maintain any and all funds of the Sales and Marketing Fund Fee in Franchisor's general accounts. Sales and Marketing Fund Fees are not required to be segregated from other assets or accounts of Franchisor. The Sales and Marketing Fund is not required to expend Sales and Marketing Fund Fees in the year that they are collected and the Sales and Marketing Fund may borrow from Franchisor or other lenders at standard commercial interest rates to cover deficits of the Sales and Marketing Fund, and Franchisor may cause the Sales and Marketing Fund to invest any surplus for future use by the Sales and Marketing Fund. All interest earned on monies contributed to the Sales and Marketing Fund will be used to pay costs of the Sales and Marketing Fund before other assets of the Sales and Marketing Fund are expended. A summary statement of monies collected and costs incurred by the Sales and Marketing Fund for Franchisor's immediately preceding fiscal year shall be made available to Franchisee upon Franchisee's written request. Franchisor will have the right to cause the Sales and Marketing Fund to be incorporated or operated through an entity separate from Franchisor at such time as Franchisor deems appropriate, and such successor entity shall have all rights and duties of Franchisor pursuant to this Article 9.A.(8);

(8) Although Franchisor will endeavor to utilize the Sales and Marketing Fund to develop advertising and marketing materials and programs, Franchisor undertakes no obligation to ensure that expenditures by the Sales and Marketing Fund in or affecting any yorCMO Business are proportionate or equivalent to the contributions to the Sales and Marketing Fund by yorCMO Businesses or that any yorCMO Businesses will benefit directly or in proportion to its contribution to the Sales and Marketing Fund from the development of advertising and marketing materials. Franchisor may use the Sales and Marketing Fund to promote or benefit any type of yorCMO Businesses in the System. Franchisor may use the Sales and Marketing Fund to promote or benefit

yorCMO Businesses located within a particular region of the United States. Franchisee agrees that Franchisee's failure to derive any such benefit will not serve as a basis for a reduction or elimination of its obligation to contribute to the Sales and Marketing Fund. Franchisee agrees that the failure (whether with or without Franchisor's permission) of any other franchisee to make the appropriate amount of contributions to the Sales and Marketing Fund shall not in any way release Franchisee from or reduce Franchisee's obligations under this Article 9, such obligations being separate and independent obligations of Franchisee under this Agreement. Except as expressly provided in this Article 9, Franchisor assumes no direct or indirect liability, responsibility, or obligation to Franchisee with respect to the maintenance, direction, and/or administration of the Sales and Marketing Fund; and

(9) Franchisor, in Franchisor's Reasonable Business Judgment, may establish a council to provide guidance respecting the administration of the Sales and Marketing Fund and marketing matters concerning the Sales and Marketing Fund. The council shall only serve in an advisory capacity and Franchisor shall select members of the council which may be comprised of employees of Franchisor, Franchisor, franchisees of the System and third parties.

9.B. MARKETING

Franchisor reserves the right to require that, on an on-going calendar year monthly basis, Franchisee must spend not less than 2% of Gross Sales on the marketing of the Franchised Business. On or before the 5th day of each month, or, such other dates as specified by Franchisor, Franchisee shall provide Franchisor with an accurate accounting of Franchisee's marketing expenditures, placements, activities, and metrics for the immediately preceding month. At the request of Franchisor, Franchisee shall provide Franchisor with on-going access to any and all data and systems that record and/or report information related to Franchisee's marketing activities and expenditures and to provide Franchisor such other periodic reports and records as may be requested by Franchisor.

If the Franchisee's expenditures in any and all monthly periods do not, in aggregate as to each respective monthly period, equal or exceed an amount equal to 2% of Gross Sales, in Franchisor's discretion and Reasonable Business Judgment, may require that the deficiency be added as additional marketing expenditures, over and above 2% of Gross Sales, that Franchisee must spend within the immediately succeeding monthly period or periods, as directed by Franchisor, or, at Franchisor's discretion, be contributed to a Sales and Marketing Fund. All marketing of the Franchised Business by Franchisee must be pre-approved, in writing by Franchisor.

Franchisor reserves the right to reject any and all marketing efforts requested by Franchisee and to prescribe all marketing, marketing media, marketing channels, promotions, copy, creative, and messaging that Franchisee may or may not use in Franchisee's marketing of the Franchised Business. Franchisee further agrees that:

(1) In addition to calendar year quarterly reports, Franchisee shall provide Franchisor with monthly reports documenting Franchisee's marketing initiatives, expenses incurred, placements secured, and other metrics and financial information as designated by Franchisor;

(2) Franchisee shall not direct or target Franchisee's marketing efforts with the purpose or effect of soliciting or attracting yorCMO Clients of other yorCMO practices; and

(3) At all times, Franchisee hereby grants to Franchisor the right, without compensation to Franchisee, to use Franchisee's name, address, photograph, and biographical information in any publication related to the System, including in relation to the sale of yorCMO Business franchises.

9.C. REQUIRED FRANCHISOR APPROVAL OF ALL MARKETING

All marketing and promotion of the Franchised Business and all marketing media, campaigns, marketing channels, and efforts used by Franchisee must conform to Franchisor's standards and specifications as set forth in the Operations Manual or, as may be otherwise directed by Franchisor in writing from time to time. If Franchisee wishes to propose to Franchisor for approval or disapproval marketing or promotional efforts, campaigns, and/or media that are not presently and expressly approved and authorized by Franchisor, Franchisee shall submit a written request, including samples of all proposed marketing materials and a description of the marketing channels and distribution to Franchisor for Franchisor's approval or disapproval, that shall be at the sole discretion of Franchisor, in Franchisor's Reasonable Business Judgment. Provided that Franchisee has satisfied the written notice requirements set forth in this Article 9.C. and provided that Franchisee otherwise timely responds in writing to any and all requests by Franchisor for additional information, if Franchisor does not notify Franchisee that Franchisor disapproves the materials within 15 days from the date Franchisor receives the materials, then Franchisee may commence using the materials. However, Franchisor may still disapprove such materials by notice to Franchisee, and Franchisee must then cease using such materials upon receipt of such notice. Franchisee must not use any advertising or promotional materials that Franchisor has disapproved.

9.D. WAIVERS OR DEFERRALS

On written request from Franchisee with reasons supporting such request, Franchisor may, at Franchisor's sole discretion and on conditions Franchisor deems appropriate, temporarily waive or defer the obligations of Franchisee under the Sales and Marketing Fund. In no event shall such waiver or deferral extend beyond six months. However, at the end of any waiver or deferral period, Franchisee may resubmit a request for waiver or deferral of its obligations under the Sales and Marketing Fund. Under no circumstance shall Franchisor be under any obligation to grant any waiver of deferral. Franchisor may reject Franchisees request for a waiver or deferral based on any reason or no reason at all and, nevertheless grant the request of another system franchisee.

9.E. DIGITAL MEDIA AND WEBSITE PROHIBITIONS

Franchisee's use of Digital Media shall be subject to and require Franchisor's express written consent which shall and may be withheld by Franchisor for any or no reason at all. Without limitation to the foregoing, Franchisee possesses no right or authority to utilize Digital Media and Franchisee agrees that Franchisor reserves all rights respecting the marketing, sale and distribution of Approved Services and Products through Digital Media. Franchisee agrees that all Digital Media and Digital Media accounts associated with and/or relating to the Franchised Business and/or the System shall, upon demand of Franchisor, be transferred to Franchisor. Upon execution of this Agreement and any and all future dates demanded by Franchisor, Franchisee shall execute and deliver to Franchisor the Assignment of Telephone Numbers and Digital Media Accounts Agreement attached to this Agreement as Exhibit 3. Franchisee agrees that the foregoing shall not be interpreted or construed as permitting Franchisee to establish, designate, utilize and/or otherwise establish accounts as to Digital Media respecting and/or concerning the Franchised Business and/or the System.

ARTICLE 10
RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION

10.A. INDEPENDENT CONTRACTORS

This Agreement does not create a fiduciary relationship between Franchisor and Franchise, Franchisor and Franchisee are independent contractors, and nothing in this Agreement is intended to make either party a general or special agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose. The parties' relationship is strictly a Franchisor and Franchisee relationship. Franchisee is the sole employer of the employees of the Franchised Business. Franchisee has the sole right to select, hire and discharge Franchisee's employees. Franchisee is responsible for all decisions regarding

hiring, firing, training, supervising, disciplining, scheduling and paying wages to, and withholding and paying taxes for Franchisee's employees. Franchisee, each Owner, each Spouse, and Franchisee's officers, directors, manager, agents, representatives, independent contractors and employees shall not be construed, considered, or represented as Franchisor's employees, representatives, or agents. There is no joint employer relationship between Franchisor and Franchisee or Franchisee's employees. Franchisee's compliance with all federal, state and local labor laws rules and regulations shall be exclusively determined and managed by Franchisee. To the extent that the Operations Manual includes information, specifications, procedures, criteria and/or requirements as to employees of the Franchised Business, such requirements shall be interpreted exclusively for the purpose of maintaining brand standards associated with the System, to protect the good will associated with the System, and to ensure System uniformity requirements and standards concerning the Approved Services and Products, and under no circumstance shall same relate to the employer-employee relationship. As to the foregoing issue of "joint employer" and the non-existence thereof, in the event of any inconsistency or conflict between this Agreement and the Operations Manual, the terms of this Agreement shall take precedence and govern.

Franchisee must conspicuously identify itself at the premises of the Franchised Business and in all dealings with clients, lessors, contractors, suppliers, public officials and others as the owner of a yorCMO Business under a franchise from Franchisor, and Franchisee must place other notices of independent ownership on signs, forms, stationery, advertising and other materials as Franchisor requires.

Franchisee must not employ any Licensed Mark in signing any contract, lease, mortgage, check, purchase agreement, negotiable instrument, or other legal obligation. Franchisee must not employ any Licensed Mark in a manner that is likely to result in liability of Franchisor for any indebtedness, action, inaction, or obligation of Franchisee.

Franchisor and Franchisee shall not make any express or implied agreements, guaranties or representations, or incur any debt, in the name, or on behalf, of the other. Franchisor and Franchisee shall not represent that their relationship is anything other than franchisor and franchisee. Franchisor and Franchisee shall not be obligated by, or have any liability under, any agreements or representations made by the other that are not expressly authorized. Franchisor shall not be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business, whether or not caused by Franchisee's negligent, willful act or failure to act.

Franchisor shall have no liability for any sales, use, excise, gross receipts, property or other taxes, whether levied upon Franchisee, the Franchised Business or its assets, or upon Franchisor in connection with sales made, services performed or business conducted by Franchisee.

10.B. INDEMNIFICATION BY FRANCHISEE

Franchisee and each Owner shall indemnify, defend through counsel acceptable to Franchisor, and hold Franchisor, Franchisor's affiliates, and their respective officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisor Indemnified Parties") harmless from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigations, hearings, and/or damages arising out of, or relating to, Franchisee's Administrative Office, and/or the Franchised Business (including, without limitation, the ownership and operation of the Franchised Business), unless such loss, expense, claim, cause of action, lawsuit, liability, tax, cost, demand, proceeding, or damage is solely due to Franchisor's gross negligence, and Franchisee shall pay all of the Franchisor Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisor Indemnified Parties or any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing in which any of the Franchisor Indemnified Parties is named as a party, including, without limitation, reasonable accountant fees, attorney fees, and expert witness fees, court costs, deposition fees, travel expenses and other litigation expenses. At the

expense and risk of Franchisee and each Owner, Franchisor may elect to assume (but is not obligated to undertake) the defense and/or settlement of any action, lawsuit, proceeding, claim, or demand. Such an election by Franchisor to assume its defense shall not diminish the obligation of Franchisee and each Owner to indemnify, defend and hold harmless Franchisor. Franchisee and each Owner acknowledge and agree that the terms of this Article 10.B shall survive the termination, expiration or Transfer of this Agreement.

Under no circumstances are the Franchisor Indemnified Parties required or obligated to seek recovery from third parties or otherwise mitigate their respective losses in order to maintain a claim against Franchisee or any Owner. Franchisee and each of the Owners agree that Franchisor's failure to pursue recovery or mitigate loss in no way reduces the amounts recoverable from Franchisee or any Owner.

10.C. INDEMNIFICATION BY FRANCHISOR

Franchisor shall indemnify, defend, and hold Franchisee and Franchisee's officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisee Indemnified Parties") harmless from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigations, hearings, and/or damages solely arising out of, or solely relating to, Franchisor's gross negligence in the operation of Franchisee's yorCMO Business that was the direct cause of any such loss, expense, liability or damage provided Franchisee immediately notifies Franchisor of such claim, cause of action, lawsuit, demand, proceeding, investigation or hearing, and Franchisor shall pay all of the Franchisee Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisee Indemnified Parties or any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing in which any of the Franchisee Indemnified Parties is named as a party, including, without limitation, reasonable accountant fees, attorney fees, and expert witness fees, court costs, deposition fees, travel expenses and other litigation expenses provided Franchisee immediately notifies Franchisor of such claim, cause of action, lawsuit, demand, proceeding, investigation or hearing. Franchisor agrees that the terms of this Article 10.C. shall survive the termination, expiration or Transfer of this Agreement.

ARTICLE 11
LICENSED MARKS, SYSTEM AND INNOVATIONS

11.A. OWNERSHIP AND GOODWILL

Franchisee agrees that Franchisor is the owner of all right, title and interest in and to the Licensed Marks, the System, Web-Based Media, Published Content and the goodwill associated with the Licensed Marks and the System. Except as otherwise specifically provided in this Agreement, Franchisee further agrees that Franchisee possesses no interest or right, whatsoever, in or to the Licensed Marks, the System, Web-Based Media, Published Content and the goodwill associated with the Licensed Marks and the System, and Franchisee's right to use the Licensed Marks and the System is derived solely from this Agreement. Any unauthorized use of the Licensed Marks and/or the System by Franchisee or any of Franchisee's affiliates shall constitute an infringement of the rights of Franchisor in and to the Licensed Marks and/or the System. Franchisee agrees that all usage of the Licensed Marks and/or the System by Franchisee, and all goodwill associated with the Licensed Marks and System, shall exclusively benefit Franchisor without granting any goodwill interests or rights to Franchisee except for Franchisee's non-exclusive interest and limited right to use the Licensed Marks and the System in the operation of the Franchised Business, subject to the terms and conditions of this Agreement. Franchisee shall not, at any time during the Term or after the expiration, termination or Transfer of this Agreement, contest the validity or ownership of the Licensed Marks, the System, Web-Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System, and at no time shall Franchisee assist any other person in contesting the validity or ownership of the Licensed Marks, the System, Web-Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System. Franchisee and each Owner shall not take any action that prejudices or interferes with the validity of Franchisor's rights with respect to Licensed Marks, the

System, Web-Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System.

11.B. USE OF THE LICENSED MARKS

Franchisee agrees that the Licensed Marks shall be the sole identification of the Franchised Business. Franchisee must operate, advertise and market the Franchised Business only under the Licensed Marks as designated and specified by Franchisor in Franchisor's Reasonable Business Judgment. Franchisee shall not use the Licensed Marks as part of its corporate or other legal name, and Franchise shall not use the Licensed Marks with modifying words, terms, designs, or symbols, or in any modified form. Franchisee shall comply with Franchisor's instructions in filing and maintaining their requisite trade name or fictitious name registrations as may be required by applicable law.

11.C. NOTIFICATION OF INFRINGEMENT AND CLAIMS

Franchisee must notify Franchisor immediately in writing of any apparent infringement of, or challenge to, Franchisee's use of any Licensed Mark and/or the System or of any claim by any person claiming any rights in any manner with respect to the Licensed Mark, the System, or any similar trade name, trademark or service mark of which Franchisee becomes aware. Franchisee must not communicate with any person other than Franchisor and its counsel in connection with any infringement, challenge, or claim by any third party to the Licensed Marks and/or the System. Franchisor and/or Franchisor's licensor shall possess sole and complete discretion, in Franchisor's Reasonable Business Judgment, to take any action and/or to refrain from taking action, Franchisor and/or Franchisor's licensor deems appropriate, including, without limitation, the right to exclusively control any litigation or administrative proceeding arising out of, or relating to, any infringement, challenge, claim or otherwise relating to any Licensed Mark and/or the System. Franchisee agrees to execute all documents, render assistance, and take all actions as may be necessary or advisable to protect and maintain the interests of Franchisor and/or Franchisor's licensor in any litigation or administrative proceeding or to otherwise protect and maintain, as directed by Franchisor, the interests of Franchisor and/or Franchisor's licensor in the Licensed Marks. Franchisor will reimburse Franchisee for reasonable direct expenses incurred by Franchisee in assisting Franchisor in any such litigation or administrative proceeding provided Franchisee timely notifies Franchisor of such litigation or administrative proceeding, and Franchisee complies with the written instructions of Franchisor respecting any such litigation or administrative proceeding.

11.D. DISCONTINUANCE OF USE OF LICENSED MARKS

Franchisee agrees that at any time should Franchisor determine, in Franchisor's sole discretion and based on Franchisor's Reasonable Business Judgment, that it is advisable for Franchisor, the System, and/or Franchisee to replace, modify, substitute, and/or discontinue use of any Licensed Marks, then Franchisee shall comply with Franchisor's determination and instructions as to the replacement, modification, substitution, and/or discontinuance of such Licensed Marks. Franchisee shall comply within the foregoing requirements within a reasonable time period after notice by Franchisor. If Franchisee is required to take action pursuant to instruction by Franchisor pursuant to this Article 11.D. or, if Franchisee is otherwise required to replace, modify, substitute, and/or discontinue use of any Licensed Marks, the sole liability and obligation of Franchisor to Franchisee shall be to reimburse Franchisee for the reasonable and direct costs incurred by Franchisee in complying with this obligation, which Franchisee shall document to the satisfaction of Franchisor. Franchisor maintains the exclusive right, in Franchisor's Reasonable Business Judgment, to, in whole or in part, replace, modify, substitute and/or discontinue any and all features and/or components of the Licensed Marks and/or the System at any time.

11.E. INDEMNIFICATION OF FRANCHISEE

If Franchisee is sued in a legal proceeding or is threatened with legal action and/or a notice of infringement by a third party where the claims and/or causes of action directly relate to a third party claiming trademark infringement, unfair competition, and/or trademark dilution as a result of Franchisee's use of the Licensed Marks in accordance with the terms of this Agreement and the System (the "IP Claim"), then Franchisor

shall indemnify Franchisee for the reasonable and direct costs incurred by Franchisee and/or a judgment entered against Franchisee, provided: (i) Franchisee immediately notified Franchisor of the IP Claim by a written notice sent to Franchisor via priority overnight courier; (ii) Franchisee provided and afforded Franchisor the absolute opportunity and right to defend against the IP Claim and to select and appoint legal counsel of Franchisor's choosing; and (iii) Franchisee utilized the Licensed Marks in accordance with the terms of this Agreement and the System. Franchisee agrees that time is of the essence with respect to notifying Franchisor of the IP Claim in accordance with this Agreement, including this Article 11.E.

11.F. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS AND INFORMATION

Franchisee agrees that with regard to the Franchised Business, all client lists, including the contents and information contained in all client lists, constitute Confidential Information and an asset of Franchisor whether or not such information was supplied by Franchisor. During the Term, and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, Franchisee shall disclose to Franchisor all of Franchisee's ideas, concepts, methods, and products conceived or developed by Franchisee, any Owner, and/or Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees relating to the development and operation of yorCMO Businesses and the System. Franchisee hereby assigns to Franchisor, and Franchisee agrees to procure an assignment of any such ideas, concepts, methods, and products that Franchisee is required to disclose to Franchisor under this Article 11.F from each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees. Franchisor shall have no obligation to tender any lump sum payment, on-going payments, or any other consideration to Franchisee, any Owner, each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees with respect to any such idea, concept, method, technique or product. Franchisee agrees that Franchisee shall not use, or allow any other person or entity to use, any such concept, method, technique, or product without obtaining Franchisor's prior written approval.

ARTICLE 12
RECORDS AND REPORTS

12.A. MAINTENANCE AND PRESERVATION OF RECORDS

Franchisee shall maintain during the Term, and, preserve for at least three years from the dates of their preparation, full, complete and accurate books, records, and accounts from the Franchised Business. Such records shall be maintained and preserved in the form and manner by Franchisor in the Operations Manual or otherwise in writing.

12.B REPORTING OBLIGATIONS

In additional to the reporting obligations otherwise set forth in this Agreement, Franchisee agrees to the following additional reporting obligations that shall include all of the data and information requested by Franchisor, in Franchisors Reasonable Business Judgment, and as may be modified by Franchisor from time to time:

(1) Royalty and Activity Reports – on the Due Date each week, Franchisee shall report, transmit, confirm, and/or otherwise make available to Franchisor, the Royalty and Activity Report as designated by Franchisor and in accordance with the terms of this Agreement;

(2) Monthly Financial Statements and Reports – within 30 days following a request by Franchisor, Franchisee shall submit to Franchisor monthly financial statements and other reports related to the operations of the Franchised business including, but not limited to, income statement, statement of cash flows, balance sheet, and other operational reports designated by Franchisor. At all times Franchisee represents that the financial statements, information, and reports submitted to and/or made available to Franchisor shall be and remain true and accurate. The financial statements must

be prepared in accordance with GAAP and, additionally, shall reconcile Gross Sales per GAAP to Gross Sales per this Agreement;

(3) Annual Financial Statements and Reports – within 60 days of the end of each calendar year, Franchisee shall submit to Franchisor Franchisee's annual financial statements and other reports related to the operations of the Franchised business including, but not limited to, income statement, statement of cash flows, balance sheet, and other operational reports designated by Franchisor. The financial statements must be prepared by a licensed CPA and in accordance with GAAP and, additionally, shall reconcile Gross Sales per GAAP to Gross Sales per this Agreement;

(4) Tax Returns – Franchisee shall provide to Franchisor, Franchisee's annual federal, state and local tax returns as same are prepared and submitted to the applicable federal, state and local entities. Said tax returns shall be submitted to Franchisor within 45 days of Franchisee or Franchisee's agent filing such returns with the applicable federal, state and local entities; and

(5) Other Reports – Franchisee shall timely submit to Franchisor, all other forms, reports, records, information, and data as Franchisor may reasonably request in writing or as otherwise set forth in the Operations Manuals.

12.C. REMEDIES FOR NONCOMPLIANCE WITH RECORDS AND REPORTING

In addition to all other rights afforded to Franchisor under this Agreement, in connection with any, each, and every violation of any term, provision, and/or operational requirement as set forth in this Article 12 (a "Reporting Violation"), within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor a reporting non-compliance fee (the "Reporting Non-Compliance Fee") in the amount of $150 for each and every failure to timely submit a report and/or record as set forth in this Article 12. The foregoing does not constitute Franchisor's consent to and/or acquiescence to Reporting Violations. Nothing contained in this Article 12.C. shall be interpreted as interfering with and/or negating Franchisor's rights and remedies as set forth in Article 16 and, as otherwise set forth in this Agreement. All rights and remedies of Franchisor are cumulative and shall be interpreted as cumulative to one another.

ARTICLE 13
INSPECTION AND AUDITS

13.A. FRANCHISOR'S RIGHT TO INSPECT

Franchisor has the right at any time during business hours, and without prior notice to Franchisee, to inspect Franchisee's Administrative Office and System Supplies. Franchisee shall fully cooperate with representatives of Franchisor making any inspection and permit such representatives of Franchisor to take photographs, videos, and/or recordings of the Franchised Business, operations of the Franchised Business, interview employees and clients of the Franchised Business, conduct secret-shopper inspections, and other inspections either with or without notice to Franchisee. Franchisor shall undertake reasonable efforts to minimize the impact of any inspection on the operations of the Franchised Business.

13.B. FRANCHISOR'S RIGHT TO EXAMINE BOOKS AND RECORDS

Franchisor has the right at any time during business hours, and without prior notice to Franchisee, to examine or audit, or cause to be examined or audited by a third party, the business records, cash control devices, bookkeeping and accounting records, bank statements, sales and income tax records and returns, and other books, statements, and records of the Franchised Business and Franchisee. Franchisee shall maintain complete and accurate copies all such books, statements, records and supporting documents at all times at Franchisee's Administrative Office. Franchisee must fully cooperate with Franchisor, representatives of Franchisor, and third parties hired by Franchisor to conduct any such examination or audit. In the event Franchisor's examination of Franchisee's records reveals that Franchisee underreported any figure to Franchisor by more than 2%, then Franchisee shall reimburse to Franchisor, all of Franchisor's

costs in connection with Franchisor's audit/examination.

ARTICLE 14
TRANSFER OF INTEREST

14.A. TRANSFER BY THE FRANCHISOR

At all times, Franchisor possesses and maintains the sole, absolute and unilateral right to Transfer and/or assign Franchisor's rights and obligations under this Agreement and the Ancillary Agreements, in whole and/or in part (for any purpose and in any form of transaction as may be designated and/or elected by Franchisor, in Franchisor's sole discretion) to any person, entity, Corporate Entity and/or third party without the consent of Franchisee and without the approval of Franchisee or any other party. Nothing contained in this Agreement shall prevent, prohibit, restrict, hinder, enjoin or otherwise restrain Franchisor from selling, transferring, conveying, or assigning this Agreement and the Ancillary Agreements, and/or Franchisor's rights and obligations under this Agreement and the Ancillary Agreements, to any person, entity, Corporate Entity or other third party. Franchisor has an unrestricted and unequivocal right to Transfer and/or assign any of its rights or obligations under this Agreement and the Ancillary Agreements, in whole or in part, in Franchisor's sole discretion. In the event Franchisor Transfers and/or assigns this Agreement and/or the Ancillary Agreements, and/or any or all of Franchisor's rights and obligations set forth in this Agreement and/or the Ancillary Agreements, to a person, an entity, Corporate Entity, or other third party, this Agreement and the Ancillary Agreements, shall survive, remain in full force and effect, and inure to the benefit of the purchaser, transferee, conveyee, and/or assignee of this Agreement and/or the Ancillary Agreements and/or Franchisor's rights and obligations under this Agreement and/or the Ancillary Agreements.

14.B. FRANCHISEE MAY NOT TRANSFER WITHOUT FRANCHISOR APPROVAL

Franchisee agrees, and, Franchisee represents and warrants that Franchisee's Owners understand and agree, that the rights and duties set forth in this Agreement are personal to Franchisee and each Owner. Therefore, Franchisee agrees that:

(1) No ownership interest of any Owner in Franchisee may be Transferred without the prior written consent of Franchisor;

(2) No obligations, rights or interest of Franchisee in (a) this Agreement, (b) the lease or ownership interests in Franchisee's Administrative Office, (c) the Franchised Business, or (d) all or substantially all of the assets of the Franchised Business may be Transferred without the prior written consent of Franchisor. This restriction shall not prohibit Franchisee from granting a mortgage, charge, lien, or security interest in the assets of the Franchised Business or this Agreement for the exclusive purpose of securing financing for the initial development (occurring prior to the Actual Business Commencement Date) of the Franchised Business;

(3) Without limitation to the foregoing, any Transfer by Franchisee respecting and/or relating to this Agreement and/or the Franchised Business and/or assets associated with the Franchised Business will require the prior written consent of Franchisor where such Transfer occurs by virtue of: (a) divorce or legal dissolution of marriage; (b) insolvency; (c) dissolution of a Corporate Entity; (d) last will and testament; (e) intestate succession; or (f) declaration of, or transfer in trust;

(4) Any purported Transfer without the written consent of Franchisor, or otherwise in violation of this Agreement including, but not limited to this Article 14.B. shall constitute a breach of this Agreement and shall convey to the transferee no rights or interests in this Agreement; and

(5) In the event of a Transfer of this Agreement that is approved by Franchisor, Franchisee shall not be relieved of Franchisee's obligations under this Agreement whether said obligations accrued and/or arose prior to and/or after the date of Transfer.

14.C. CONDITIONS FOR APPROVAL OF TRANSFER

Provided Franchisee and each Owner and Spouse, respectively, are in substantial compliance with this Agreement and the Ancillary Agreements, and Franchisor does not elect to exercise Franchisor's right of first refusal as set forth in Article 14.F. below, Franchisor shall not unreasonably withhold its approval of a Transfer by Franchisee or an Owner. The proposed transferee (including such assignee's owner(s) and spouse(s) if the proposed transferee is a Corporate Entity) must be of good moral character, have sufficient business experience, aptitude and financial resources to own and operate a yorCMO Business, and otherwise meet Franchisor's then applicable standards for franchisees as determined by Franchisor in its sole, but reasonable discretion. Furthermore, the proposed transferee and the proposed transferee's owners and spouses may not own or operate, or intend to own or operate, a Competitive Business. Franchisee agrees that Franchisor may condition approval of a Transfer upon Franchisee's satisfaction (either before, or contemporaneously with, the effective date of the Transfer) of the following:

(1) Franchisee must provide written notice to Franchisor of the proposed Transfer of this Agreement at least 30 days prior to the Transfer, and Franchisee must have also satisfied the obligations set forth in Article 14.F. below;

(2) All accrued monetary obligations of Franchisee and all other outstanding obligations to Franchisor and/or Franchisor's affiliates under this Agreement and the Ancillary Agreements must be satisfied in a timely manner, and Franchisee must satisfy all trade, supplier, and vendor accounts and other debts, of whatever nature or kind, in a timely manner;

(3) Franchisee, each Owner, and each Spouse must not be in default or material breach of this Agreement or the Ancillary Agreements;

(4) The transferee shall be bound by all terms and conditions of this Agreement, and each owner of the transferee and their respective spouses shall personally execute the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1.;

(5) All obligations of Franchisee under this Agreement and the Ancillary Agreements shall be assumed by the transferee, each individual owner of transferee, and their respective spouses in a manner satisfactory to Franchisor;

(6) Franchisee, each Owner, and each Spouse must execute the General Release attached to this Agreement as Exhibit 5 releasing Franchisor, Franchisor's affiliates and Franchisor's past and present officers, directors, shareholders, members, partners, agents, representatives, independent contractors, servants and employees, of any and all claims against Franchisor for matters arising on, or before, the effective date of the Transfer;

(7) If the proposed Transfer includes or entails the Transfer of this Agreement, substantially all of the assets of the Franchised Business, a controlling interest in Franchisee, or is one of a series of Transfers which in the aggregate Transfers substantially all of the assets of the Franchised Business or a controlling interest in Franchisee, then, at the election of Franchisor and upon notice from Franchisor to Franchisee, the transferee may be required to execute (and/or, upon Franchisee's request, shall cause all interested parties to execute) for a term ending on the expiration date of the original Term of this Agreement, the then current standard form Franchise Agreement offered to new franchisees of yorCMO Businesses and any other agreements as Franchisor requires. Such agreements shall supersede this Agreement and its associated agreement in all respects, and the terms of Franchisor's then current agreements may differ from the terms in this Agreement, provided that such agreements shall provide for the same Royalty Fee, Advertising Contributions, and all other financial or monetary obligations established in this Agreement;

(8) The transferee, at its expense, must improve, modify, refurbish, renovate, remodel, and/or otherwise upgrade Franchisee's Administrative Office to conform to the then current standards and specifications of Franchisor, and the transferee must complete such improvements, modifications, refurbishments, renovations, remodeling, and/or upgrading within the time period Franchisor reasonably specifies;

(9) Franchisee, each Owner, and each Spouse shall remain liable for all obligations to Franchisor set forth in this Agreement;

(10) At the transferee's expense, the transferee, and the transferee's Managing Owner, Managers and/or any other applicable employees of transferee's yorCMO Business must complete any training programs then in effect for franchisees of yorCMO Businesses upon terms and conditions set forth in this Agreement or as Franchisor otherwise reasonably requires;

(11) Franchisee must pay the Transfer Fee to Franchisor;

(12) Franchisor's approval of the material terms and conditions of the Transfer, and Franchisor determines in Franchisor's Reasonable Business Judgment that the price and terms of payment are not so burdensome as to be detrimental to the future operations of the Franchised Business by the transferee;

(13) Transferee's employees, directors, officers, independent contractors, and agents who will have access to Confidential Information shall execute the Confidentiality Agreement attached hereto as Exhibit 2;

(14) Franchisee entering into an agreement with Franchisor agreeing to subordinate any obligations of transferee to make installment payments of the purchase price to Franchisee to the transferee's obligations to Franchisor, including, without limitation, transferee's obligations with respect to Royalty Fees and Advertising Contributions;

(15) Franchisee and transferee acknowledge and agree that Franchisor's approval of the Transfer indicates only that the transferee meets, or Franchisor waived, the criteria established by Franchisor for franchisees as of the time of such transfer, and Franchisor's approval thereof does not constitute a warranty or guaranty by Franchisor, express or implied, of the suitability of the terms of sale, successful operation, or profitability of the Franchised Business;

(16) Franchisee and transferee acknowledge and agree that Franchisor's approval of the Transfer at issue does not constitute Franchisor's approval of future or other Transfers or the waiver of the requirement that Franchisor must approve such future or other Transfers in accordance with this Agreement;

(17) The Transfer must be made in compliance with all applicable laws;

(18) The Transfer of the Franchised Business, the lease for Franchisee's Administrative Office (if applicable), and the assets of the Franchised Business shall be made only in conjunction with a Transfer of this Agreement, approved by Franchisor in accordance with and subject to this Article 14 and the terms and conditions of this Agreement; and

(19) Franchisor's consent to a Transfer of any interest that is subject to the restrictions of this Agreement shall not constitute a waiver of any claims it may have against Franchisee or deemed a waiver of Franchisor's right to demand strict and exact compliance with this Agreement by the transferee.

14.D. DEATH OR DISABILITY OF FRANCHISEE OR AN OWNER

(1) Upon the death or permanent disability of the Primary CMO of the Franchised Business, and in the event another yorCMO Business ("Servicing Business") agrees to service Franchisee's client(s), the Servicing Business, as a condition to servicing Franchisee's client(s), shall pay to Franchisee or Franchisee's estate, as directed by Franchisee's legal representative, a sum equal to 50% of the Net Sales for that particular client for a period of 90 days following the commencement of the Servicing Business' services to the Franchisee's client.

(2) If Franchisee is a Corporate Entity, upon the death or permanent disability of Franchisee's Primary CMO and in the event a Servicing Business agrees to service Franchisee's client, the Servicing Business, as a condition to servicing Franchisee's client, shall pay to Franchisee or Franchisee's estate a sum equal to 50% of the Gross Sales for that particular client for a period of 90 days following the commencement of the Servicing Business' services to the Franchisee's client.

14.E. TRANSFER TO WHOLLY OWNED CORPORATE ENTITY

In the event Franchisee is an individual/are individuals, this Agreement may be Transferred by Franchisee to a Corporate Entity (the "Assignee Corporate Entity"), provided that: (a) Franchisee has provided Franchisor with 30 days prior written notice of the proposed Assignment of this Agreement; (b) Franchisee (individually, jointly and severally as to each individual Franchisee) sign and be bound by the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1; (c) the Spouse of each Franchisee (individually, jointly and severally as to each individual Spouse) sign and be bound by the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1; (d) Franchisee has provided Franchisor with true and accurate copies of corporate formation documents related to the Assignee Corporate Entity and the ownership of the Assignee Corporate Entity and has further provided Franchisor with all additional documentation as Franchise may request concerning the proposed assignment and/or Assignee Corporate Entity; and (e) Franchisee is otherwise in compliance with the terms and conditions of this Agreement and any Ancillary Agreements. Franchisee agrees that an assignment to an Assignee Corporate Entity shall not relieve Franchisee of Franchisee's individual obligations under this Agreement as such obligations existed between Franchisee and Franchisor prior to the date of any assignment to the Assignee Corporate Entity.

14.F. FRANCHISOR'S RIGHT OF FIRST REFUSAL

If Franchisee or an Owner desires to engage, in whole or in part, in a Transfer of Franchisee, this Agreement, Franchisee's yorCMO Business, Franchisee's Administrative Office, and/or Franchisee's Administrative Office, then Franchisee or such Owner (as applicable) must obtain a bona fide, signed written offer from the fully disclosed purchaser (the "Offer") and submit an exact copy of the Offer to Franchisor. Franchisor shall have 30 days after receipt of the Offer to decide whether Franchisor will purchase the interest in Franchisee, Franchisee's yorCMO Business, Franchisee's Administrative Office, and/or Franchisee's Administrative Office for the same price and upon the same terms contained in the Offer (however, Franchisor may substitute cash for any form of payment proposed in the Offer). If Franchisor notifies Franchisee that Franchisor intends to purchase the interest within said 30 day period, Franchisee or Owner (as applicable) must sell the interest to Franchisor. Franchisor will have at least an additional 60 days to prepare for closing. Franchisor shall be entitled to receive from Franchisee or Owner (as applicable) all customary representations and warranties given by Franchisee or Owner (as applicable) as the seller of the assets and/or the ownership interest or, at Franchisor's election, the representations and warranties contained in the offer. If Franchisor does not exercise its right of first refusal, Franchisee or Owner (as applicable) may complete the Transfer to the purchaser pursuant to and in accordance with the terms of the Offer, provided that separate and apart from this Article 14.F right of first refusal, Franchisee complies with the terms of this Article 14. However, if the sale to the purchaser is not completed within 120 days after delivery of the Offer to Franchisor, or there is a material change in the terms of the sale, Franchisor will again have the right of first refusal specified in this Article 14.F. Franchisor's right of first refusal in this Article 14.F. shall not apply to any Transfer pursuant to Article 14.E of this Agreement.

ARTICLE 15
RENEWAL OF FRANCHISE

15.A. FRANCHISEE'S RIGHT TO RENEW

Subject to Franchisee's satisfaction of the terms of this Agreement, including this Article 15, Franchisee shall possess the option to renew the franchise for Franchisee's continued license and franchised operation of the Franchised Business for additional three year terms (the "Renewal Terms"). The foregoing Renewal Terms shall not be afforded to or available to Franchisee if, prior to the Effective Date of this Agreement, the Franchised Business was previously operated or developed pursuant to a prior Franchise Agreement with Franchisor or Franchisor's predecessors respecting the Franchised Business.

15.B. CONDITIONS FOR RENEWAL

Franchisee's renewal rights under this Article 15 are subject to and contingent upon Franchisee's satisfaction of the following conditions and criteria:

(1) Not less than 180 days prior to the expiration of the initial Term Franchisee must provide Franchisor written notice (the "Renewal Notice") of Franchisee's election to renew;

(2) At the time of delivering the Renewal Notice and at all times thereafter, Franchisee and Franchisee's Owners must be in compliance with the terms of this Agreement and all Ancillary Agreements, and without any default of this Agreement or the Ancillary Agreements;

(3) Franchisee must possess, present, and demonstrate to Franchisor and, subject to Franchisor's reasonable satisfaction, that: (a) Franchisee maintains the ability to continue to operate the Franchised Business; and (b) Franchisee possesses the right to occupy and maintain Franchisee's Administrative Office in accordance with Franchisor's then current standards and specifications;

(4) Franchisee must satisfy the maintenance, update, and upgrade obligations as set forth in Article 7.B. of this Agreement;

(5) Franchisee pays the Renewal Fee and Franchisee agrees to, signs, and delivers to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then current form Franchise Agreement for the Renewal Term (the "Renewal Franchise Agreement");

(6) Franchisee's Owners and their Spouses, respectively, must agree to, sign, and deliver to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then current individual guaranty agreements, and, thereby, among other things, individually and jointly guarantee the full and complete performance of the Renewal Franchise Agreement including, but not limited to, payment obligations, non-compete obligations, and restrictive covenants (the "Renewal Ancillary Agreements");

(7) Franchisee and the Owners must, prior to the Renewal Term, undertake and complete, to Franchisor's satisfaction, such additional training, if any, as designated and determined by Franchisor in Franchisor's Reasonable Business Judgment; and

(8) Franchisee and the Owners must agree to, sign, and deliver to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then current form of general release whereby Franchisee and Franchisee's Owners shall each fully release and discharge Franchisor, Franchisor's affiliates and it's officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, employees, successors and assigns from any and all claims, causes of action, and suits arising from and/or related to this Agreement. If local law precludes Franchisee's issuance of a general release, Franchisor at Franchisor's election, may condition

renewal on Franchisee's and each Owner's delivery to Franchisor of an estoppel letter advising and informing Franchisor that the undersigned possesses no legal claim or cause of action against Franchisor and is not aware of any facts of circumstances involving any breach of this Agreement by Franchisor or Franchisor's agents or employees.

Failure by Franchisee, and, as applicable, each Owner and Spouse to timely comply with the foregoing conditions shall be deemed an election by Franchisee not to renew the franchise.

15.C. RENEWAL FRANCHISE AGREEMENT

Franchisee expressly acknowledges and agrees that the Renewal Franchise Agreement and Renewal Ancillary Agreements, as determined by Franchisor in Franchisor's sole discretion, may contain terms, conditions, requirements, and rights that are materially and substantively different from those granted and contained in this Agreement.

ARTICLE 16
DEFAULTS AND REMEDIES

16.A. DEFAULTS BY FRANCHISEE AND TERMINATION BY FRANCHISOR

(1) **Defaults and Automatic Termination** – Franchisee shall be in default of this Agreement, and, this Agreement shall be automatically and immediately terminated, without notice to Franchisee and without providing Franchisee any opportunity to cure, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances:

(a) Franchisee becomes insolvent, and/or Franchisee makes a general assignment for the benefit of creditors or takes any other similar action for the protection or benefit of creditors;

(b) Franchisee admits in writing Franchisee's inability to pay its debts as they mature, and/or Franchisee gives notice to any governmental body or agency of insolvency, pending insolvency, suspension of operations and/or pending suspension of operations;

(c) Franchisee files a voluntary petition in bankruptcy, Franchisee is adjudicated bankrupt or insolvent, and/or Franchisee files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or other similar relief under any applicable federal and/or state law relative to bankruptcy, insolvency or similar relief for debtors;

(d) An involuntary petition in bankruptcy is filed against Franchisee and Franchisee fails to have the involuntary petition discharged within 35 days of the petition filing, and/or Franchisee seeks, consents to, or acquiesces in, the appointment of any trustee, receiver, conservator, custodian or liquidator for Franchisee's business or any assets of Franchisee;

(e) A bill in equity or other proceeding for the appointment of any trustee, receiver, conservator, custodian or liquidator of Franchisee for Franchisee's business or any assets of Franchisee is filed and Franchisee consents to same;

(f) A court of competent jurisdiction appoints or orders any trustee, receiver, conservator, custodian or liquidator for Franchisee's business or any assets of Franchisee and such appointment or order remains for an aggregate of 60 days, whether or not consecutive, from the date of entry thereof;

(g) Franchisee initiates proceedings for a composition with creditors under any state or federal law or such a proceeding is initiated against Franchisee;

(h) This Agreement, or any of Franchisee's rights under this Agreement, is levied upon under any attachment or execution, and/or Execution is levied upon or against the Franchised Business or any assets of Franchisee, and/or a final judgment against Franchisee remains of record or unsatisfied for 30 days or more, unless an appeal and/or bond is filed;

(i) Franchisee is dissolved;

(j) A cause of action or lawsuit to foreclose any lien or mortgage against the assets of the Franchised Business;

(k) A cause of action or lawsuit to foreclose any lien against equipment used in the operation of the Franchised Business and not dismissed within 60 days after the summons is served on Franchisee;

(l) Real or personal property of Franchisee used in the operation of the Franchised Business is sold after levy thereupon by any sheriff, marshal or other law enforcement officer; and/or

(m) Upon termination by Franchisor pursuant to Article 16.A.(2), Article 16.A.(3), or Article 16.A.(4) of this Agreement.

(2) **Defaults and Automatic Termination upon Written Notice without Cure Period** – Franchisee shall be in default of this Agreement, and, this Agreement may be terminated by Franchisor, at Franchisor's sole discretion, upon written notice from Franchisor to Franchisee and without providing Franchisee any opportunity to cure, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, with such termination effective on the date of Franchisor's notice:

(a) Franchisee, on three or more instances and/or occasions, engages, commits, and/or suffers an action, inaction, omission, event, and/or circumstance that constitutes or qualifies as a default under Articles 16.A.(3) and/or 16.A.(4) of this Agreement, irrespective of whether or not such action, inaction, omission, event, and/or circumstance is the subject of a notice of default from Franchisor to Franchisee pursuant to Articles 16.A.(3) and/or 16.A.(4) of this Agreement and irrespective of whether or not such default was timely cured and irrespective of whether or not Franchisee paid any penalties or additional fees to Franchisor;

(b) Franchisee, intentionally and knowingly, refuses to comply with and/or breaches any term, condition, provision, and/or requirement of this Agreement with the intent of causing harm to Franchisor, the System, other System franchisee and/or clients of the Franchised Business;

(c) Franchisee intentionally, knowingly, with prior notice, and/or through negligence, at any time, develops, manages, maintains, and/or operates the Franchised Business in violation of federal, state, and/or local laws, rules, regulations, ordinances, permits, codes and/or conduct resulting in a foreseeable, immediate and/or imminent threat to the health and/or safety of any third party including clients, employees, and/or the public at large;

(d) Franchisee abandons, surrenders and/or fails to continuously and actively operate the Franchised Business, unless prevented from doing so by casualty that is the subject of Article 7.C. of this Agreement and that is cured/remedied in accordance with Article 7.C.;

(e) Franchisee, as to applicable, laws, rules and/or regulations, loses and/or fails to continuously possess, the legal right to operate Franchised Business in accordance with the terms of this Agreement and the standards, specifications, and requirements set forth in the Operations

Manual and/or as otherwise communicated by Franchisor from time to time;

(f) Franchisee and/or Franchisee's Owners intentionally misrepresent and/or omit material information in any submitted application and during the application process;

(g) As to information, records, statements, and/or data that Franchisee must maintain and/or report to Franchisor pursuant to the terms of this Agreement, the Operations Manual, or as otherwise requested by Franchisor from time to time, the information, records, statements, and/or data maintained by Franchisee and/or reported by Franchisee contains intentional inaccuracies and/or material inaccuracies that are either misleading or false;

(h) Franchisee attempts to Transfers or, purportedly attempts to Transfer, this Agreement or any of Franchisee's rights under this Agreement, without Franchisor's prior approval, written consent, and/or otherwise not in accordance with this Agreement;

(i) If Franchisee is a Corporate Entity, an Owner of Franchisee attempts to Transfer or, purportedly Transfers, the Owners equity interests, ownership interests, and/or rights in Franchisee without Franchisor's prior approval, written consent, and/or otherwise not in accordance with this Agreement;

(j) Franchisee discloses, divulges, provides access to, communicates, and/or permits the communication of the contents, data and/or information contained in the Operations Manual to any third party not otherwise authorized by Franchisor;

(k) Franchisee discloses, divulges, provides access to, communicates, and/or permits the communication of Confidential Information to any third party not otherwise authorized by Franchisor;

(l) Franchisee engages in any activity that injures, harms, damages, or otherwise has a material adverse effect on Franchisor, the System, the Licensed Marks, yorCMO Businesses, the Franchised Business, and/or the reputation of the yorCMO brand;

(m) Franchisee, an Owner, and/or a Spouse, as applicable and whether individually or jointly, breaches or is in default of an Ancillary Agreement, and, if the applicable agreement provides for the opportunity to cure, fails to timely cure the breach or default of the Ancillary Agreement, including, without limitation, the Franchise Owner and Spouse Agreement and Guaranty;

(n) Franchisee and/or an Owner of Franchisee is convicted of a felony crime, and/or pleads guilty or nolo contendere to a felony crime;

(o) Franchisee and/or an Owner of Franchisee engages in intentionally dishonest and/or unethical conduct that, in Franchisor's Reasonable Business Judgment, results in embarrassment to Franchisor, the System, the Licensed Marks, yorCMO Businesses, the Franchised Business, and/or the reputation of the yorCMO brand;

(p) Franchisee fails to complete, to Franchisor's reasonable satisfaction, the Training Program and/or supplemental training programs designated by Franchisor;

(q) Franchisee fails, upon receiving actual or constructive notice, shall: (1) immediately notify Franchisor of any known breach of the Confidentiality Agreement by any person or entity; (2) immediately notify Franchisor of facts and information that would cause a reasonable person to believe that a person or entity violated the Confidentiality Agreement and/or is in the process

of violating the Confidentiality Agreement; and (3) take reasonable steps including ,notice to Franchisor and Franchisee's consultation with Franchisee's legal counsel, to prevent any person or entity from violating the terms of the Confidentiality Agreement and/or otherwise publicly disseminating Confidential Information;

(r) Franchisee misappropriates, misuses, or makes any unauthorized use of the Licensed Marks, the Confidential Information, and/or the System and/or Franchisee materially impairs the goodwill associated with the Licensed Marks, and/or Franchisee applies for registration of the Licensed Marks anywhere in the world; and/or

(s) Franchisee and/or an Owner fails to comply with Anti-Terrorism Laws or becomes listed on the Annex to Executive Order 13244.

(3) **Defaults and Automatic Termination After 10 Day Cure Period** – Franchisee shall be in default of this Agreement and, this Agreement shall be terminated, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, unless, Franchisee timely cures, to the satisfaction of Franchisor, such default / action, inaction, omission, event, and/or circumstance within 10 calendar days of Franchisor's written notice:

(a) Franchisee fails, refuses, and/or is unable to timely pay and/or satisfy the Royalty Fee, Advertising Contribution, and/or any other payment, fee, financial obligation, charge, and/or monetary obligation payable and/or due to Franchisor pursuant to the terms of this Agreement, under this Agreement, and/or any other agreement between Franchisor and Franchisee;

(b) Franchisee and/or Franchisee's affiliate fails, refuses, and/or is unable to pay and/or satisfy any payment, fee, financial obligation, charge, and/or monetary obligation payable to Franchisor and/or Franchisor's affiliates pursuant to this Agreement and/or any other agreement between or among Franchisor, Franchisor's affiliate, Franchisee and/or Franchisee's affiliate; and/or

(c) Franchisee fails or refuses, at any time, and, without legal justification as may be determined by Franchisor in Franchisor's Reasonable Business Judgment, to pay any third party supplier or vendor for any goods, products, supplies, equipment, materials and/or any other items used by, benefitting, and/or intended to benefit the Franchised Business.

The foregoing events of default set forth in this Article 16.A.(3) shall exclude events of default that are otherwise governed by and/or constitute events of default under Article 16.A.(1) or Article 16.A.(2). In the event of any inconsistency or conflict between the provisions of this Article 16.A.(3) with Article 16.A.(1), Article 16.A.(1) shall take precedence and govern. In the event of any inconsistency or conflict between the provisions of this Article 16.A.(3) with Article 16.A.(2), Article 16.A.(2) shall take precedence and govern.

(4) **Defaults and Automatic Termination After 30 Day Cure Period** – Franchisee shall be in default of this Agreement and, this Agreement shall be terminated, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, unless, Franchisee timely cures, to the satisfaction of Franchisor, such default / action, inaction, omission, event, and/or circumstance within 30 calendar days of Franchisor's written notice:

(a) Franchisee fails or refuses to comply with and/or breaches any term, condition, provision, and/or requirement of this Agreement that is not otherwise a default under Articles 16.A.(1), 16.A.(2), or 16.A.(3) of this Agreement;

(b) Franchisee fails or refuses to comply with and/or breaches any term, condition, provision, and/or requirement of any agreement, other than this Agreement, between Franchisor and Franchisee, and/or an affiliate of Franchisor and Franchisee;

(c) Franchisee fails or refuses, in accordance with the terms of this Agreement, to obtain and secure a signed lease agreement or fee simple ownership interest in an approved location for Franchisee's Administrative Office;

(d) Franchisee fails or refuses to develop and open the Franchised Business on or before the Scheduled Business Commencement Date, in compliance with the terms of this Agreement, as designated or specified in the Operations Manual, and/or in accordance with Franchisor's standards and specifications as communicated to Franchisee from time to time;

(e) Franchisee fails or refuses, at any time, to manage, maintain, and/or operate the Franchised Business in compliance with the terms of this Agreement, as designated or specified in the Operations Manual, and/or in accordance with Franchisor's standards, specifications, and requirements as communicated to Franchisee from time to time;

(f) Franchisee fails or refuses, at any time, to develop, manage, maintain, and/or operate the Franchised Business in compliance with all applicable federal, state, and local laws, rules, regulations, ordinances, permits, and codes;

(g) At any time, an inspection and/or evaluation of the operations of the Franchised Business – whether by mystery shopper programs, third party inspection services, or as otherwise designated by Franchisor, and, whether or not such inspections are on notice or secret – Franchisor, in Franchisor's Reasonable Business Judgment, determines that the operations of the Franchised Business do not meet or are in violation of the operational standards and requirements set forth in this Agreement, the Operations Manual, and/or as communicated to Franchisee from time to time;

(h) Franchisee fails or refuses to timely submit to Franchisor records, reports, stored media, recordings, financial statements, books, accounts, statements, data, documentation and/or other information as required by this Agreement, as set forth in the Operations Manual, and/or as requested by Franchisor;

(i) If any inspection or review of Franchisee's records, reports, books, accounts, statements, data, documentation and/or other information discloses, within any week, month, or Accounting Period selected by Franchisor, the underreporting of Franchisee's Gross Sales, and/or any other metrics or data, resulting in the underpayment, by 5% or more, of the obligations, payments, and/or fees due by Franchisee to Franchisor under the terms of this Agreement;

(j) Franchisee fails or refuses, at any time, to maintain the required insurance policies and insurance coverage required for the Franchised Business as set forth in this Agreement, and/or in the Operations Manual; and/or

(k) Franchisee fails to timely satisfy and pay all vendors, suppliers and/or contractors in connection with the development, construction, and/or establishment of the Franchised Business.

The foregoing events of default set forth in this Article 16.A.(4) shall exclude events of default that are otherwise governed by and/or constitute events of default under Article 16.A.(1) or Article

16.A.(2). In the event of any inconsistency or conflict between the provisions of this Article 16.A.(4) with Article 16.A.(1), Article 16.A.(1) shall take precedence and govern. In the event of any inconsistency or conflict between the provisions of this Article 16.A.(4) with Article 16.A.(2), Article 16.A.(2) shall take precedence and govern.

16.B. TERMINATION BY FRANCHISEE

If Franchisee, each Owner and Spouse (as applicable) are in full compliance with each and every term and provision of this Agreement, any amendment or successor agreement, and any of the Ancillary Agreements, and Franchisor materially breaches Franchisor's substantive and material obligations set forth in this Agreement, Franchisee may terminate this Agreement in the event of the following:

(1) Franchisor does not correct the material breach within 30 days after Franchisor's receipt of Franchisee's written notice of such material breach to Franchisor; or

(2) In a case where Franchisor's material breach cannot reasonably be cured within 30 days, within 30 days of Franchisor's receipt of Franchisee's written notice of Franchisor's material breach, Franchisor shall be provided a reasonable time period to cure such material breach provided that Franchisor provides reasonable evidence to Franchisee of Franchisor's current, continuing and/or planned efforts to correct the material breach within a reasonable time.

In either case, Franchisee's termination of this Agreement shall not take effect until expiration of the 30 day period set forth above and or such reasonable time period as necessary to cure the material breach, and Franchisee delivers to Franchisor a separate written notice of termination. The termination date must be at least 10 days after Franchisor's receipt of Franchisee's notice of termination. Franchisee's termination of this Agreement for any reason other than as set forth in and in compliance with this Article 16.B. shall not constitute the termination of this Agreement and shall constitute a material breach of this Agreement by Franchisee.

16.C. FRANCHISOR'S ADDITIONAL RIGHTS, REMEDIES, AND DAMAGES

Franchisee agrees that Article 16.A. sets forth actions, inactions, omissions, events, and/or circumstances that, among other things, constitute, in each and every instance and subject to any applicable cure period, if any, a default of this Agreement permitting Franchisor to, among other things, terminate this Agreement and/or resulting in the automatic termination of this Agreement. The grounds constituting a default under Article 16.A. are in addition to any and all other grounds for default as may be otherwise set forth in the Franchise Agreement. In the event of an event of default of this Agreement by Franchisee under Article 16.A. or, as otherwise set forth in this Agreement, Franchisee agrees that termination of this Agreement is not the sole or exclusive remedy of Franchisor and that Franchisor's right or remedy of termination shall be in addition to any and all other rights set forth in this Agreement, and as otherwise available to Franchisor in law or equity.

Without limitation to the foregoing, additionally, in the event of the termination of this Agreement as a result of a default or breach by Franchisee and/or, by Franchisee's Owners and/or affiliates of any Ancillary Agreements, Franchisor, in addition to any and all other rights and remedies available to Franchisor as set forth in this Agreement, and, at law and in equity, shall possess the following rights and remedies, each of which are not exclusive of the other and may be/are in conjunction with one another:

(1) To void and terminate this Agreement, and thereafter to market, sell, transfer, convey and assign the rights granted to Franchisee under this Agreement to any other person or entity in Franchisor's sole discretion and without compensation to Franchisee.

(2) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, all payments, fees, monetary obligations, financial obligations, interest, and charges

due and owing to Franchisor from Franchisee pursuant to this Agreement, the Ancillary Agreements, and/or any other agreements between Franchisee and Franchisor, including, without limitation, Royalty Fees and Advertising Contributions with each and every payment and obligation to be accelerated and due immediately.

(3) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, lost revenues, profits, and fees including, but not limited to Royalty Fees, Sales and Marketing Fund Fee, Advertising Contributions, and all other fees, revenues and/or expenses that would have been paid to Franchisor, under the terms of this Agreement and throughout the Term of this Agreement, had a breach not occurred and had Franchisor not terminated this Agreement. In calculating and determining the foregoing Franchisee agrees that in calculating and in determining such damages that it is fair and reasonable to use Franchisee's most recent calendar year Gross Sales in calculating and determining Franchisor lost revenues and fees and by assuming that such Gross Sales would have been earned in each and every year throughout the remainder of the Term had this Agreement not been terminated. If, however, the Franchised Business has been open and in operation for less than one calendar year, Franchisee agrees that it is fair and reasonable to use an average of yorCMO Business Gross Sales across the System during the year in which this Agreement was terminated and to use such average Gross Sales for the purpose of calculating and determining Franchisor lost revenues and fees and, in doing so, by assuming that such Gross Sales would have been earned in each and every year throughout the remainder of the Term had this Agreement not been terminated. Alternatively, or in addition to the foregoing, at Franchisor's election, Franchisor may hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, an amount that equal to the greater of (i) $500 per month for the remaining months of the Term; or (ii) $6,000. Franchisee agrees that the foregoing is a form of liquidated damages, and that it is fair and reasonable.

(4) To hold Franchisee and Franchisee's Owners liable for all costs, fees, expenses, and/or damages incurred by Franchisor and/or suffered by Franchisor as a result of a breach or termination including, but not limited to, the recovery of reasonable attorney fees and expenses including court costs, arbitration fees, mediation fees, arbitrator fees, mediator fees, depositions and other related expenses.

(5) To enjoin, restrain, and otherwise prohibit Franchisee from operating the Franchised Business or exercising any rights granted to Franchisee under this Agreement pursuant to a court order restraining order, injunction or other means.

(6) Declaratory judgment that this Agreement and all rights granted to Franchisee under this Agreement are terminated, null and void.

(7) All other remedies and/or rights available to Franchisor as otherwise set forth in the Agreement and/or as may be otherwise available by law or equity.

In the event of a breach or default of this Agreement, should Franchisor elect, at Franchisor's sole discretion, to not terminate this Agreement, such action shall be without prejudice and without waiver of Franchisor's rights in the future. Further, at all times, and without prejudice to Franchisor's right to declare a default and, among other things, terminate this Agreement, Franchisor may: (i) temporarily or permanently suspend any existing credit arrangements or accommodations previously extended to Franchisee and/or refrain from offering or making available to Franchisee any credit arrangements or accommodations that may be offered or made available to other System franchisees; (ii) modify payment terms for approved products, supplies, or other merchandise purchased by Franchisee which may include, without limitation, requiring cash on delivery; (iii) disqualify Franchisee from being eligible for, or from participating in, special promotion programs, rebates, and/or rebate sharing that may be offered or made available to other System franchisees;

and/or (iv) refrain from providing or making available to Franchisee promotional materials or other materials developed by the Sales and Marketing Fund.

If Franchisor does not pursue termination of this Agreement in the event of a default or breach by Franchise, and/or Franchisor accepts any royalties, payments, contributions, funds, or other monetary sums from Franchisee, such actions do not constitute a waiver or acceptance of Franchisee's default or breach, and Franchisor reserves the right to pursue any and all additional remedies set forth in this Agreement, at law, or in equity. Franchisor's rights and remedies are cumulative, and no exercise or enforcement by Franchisor of any such right or remedy precludes the exercise or enforcement by Franchisor of any other right or remedy which Franchisor is entitled by law to enforce.

16.D. GUARANTY

The payment of all payments, amounts, fees, charges and other financial obligations payable by Franchisee to Franchisor pursuant to this Agreement, and Franchisee's observance and performance of all terms and conditions of this Agreement, are guaranteed pursuant to The Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1.

16.E. NOTICE OF LEGAL PROCEEDINGS AGAINST FRANCHISOR

Franchisee shall give Franchisor advance written notice of Franchisee's intent to commence or otherwise institute any legal action or proceeding against Franchisor, specifying the basis for such proposed action, and Franchisee shall grant Franchisor 30 days from receipt of said notice to cure the alleged act upon which such legal action is to be based (hereinafter, the "30 Day Cure Notice"). Franchisee agrees that the 30-Day Cure Notice is a strict condition precedent to Franchisee commencing, or otherwise instituting, legal action or proceeding against Franchisor for any reason whatsoever.

ARTICLE 17
OBLIGATIONS UPON TERMINATION, EXPIRATION AND CONTINUING OBLIGATIONS

17.A. PAYMENT OF AMOUNTS OWED TO FRANCHISOR

Without limitation as to any other Article or provision of this Agreement, upon expiration or termination of this Agreement for any reason, Franchisee shall immediately pay to Franchisor all sums and fees due from Franchisee to Franchisor under the terms of this Agreement including, but not limited to Royalty Fees and Advertising Contributions and all other sums and fees due from Franchisee to Franchisor and/or Franchisor affiliates and/or suppliers for products and services including, but not limited to, System Supplies.

17.B. CEASE OPERATIONS AND PROTECTION OF THE SYSTEM

Upon expiration, termination, or Transfer of this Agreement for any reason, Franchisee shall immediately:

(1) Permanently cease to be a franchise owner of the yorCMO Business that was the subject of this Agreement and cease to operate such yorCMO Business under the System;

(2) Refrain from directly or indirectly, holding oneself/itself out to any person or entity, or represent themselves/itself as a present or former yorCMO franchisee;

(3) Permanently cease to use, in any manner: (a) the System including, without limitation, the Confidential Information, the Licensed Marks, the Business Management System Data, and the Operations Manual; (b) any methods, procedures, or techniques associated with the System in which Franchisor possesses proprietary rights or that constitute Franchisor's trade secrets; (c) System Supplies, including communicating with or ordering products from Franchisor's designated suppliers and vendors of System Supplies; (d) the Approved Services and Products; and (e) any

other advertising, marketing, media, and any other information, documents or things associated with Franchisor, the System, the Licensed Marks, yorCMO Businesses, the Franchised Business, and Franchisee's former yorCMO Business, including, without limitation, any confidential, proprietary methods, procedures, descriptions of products, techniques, trade secrets, proprietary marks, distinctive forms, slogans, symbols, signs, stationary, advertising material, articles, logos, devices, items and all other things, tangible or intangible, associated with Franchisor, the System, the Licensed Marks, and yorCMO Businesses;

(4) Return to Franchisor the Operations Manual (including any and all parts, supplements, and copies of the Operations Manual), the Confidential Information (including without limitation the Business Management System Data and all client lists and information), and all other confidential materials, equipment, software, information, and property owned by Franchisor and all copies thereof provided, however, that Franchisee may retain Franchisee's copies of this Agreement, correspondence between Franchisor and Franchisee, but not including Confidential Information that may be contained in or attached thereto, and other documents that Franchisee needs to retain pursuant to applicable law;

(5) Permanently cease accessing, immediately disconnect from, and discontinue using any and all digital media, intra-nets, cloud-based systems, and/or servers that store, maintain, and/or provide access to the Operations Manual, Confidential Information, and all other standards, specifications of Franchisor;

(6) Immediately notify Franchisor, in writing, of any and all locations where Franchisee may have maintained and/or stored digital files and/or media containing all or parts of the Operations Manual, any Confidential Information, and all other standards and specifications of Franchisor, immediately turn over such digital files and media to Franchisor, and follow Franchisor's instructions as to the destruction of such digital files and media;

(7) Except in the event an authorized transferee continues to operate Franchisee's former yorCMO Business at Franchisee's Administrative Office subsequent to a Transfer, at Franchisee's sole cost and expense: (a) modify and alter Franchisee's former yorCMO Business, Franchisee's former yorCMO Administrative Office, and Franchisee's Administrative Office, as reasonably necessary or otherwise required by Franchisor, to ensure that Franchisee's Administrative Office has been completely de-identified and differentiated from its former appearance to prevent any confusion by the public as to the continued existence of a yorCMO Business at your Administrative Office; (b) remove from Franchisee's Administrative Office all distinctive physical and structural features identifying a yorCMO Business and all distinctive signs, trade dress and emblems associated with the System including, without limitation, signs, trade dress, and emblems bearing the Licensed Marks; and (c) make specific additional changes to Franchisee's Administrative Office as Franchisor reasonably requests for the purpose of completely de-identifying Franchisee's former yorCMO Business. Franchisee shall immediately initiate the foregoing actions and complete such actions within the period of time designated by Franchisor, and Franchisee agrees that Franchisor and/or Franchisor's designated agents may enter the premises of Franchisee's Administrative Office at any time to make foregoing alterations at Franchisee's sole risk and expense. Franchisee further agrees that Franchisee's failure to timely make modifications and alterations to Franchisee's Administrative Office will cause irreparable injury to Franchisor, and Franchisee consents to the entry, at Franchisee's expense, of any ex-parte order by any court of competent jurisdiction authorizing Franchisor or its agents to take action, if Franchisor seeks such an order;

(8) Take all actions necessary and/or reasonably required to cancel all fictitious or assumed names or equivalent registrations relating to the Licensed Marks;

(9) At no cost to Franchisor, take such action as may be determined by Franchisor to: (a) provide and assign to Franchisor the Business Management System, the Business Management System Data, and all client lists, client information, and client data; and (b) transfer, disconnect, and/or otherwise assign, as directed by Franchisor, all telephone numbers, email addresses, yellow pages telephone directories, telephone directory type listings, Web Based Media listings, accounts and log-in information used in connection with Franchisee's former yorCMO Business and/or otherwise associated with the System and/or the Licensed Marks, cancel Franchisee's interests in same as such cancellation may be directed by Franchisor, and effectuate, perform, honor, and comply with Franchisee's obligations under the Assignment of Telephone Numbers and Digital Media Accounts attached to this Agreement as Exhibit 3;

(10) Abide by, and comply with, the restrictive covenants and obligations set forth in this Agreement, including, without limitation, the restrictive covenants and obligations set forth in Article 6.B. through Article 6.E. of this Agreement; and

(11) Provide Franchisor, within 30 days of the expiration, termination, or Transfer of this Agreement, with written proof demonstrating that Franchisee has complied with the terms of this Article 17 and all other obligations under this Agreement that Franchisee must perform, abide by, and comply with, subsequent to the termination, expiration, or Transfer of this Agreement.

17.C. CONTINUING OBLIGATIONS

All obligations under this Agreement that expressly, or by their nature, survive, or are intended to survive, the expiration, termination, or Transfer of this Agreement shall continue in full force and effect subsequent to, and notwithstanding, this Agreement's termination, expiration, or Transfer until such obligations are satisfied in full or, by the nature and/or terms, such obligation(s) expire.

Franchisee further agrees that in the event of a Transfer of this Agreement by Franchisee, whether or not such Transfer is authorized by Franchisor or made in violation of this Agreement, under no circumstance shall Franchisee be relieved of Franchisee's Obligations under this Agreement and under no circumstance shall each Owner and Spouse be relieved of their respective guarantees, agreements, and obligations related to, or associated with, this Agreement, including, without limitation, the guarantees, agreements, and obligations set forth in the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1. The immediately foregoing shall not be interpreted or otherwise construed as constituting consent to any Transfer of this Agreement without the express written consent by Franchisor and Franchisee's compliance with this Agreement respecting any such Transfer.

ARTICLE 18
ENFORCEMENT AND CONSTRUCTION

18.A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS

(1) Except as expressly provided to the contrary in this Agreement, each and every term and provision of this Agreement shall be interpreted or otherwise construed to be independent of each other and severable. Although each term and provision of this Agreement are considered by the parties to be reasonable and intended to be enforceable, if any such term or provision of this Agreement is found by a court of competent jurisdiction, agency, or other government agency to be unenforceable as written or otherwise, then such term and condition shall be modified, rewritten, interpreted, or "blue-lined" to include as much of its nature and scope as will render it enforceable. If such term and condition cannot be so modified, rewritten, interpreted, or "blue-lined" in any respect, then it will not be given effect and severed from this Agreement, and the remainder of this Agreement shall be interpreted, construed and enforced as if such term and condition was not included in this Agreement.

(2) If any applicable and binding law or rule requires a greater prior notice of the termination of this

Agreement than is required in this Agreement, or the taking of some other action not required by this Agreement, or if under any applicable and binding law or rule, any term and condition of this Agreement, or any specification, standard, or operating procedure Franchisor prescribes is invalid or unenforceable, then the greater prior notice and/or other action required by law or rule shall be substituted for the comparable provisions, and Franchisor has the right, in its sole discretion, to modify the invalid or unenforceable term and condition, specification, standard, or operating procedure to the extent required to be valid and enforceable. Franchisee agrees to be bound by any such substituted and/or modified term and condition of this Agreement imposing the maximum duty permitted by law that is prescribed within the terms of any provision of this Agreement as though it were originally and separately articulated in, and made a part of, this Agreement as of the Effective Date and/or any specification, standard or operating procedure Franchisor prescribes, which may result from striking from any terms and conditions, specifications, standards, or operating procedures, and any portion or portions thereof, a court may hold to be unenforceable or from reducing the scope of any promise or covenant to the extent required to comply with a court order. Modifications to this Agreement shall be effective only in those jurisdictions in which such terms and conditions, specifications, standards, or operating procedures are found to be unenforceable, unless Franchisor elects to give them greater applicability, in which case, this Agreement shall be enforced as originally made in all other jurisdictions.

18.B. WAIVER OF OBLIGATIONS

No delay, waiver, omission, or forbearance on the part of Franchisor to enforce any term and condition of this Agreement or exercise any of Franchisor's rights, options, or powers under this Agreement constitutes a waiver by Franchisor to enforce any other term and condition of this Agreement or exercise any of Franchisor's other rights, options, or powers under this Agreement. No such delay, waiver, omission, or forbearance shall constitute a waiver by Franchisor to subsequently enforce such term and condition of this Agreement or subsequently exercise such right, option, or power. Acceptance by Franchisor of any payments, fees, charges, or other amount from Franchisee payable to Franchisor pursuant to this Agreement shall not constitute a waiver or acceptance of Franchisee's default or breach of this Agreement or otherwise a waiver of any term and condition of this Agreement, and Franchisor reserves the right to pursue any and all additional remedies set forth in this Agreement, at law, or in equity. Franchisor shall likewise not be deemed to have waived or impaired any term and condition, right, option or power set forth in this Agreement by virtue of any custom or practice of the parties at variance with the terms and conditions of this Agreement or Franchisor's insistence upon Franchisee's strict compliance with Franchisee's obligations, including any mandatory specification, standard or operating procedure. No waiver by Franchisor of any term and condition of this Agreement shall be valid unless in writing and signed by Franchisor.

18.C. FORCE MAJEURE

If either Franchisor or Franchisee is delayed in performing any obligation under this Agreement by any cause reasonably beyond its control when such cause would affect any person or entity similarly situated, including, without limitation, war, civil disorder, catastrophic weather, power outage, acts of God and/or labor strikes unassociated with Franchisee or Franchisor (collectively, "Force Majeure"), then the time period for performing such obligation shall be extended by a period of time equal to the period of delay. Notwithstanding the immediately foregoing sentence, any delay resulting from Force Majeure shall not excuse Franchisee's payment of any fee, charge, amount, and/or any other monetary or financial obligation to Franchisor under this Agreement, including, without limitation, the payment of the Royalty Fee and Advertising Contributions, and the non-performance of any obligation under this Agreement due to Force Majeure shall not be extended or otherwise excused for more than six months.

18.D. SPECIFIC PERFORMANCE AND INJUNCTIVE RELIEF

Nothing in this Agreement bars Franchisor's right to obtain specific performance of the provisions of this Agreement and injunctive relief under legal and/or equity rules against threatened conduct that will cause damages or loss to it, the Licensed Marks or the System. Without limitation to the rights set forth in Article

6 of this Agreement, Franchisee agrees that Franchisor may obtain such injunctive relief. Franchisee agrees that Franchisor will not be required to post a bond (other than as set forth in Article 6.H. of this Agreement) to obtain injunctive relief and that Franchisee's only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). The remedies available to Franchisor under Article 6.H. are not exclusive of one another and may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages. Without limitation to the foregoing Franchisee agrees that in the event of a breach of this Agreement by Franchisee respecting and/or concerning the System and/or the Licensed Marks shall cause irreparable harm to Franchisor, the System and the Licensed Marks. The foregoing shall not be interpreted to invalidate the mediation and arbitration requirements set forth in Article 18.G. of this Agreement and shall be consistent with same.

18.E. RIGHTS OF PARTIES ARE CUMULATIVE

The rights under this Agreement are cumulative and no exercise or enforcement by a party of any right or remedy precludes the exercise or enforcement by that party of any other right or remedy which Franchisor or Franchisee is entitled by law to enforce.

18.F. GOVERNING LAW

EXCEPT TO THE EXTENT GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 *ET SEQ.*) OR OTHER FEDERAL LAW, THIS AGREEMENT AND THE RELATIONSHIP BETWEEN THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEBRASKA, EXCEPT THAT ITS CHOICE OF LAW AND CONFLICTS OF LAWS RULES SHALL NOT APPLY AND ANY FRANCHISE REGISTRATION, DISCLOSURE, RELATIONSHIP OR SIMILAR STATUTE WHICH MAY BE ADOPTED BY THE STATE OF NEBRASKA SHALL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

18.G. CHOICE OF LAW, NON-BINDING MEDIATION, BINDING ARBITRATION, AND CONSENT TO JURISDICTION

(1) **Non-Binding Mediation** – Franchisee and Franchisor agree that before either party may bring any action, dispute and/or controversy arising from or related to this Agreement and/or the franchise relationship between Franchisor and Franchisee in arbitration, the parties must first mediate the dispute through non-binding mediation. Mediation shall be non-binding and shall be conducted by the American Arbitration Association ("AAA") in accordance with the AAA's then current rules for the mediation of commercial disputes. All mediation proceedings shall be conducted in a suitable location selected by the mediator that is within Douglas County, Nebraska or, the closest suitable location located nearest to Franchisor's corporate headquarters at the time the mediation proceeding is commenced. Mediation shall be conducted by one mediator and if Franchisor and Franchisee cannot agree on a mediator then the mediator shall be selected by the AAA. Mediation shall be conducted within 45 days of the AAA's designation and/or acknowledgment of the selected mediator or such longer period as may be agreed to between Franchisor and Franchisee in writing and signed by each respective party. Franchisor and Franchisee shall each be responsible for their own costs associated with mediation and Franchisor and Franchisee shall each be responsible for and shall each pay 50% of the mediator's fee and the AAA's mediation fees.

Notwithstanding the preceding paragraph, Franchisor and Franchisee agree this Sub-Article 18.G.(1) and, thereby, the prerequisite requirement of non-binding mediation, shall not, at Franchisor's election, apply to: (a) any claims or disputes related to or concerning a breach of

this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief including, but not limited to, Franchisee's violation or purported violation of Article 6 of this Agreement; and/or (b) claims by either Franchisor or Franchisee under this Agreement that relates to either Franchisor's or Franchisee's failure to pay fees or other monetary obligations due under this Agreement.

(2) **Arbitration** – Subject to the prerequisite requirements of non-binding mediation as set forth in Sub-Article 18.G.(1), and, except, at Franchisor's election, as to any claims or disputes related to or concerning a breach of this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief including, but not limited to, Franchisee's violation or purported violation of Article 6 of this Agreement, Franchisor and Franchisee agree that all disputes, controversies, and claims, arising from and/or related to this Agreement, the relationship between Franchisor and Franchisee, the System, and/or the validity of this Agreement and/or the Ancillary Agreements, shall be submitted, on demand of either Franchisor or Franchisee, to the AAA for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with the AAA's then current rules for commercial disputes, except as may be otherwise required in this Article 18.G. All arbitration proceedings shall be conducted in a suitable location selected by the arbitrator that is within Douglas County, Nebraska or the closest suitable location nearest to our corporate headquarters at the time the arbitration proceeding is commenced.

In connection with binding arbitration, Franchisor and Franchisee further agree that:

(a) All matters relating to arbitration, will be governed by the United States Federal Arbitration Act, except as expressly or otherwise set forth in this Agreement;

(b) The arbitration hearing shall be conducted within 180 days of the demand for arbitration;

(c) The arbitrator shall render written findings of fact and conclusions of law;

(d) Except as may be otherwise required and/or prohibited by this Agreement including, but not limited to Articles 18.I., 18.J., 18.N., 18.O., 18.R., 18.T., and 18.X. of this Agreement, the arbitrator has the right to award or include in his or her award any relief that he or she determines to be proper, including monetary damages, interest on unpaid sums, specific performance, injunctive relief, attorneys' fees, and costs and expenses as allowable under this Agreement. Notwithstanding the foregoing, under no circumstance shall the Arbitrator be authorized to award or declare the Licensed Marks to be generic or invalid;

(e) They shall each be bound to the limitations periods set forth in Article 18.I. of this Agreement and that, in any arbitration proceeding, Franchisor and Franchisee must each timely submit, within the same arbitration proceeding, any claim that would constitute a compulsory counterclaim as such claims are defined and set forth under Rule 13 of the United States Federal Rules of Civil Procedure. Any claim that is not submitted or filed as required shall be forever barred;

(f) Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction;

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(g) Arbitration and/or any arbitration award must be conducted in accordance with the terms of this Agreement including, but not limited to, the requirements set forth in this Article 18.

(3) **Consent to Jurisdiction and Venue** – Subject to the non-binding mediation and arbitration provisions set forth in this Article 18.G., Franchisor and Franchisee agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within Douglas County, Nebraska or, as applicable, the state court or Federal District Court located nearest to Franchisor's corporate headquarters at the time the legal proceeding is commenced. Franchisor and Franchisee do hereby irrevocably consent to and waive any objection to the jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, Franchisor and Franchisee agree that Franchisor, at Franchisor's election, may bring any legal action or proceeding seeking a temporary restraining order, preliminary injunction, or any action seeking Franchisor's enforcement of an arbitration award or any judicial decision in the federal or state court located in the county and state where either the Franchised Business was located or where Franchisee resides.

18.H. VARIANCES

FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR HAS AND MAY AT DIFFERENT TIMES, IN FRANCHISOR'S ABSOLUTE AND SOLE DISCRETION, APPROVE EXCEPTIONS OR CHANGES FROM THE UNIFORM STANDARDS OF THE SYSTEM, WHICH FRANCHISOR DEEMS DESIRABLE OR NECESSARY UNDER PARTICULAR CIRCUMSTANCES. FRANCHISEE UNDERSTANDS THAT IT HAS NO RIGHT TO OBJECT TO OR AUTOMATICALLY OBTAIN SUCH VARIANCES, AND ANY EXCEPTION OR CHANGE MUST BE APPROVED IN ADVANCE BY FRANCHISOR IN WRITING. FRANCHISEE UNDERSTANDS THAT EXISTING FRANCHISEES MAY OPERATE UNDER DIFFERENT FORMS OF AGREEMENTS AND THAT THE RIGHTS AND OBLIGATIONS OF EXISTING FRANCHISEES MAY DIFFER MATERIALLY FROM THIS AGREEMENT.

18.I. LIMITATIONS OF CLAIMS

EXCEPT FOR CLAIMS BROUGHT BY FRANCHISOR WITH REGARD TO FRANCHISEE'S OBLIGATIONS TO MAKE PAYMENTS TO FRANCHISOR PURSUANT TO THIS AGREEMENT, FRANCHISOR'S ENFORCEMENT OF THE RESTRICTIVE COVENANTS SET FORTH IN ARTICLE 6 OF THIS AGREEMENT, AND FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR IN ACCORDANCE WITH THIS AGREEMENT, ANY AND ALL CLAIMS AND/OR CAUSES OF ACTION ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, OR THE RELATIONSHIP BETWEEN FRANCHISEE AND FRANCHISOR RESULTING FROM THIS AGREEMENT, SHALL BE BARRED UNLESS SUCH CLAIM AND/OR CAUSE OF ACTION IS COMMENCED WITHIN TWO YEARS FROM THE DATE ON WHICH THE ACT OR EVENT GIVING RISE TO THE CLAIM OCCURRED OR ONE YEAR FROM THE DATE ON WHICH FRANCHISEE OR FRANCHISOR KNEW, OR SHOULD HAVE KNOWN, IN THE EXERCISE OF REASONABLE DILIGENCE, OF THE FACTS GIVING RISE TO SUCH CLAIM AND/OR CAUSE OF ACTION, WHICHEVER OCCURS FIRST IN TIME.

18.J. WAIVER OF PUNITIVE DAMAGES

FRANCHISOR AND FRANCHISEE HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, CONSEQUENTIAL OR SPECULATIVE DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, EXCEPT AS OTHERWISE PROVIDED HEREIN, EACH SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT, PROVIDED THAT SUCH WAIVER SHALL NOT APPLY TO ANY CLAIM: (A) ALLOWED BY FRANCHISOR OR FRANCHISEE FOR ATTORNEY'S FEES OR COSTS AND EXPENSES UNDER THIS AGREEMENT;

AND/OR (B) FOR LOST PROFITS BY FRANCHISOR OR FRANCHISEE AND THE OWNERS UPON OR ARISING OUT OF THE TERMINATION OF THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES SHALL CONTINUE IN FULL FORCE AND EFFECT.

18.K. WAIVER OF JURY TRIAL

FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER A LEGAL ACTION, IN MEDIATION, OR IN ARBITRATION.

18.L. BINDING EFFECT

This Agreement is binding upon the parties of this Agreement and their respective executors, administrators, heirs, assigns and successors in interest, and shall not be modified except by written agreement signed by both Franchisee and Franchisor.

18.M. COMPLETE AGREEMENT

This Agreement, and the Schedules and Exhibits to this Agreement, as executed and, as applicable, constitute the entire, full and complete Agreement between Franchisor and Franchisee concerning the subject matter of this Agreement and supersedes all prior related agreements between Franchisor and Franchisee. The foregoing shall not constitute and does not constitute any disclaimer as to the express representations made by Franchisor in the Franchise Disclosure Document disclosed to Franchisee in connection with this Franchise Agreement.

18.N. ATTORNEY FEES AND EXPENSES

Franchisee agrees that in the event that an arbitrator in any arbitration proceeding and/or, a court of competent jurisdiction shall issue an award, judgment, decision and/or order finding, holding and/or declaring Franchisee's breach of this Agreement than Franchisor shall also be entitled to the recovery of all reasonable attorney fees, costs and expenses associated with and/or related to such arbitration and/or litigation. Said fees, costs and expenses shall include, but not be limited to, attorney fees, arbitration fees, arbitrator fees, deposition expenses, expert witness fees and filing fees.

18.O. NO CLASS ACTION OR MULTI-PARTY ACTIONS

FRANCHISOR AND FRANCHISEE AGREE THAT ALL PROCEEDINGS AND/OR LEGAL ACTIONS ARISING OUT OF OR RELATED TO THIS AGREEMENT AND/OR THE OFFER AND SALE OF THE YORCMO BUSINESS FRANCHISE FROM FRANCHISOR TO FRANCHISEE, WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND NOT A CLASS-WIDE BASIS, AND, THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S OWNERS, SPOUSES AND/OR GUARANTORS AND FRANCHISOR AND/OR FRANCHISOR'S AFFILIATES, OFFICERS, DIRECTORS AND/OR EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

18.P. ACCEPTANCE BY FRANCHISOR

This Agreement will not be binding on Franchisor unless and until an authorized officer of Franchisor has signed it.

18.Q. OPPORTUNITY FOR REVIEW BY FRANCHISEE'S ADVISORS

Franchisor recommends that Franchisee have this Agreement and the Franchise Disclosure Document reviewed by Franchisee's lawyer, accountant, and other business advisors, prior to signing this Agreement.

18.R. NO PERSONAL LIABILITY BY FRANCHISOR'S EMPLOYEES, OFFICERS OR AGENTS

Franchisee agrees that the fulfillment of any of Franchisor's obligations written in this Agreement or based on any oral communications ruled to be binding in a court of law shall be Franchisor's sole obligation and none of Franchisor's employees, officers and/or authorized agents shall be personally liable to Franchisee for any reason. In addition to the foregoing, Franchisor and Franchisee are not joint employers. The foregoing shall not be construed to imply that Franchisor and/or Franchisor's agents have made any oral promises as pursuant to Article 18.M. of this Agreement, this written Agreement represents the sole Agreement between Franchisor and Franchisee.

18.S. NON-UNIFORM AGREEMENTS

Franchisee acknowledges that Franchisor makes no representations or warranties that all other agreements with yorCMO Franchising, LLC franchisees entered into before or after the Effective Date do or will contain terms substantially similar to those contained in this Agreement. Franchisee agrees that Franchisor may waive or modify comparable provisions of other Franchise Agreements to other System franchisees in a non-uniform manner.

18.T. NO RIGHT TO OFFSET

Franchisee shall not, on grounds of the alleged nonperformance, material breach, or default by Franchisor of this Agreement, any other agreement between Franchisor and Franchisee, or for any other reason, withhold any payment, fee, or any other amount payable by Franchisee to Franchisor pursuant to this Agreement, including, without limitation, the payment of the Royalty Fee and Advertising Contributions, or any other payment obligation by Franchisee to Franchisor. Franchisee shall not have the right to offset or withhold any liquidated or unliquidated amount allegedly due to Franchisee from Franchisor against any payment, fee, or any other amount payable to Franchisor pursuant to this Agreement or any other payment obligation by Franchisee to Franchisor.

18.U. HEADINGS

The headings and subheadings in this Agreement are strictly for convenience and reference only, and they shall not limit, expand, or otherwise affect the interpretation and construction of the terms and conditions of this Agreement.

18.V. AUTHORITY TO EXECUTE

Each party acknowledges, warrants and represents that it has all requisite power and authority to enter into this Agreement. The execution, delivery, and performance of this Agreement has been duly and lawfully authorized by all necessary actions of each party, and the signatory to this Agreement for each party has been duly and lawfully authorized to execute this Agreement for and on behalf of the party for whom each signatory has signed.

18.W. COUNTERPARTS, ELECTRONIC SIGNATURES, AND MULTIPLE COPIES

This Agreement may be executed electronically. This Agreement may be executed in counterparts, all of which counterparts shall be deemed originals and taken together shall constitute a single agreement. Executed electronic or print duplicates of this Agreement, if any, and their respective signatures shall be deemed originals.

18.X. JOINT AND SEVERAL LIABILITY

If Franchisee consists of more than one person or entity, then their liability under this Agreement shall be deemed joint and several.

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18.Y. RECITALS
The parties agree that the recitals and representations contained on the first page of this Agreement constitute a part of this Agreement and are hereby fully incorporated into the terms of this Agreement.

ARTICLE 19
NOTICES

All written notices and reports permitted or required to be delivered by this Agreement shall be deemed so delivered, at the time delivered by hand, one business day after being placed in the hands of a national commercial courier service for overnight delivery (properly addressed and with tracking confirmation), or three business days after placed in the U.S. mail by registered or certified mail, postage prepaid, and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. Reports requiring delivery shall be delivered by certified U.S. mail and/or electronically, as designated by Franchisor. The addresses for the parties set forth in the initial paragraph of this Agreement shall be used unless and until a different address has been designated by written notice to the other party. Any notice required under this Agreement shall not be deemed effective or given by Franchisee to Franchisor unless given in strict compliance with this Agreement.

In all cases where Franchisor's prior approval is required and no other method or timing for obtaining such approval is prescribed, Franchisee shall request such approval in writing, and Franchisor shall respond within 10 business days after receiving Franchisee's written request and all supporting documentation, provided if Franchisor does not respond, such request shall be deemed unapproved. Franchisor's consent to, or approval of, any act or request by Franchisee shall be effective only to the extent specifically stated, and Franchisor's consent or approval shall not be deemed to waive, or render unnecessary, consent or approval of any other subsequent similar act or request.

IN WITNESS WHEREOF, the parties have executed, sealed and delivered this Agreement as of the Effective Date set forth in the first paragraph of this Agreement.

Franchisor:
yorCMO Franchising, LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

Franchise Agreement – Schedule 1
Administrative Office Acknowledgment and Model Type

Administrative Office Location Acknowledgment – If selected by Franchisee at the time of signing the Franchise Agreement and, if approved by Franchisor, the location for Franchisee's Administrative Office shall be:

Initial Franchise Fee – Franchisee's Initial Franchise Fee is:

$[Initial Franchise Fee]

yorCMO Model

Solo yorCMO	Firm yorCMO

Dated: _____

Franchisor:
yorCMO Franchising, LLC

By: _____
Signature

_____
Name and Title

_____
Signature

_____
Name (please print)

Franchisee:

By: _____
Signature

_____
Name (please print)

Franchise Agreement – Schedule 2
Statement of Franchisee's Owners

Franchisee represents that the following schedule is complete and accurately identifies Franchisee's Owners, Franchisee's Primary CMO, and their respective ownership interests in Franchisee. Defined terms shall have the meanings set forth in the Franchise Agreement between Franchisor and Franchisee.

If Franchisee is a Corporate Entity, Franchisee represents and affirms to Franchisor that the following list identifies each and every Owner of Franchisee and their respective ownership interests.		
Owner Name	**Owner Address**	**Ownership Interest Percentage**
Name of designated **Primary CMO:**		

Dated: _____

Franchisor:
yorCMO Franchising, LLC

By: _____
Signature

_____
Name and Title

_____
Signature

_____
Name (please print)

Franchisee:

By: _____
Signature

_____
Name (please print)

Franchise Agreement – Exhibit 1
Franchise Owner and Spouse Agreement and Guaranty

FRANCHISE OWNER AND SPOUSE AGREEMENT AND GUARANTY

This Franchise Owner and Spouse Agreement and Individual Guaranty (the "Agreement") is individually entered into by you as either an owner of _____ (hereinafter referred to as "Franchisee"), Franchisee, or the spouse of the owner of franchisee and is given and signed by you in favor of yorCMO Franchising, LLC, franchisor of the yorCMO franchise system and in favor of yorCMO Franchising, LLC's successors and assigns, upon the terms and conditions set forth in this Agreement. In this Agreement yorCMO Franchising, LLC is referred to as "us", "our" or "we", and each individual that signs this Agreement is referred to as "you".

Recitals and Representations

WHEREAS, you acknowledge and agree that we have developed a distinctive and proprietary system (the "System") for the establishment, development and operation of a business that offers, sells and provides businesses with access to marketing personnel to develop and implement marketing strategies for their businesses, artificial intelligence marketing products, and other products and services that we authorize (the "Approved Services and Products") under the Licensed Marks (defined below) (each, a "yorCMO Business");

WHEREAS, Franchisee has entered into a yorCMO Business Franchise Agreement (the "Franchise Agreement") for the ownership, development and operation of a yorCMO Business (the "Franchised Business");

WHEREAS, you have received and have thoroughly reviewed the completed Franchise Agreement, including Schedules and Exhibits attached to the Franchise Agreement;

WHEREAS, we have recommended that you thoroughly review the Franchise Agreement, this Agreement and all exhibits and schedules to the Franchise Agreement with a lawyer selected and hired by you;

WHEREAS, you represent to us that you are either: (a) an Owner of Franchisee such that you own or control a legal, equitable or beneficial ownership or equity interest in Franchisee and/or otherwise meet the definition of an "Owner" as set forth in this Agreement; and/or (b) the "Spouse" of an Owner of Franchisee;

WHEREAS, you acknowledge that this Agreement will apply to you individually, jointly and severally with all others who sign this Agreement (including if this Agreement is signed in counterparts or electronically among other Owners and Spouses);

WHEREAS, you acknowledge that this Agreement, among other things, personally obligates you to guarantee Franchisee's obligations to us and obligates you to brand protection, confidentiality and non-competition restrictions and covenants and that you enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee; and

WHEREAS, you acknowledge that we are relying on this Agreement and that without this Agreement we would not have entered into and/or would not be simultaneously entering into the Franchise Agreement with Franchisee.

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NOW THEREFORE, to induce us to enter into the Franchise Agreement and as consideration to us for entering into the Franchisee Agreement with Franchisee and other consideration, the receipt and sufficiency of which you acknowledge, you agree as follows:

1. Recitals and Representations.

You agree that the foregoing Recitals and Representations are true and accurate and constitute a material part of this Agreement and are hereby incorporated into the main body of this Agreement.

2. Definitions.

Supplementing the terms and definitions contained in the Recitals and Representations:

"**Administrative Office(s)**" refers to and means the fixed administrative offices and/or facilities from which yorCMO Businesses are established, operated and managed.

"**Approved Services and Products**" shall have the meaning defined in the "Recitals" section of this Agreement and shall further refer to and mean those products and services that we authorize for sale by yorCMO Businesses. We shall exclusively designate and determine the Approved Services and Products and we, in our Reasonable Business Judgment, may change, modify, reduce or supplement the Approved Services and Products that must be offered and sold by the Franchised Business and those products and services that may not be sold by the Franchised Business. The Operations Manual, subject to changes that we may make from time to time and our right to change and modify the Approved Services and Products, shall designate the Approved Services and Products that must be offered and sold by the Franchised Business. The Franchised Business may only offer and sell the Approved Services and Products.

"**Business Management System**" refers to and means the software, internet, web based and/or cloud based system or systems, and client relationship management system or systems as same may be individually or collectively designated by us, in our Reasonable Business Judgment, as being required for use by the Franchised Business, including, but not limited to, the day-to-day sales, ordering, operations and management of the Franchised Business. We reserve the right to modify and designate alternative Business Management Systems as we determine in our Reasonable Business Judgment. Without limitation to the foregoing, the Business Management System may include: (a) portable tablet and/or computer systems utilized on-site when providing services to clients of the Franchised Business; (b) web based, private server based, network based and/or cloud based client ordering systems, processing systems, production systems and/or service delivery systems; and (c) client membership and rewards systems. The Business Management System or systems may, in whole or in part, include and utilize internet, intra-net and cloud based and accessed applications, software, databases and/or systems that require Franchisee to access such systems and information through the internet or a private network and that stores the data and information relating to the Franchised Business on off-site servers through accounts and/or servers controlled by us. At all times, we shall possess direct live access and storage based access to the Business Management System for the Franchised Business and to Franchisee's Business Management System Data.

"**Business Management System Data**" refers to and means the forms, data, tools, client information, inventory and sales information that: (a) is pre-populated or entered into the Business Management System utilized by Franchisee; (b) is entered (whether by us or Franchisee) into the Business Management System utilized by Franchisee; and/or (c) is recorded, stored and/or maintained by the Business Management System in connection with the management and operations of the Franchised Business.

"**Competitive Business**" refers to and means any business that is the same as or similar to a yorCMO Business including, but not limited to, any business that offers and/or provides services and/or products relating to business marketing services or providing marketing personnel to businesses.

"**Confidential Information**" refers to and means all of our and/or our affiliates trade secrets, methods, standards, techniques, procedures, data and information, as same may exist as of the Effective Date of the Franchise Agreement and as same may be developed, modified and supplemented in the future, constituting and comprising: (a) methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of yorCMO Businesses; (b) information concerning consumer preferences for services, products, materials and supplies used or sold by, and specifications for and knowledge of suppliers of certain materials, equipment, products, supplies and procedures used or sold by yorCMO Businesses; (c) information concerning clients, client lists, email lists, database lists, product sales, operating results, financial performance and other financial data of yorCMO Businesses; (d) client lists and information related to yorCMO Businesses and the Franchised Business; (e) Business Management System Data; (f) current and future information contained in the Operations Manual; and (g) Know-How.

"**Copyrights**" refers to and means all works and materials for which we or any affiliate of ours has secured common law or registered copyright protection and we utilize and/or allow yorCMO Business franchisees to use, sell or display in connection with the development, marketing and/or operation of a yorCMO Business, whether as of the Effective Date or any time in the future.

"**Corporate Entity**" refers to and means a corporation, Limited Liability Company, partnership or other corporate legal entity that is not an individual person.

"**Digital Media**" refers to and means any interactive or static electronic document, application or media that is connected to and/or in a network of computers, servers and/or other devices linked by communications software, part of the world wide web (including, but not limited to websites), linked by the internet or part of a web-based application, software application, smart phone based application or social media platform including, but not limited to social media platforms and applications such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, and YouTube, and world wide web and internet-based directories and local directories that refer, reference, identify, review, promote and/or relate, in any way, to yorCMO Businesses, the Franchised Business, the Licensed Marks, the System and/or us. Digital Media further includes the System Website, web pages and website subdomains (including those related to, associated with and/or a part of the System Website) associated with and/or related to the Franchised Business and all web pages, blog posts, videos, articles, social media accounts and pages, website directory pages, information, sub-domains and all other media and/or publications relating to the System that is displayed and/or transmitted digitally.

"**Effective Date**" refers to the "Effective Date" of the Franchise Agreement as the term "Effective Date" is set forth and defined in the Franchise Agreement. If, for any reason, the Effective Date cannot be determined by reference to the Franchise Agreement, the Effective Date shall be the date that you sign this Agreement.

"**Franchised Business**" refers to and means the yorCMO Business to be developed, owned and operated by Franchisee pursuant to the terms of the Franchise Agreement.

"**Franchisee's Administrative Office**" refers to and means the yorCMO Administrative Office from which Franchisee establishes, operates and manages the Franchised Business.

"**Immediate Family**" refers to and means the spouse of a person and any other member of the household of such person, including, without limitation, children of such person.

"**Intellectual Property**" refers to and means, individually and collectively, our Licensed Marks, Copyrights, Know-How, and System.

"**Know-How**" refers to means our trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of a yorCMO Business including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information reflected in, included in, comprising and/or constituting a part of the System. Without limitation to the foregoing, Know-How shall further include information contained in the Operations Manual and the Confidential Information.

"**Licensed Marks**" refers to and means the trademarks, service marks, emblems and indicia of origin, including the "yorCMO" trademark, the yorCMO logo, Trade Dress, and other trade names, service marks, trademarks, logos, slogans and designs authorized by us in connection with the identification of yorCMO Businesses and the Approved Services and Products, provided that such trade names, trademarks, service marks, logos and designs are subject to modification, replacement and discontinuance by us in our Reasonable Business Judgment.

"**Operations Manual**" refers to and means, individually and collectively, the manual(s) designated by us and relating to the development and/or operations of yorCMO Businesses including, but not limited to, the policies, procedures and requirements for the development and operation of yorCMO Businesses. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet-based list service, intranet, internet based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by us from time to time in our Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to our modification from time to time and based on our Reasonable Business Judgment, the Operations Manual shall, among other things, designate the Approved Services and Products that must be offered and sold by the Franchised Business and the System Supplies that must be exclusively utilized by the Franchised Business. Only Approved Services and Products may be offered and sold by the Franchised Business. Only System Supplies may be used by Franchisee in the operations of the Franchised Business.

"**Owner**" refers to and means collectively, individually, jointly and, as of the Effective Date: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee; (b) the managing member or manager of Franchisee, if franchisee is a limited liability company; (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee and/or of any entity directly or indirectly controlling Franchisee; and/or (d) the Primary CMO.

"**Prohibited Activities**" refers to and means any or all of the following: (a) owning and/or having any legal or equitable interest (whether as an individual proprietor or as an owner, partner, member or shareholder of a Corporate Entity or, in any similar capacity) in a Competitive Business (other than owning an interest of 3% or less in a publicly traded company that is a Competitive Business); (b) operating, managing, funding and/or performing services (whether as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or in any similar capacity) for a Competitive Business; (c) solicit, diverting or attempting to divert any business or any yorCMO Client from Franchisor or, one of Franchisor's affiliates, licensees, or franchisees; and/or (d) inducing any client or client of ours (or of one of our affiliates or franchisees) or of Franchisee to any other person or business that is not a yorCMO Business.

"**Reasonable Business Judgment**" refers to, means, and relates to any and all decisions, actions and choices made by us concerning or relating to the Franchise Agreement, the System, yorCMO Businesses and the Franchised Business where we undertake or make such decision with the intention of benefitting

or acting in a way that could benefit the System including, as examples and without limitation, enhancing the value of the Licensed Marks, increasing client satisfaction, minimizing potential client confusion as to the Licensed Marks, minimizing potential client confusion as to the location of yorCMO Businesses, expanding brand awareness of the Licensed Marks, implementing marketing and accounting control systems, approving products, services, supplies and equipment. The Franchisee has agreed and, you acknowledge and agree, that when a decision, determination, action and/or choice is made by us in our Reasonable Business Judgment that such decision, determination, action or choice made by us takes precedence and prevails, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable. Franchisee has agreed and, you acknowledge and agree, that in connection with any decision, determination, action and/or choice made by us in our Reasonable Business Judgment as franchisor that: (a) we possesses a legitimate interest in seeking to maximize our profits; (b) we shall not be required to consider Franchisee's or your individual economic or business interests as compared to the overall System; and (c) should we economically benefit from such decision, determination, action and/or choice that such economic benefit to us shall not be relevant to demonstrating that we did not exercise reasonable business judgment with regard to our obligations under the Franchise Agreement and/or with regard to the System. Franchisee agreed and you agree that neither Franchisee and/or any third party, including, but not limited to, any third party acting as a trier of fact, shall substitute Franchisee's or such third party's judgment for our Reasonable Business Judgment. Franchisee agreed and, you agree, that should Franchisee challenge our Reasonable Business Judgment in any legal proceeding that Franchisee shall possess the burden of demonstrating, by clear and convincing evidence, that we failed to exercise our Reasonable Business Judgment.

"**Restricted Period**" refers to and means the 24 month period after the earliest to occur of the following: (a) the expiration of the Franchise Agreement; (b) the termination of the Franchise Agreement; (c) the date on which Franchisee assigns the Franchise Agreement to another person (other than you or your Spouse or an Immediate Family Member) provided that you do not and your Spouse does not own or hold, in the assignee, any direct or indirect ownership and/or equity interest whether legal, equitable or otherwise; (d) if you are an Owner of Franchisee, the date on which you cease to be an Owner of Franchisee; or (e) if you are the Spouse of an Owner of Franchisee, the date on which your Spouse ceases to be an Owner of Franchisee. Provided however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the 18 month period after the earliest to occur of the following: (a) the expiration of the Franchise Agreement; (b) the termination of the Franchise Agreement; (c) the date on which Franchisee assigns the Franchise Agreement to another person (other than you or your Spouse or an Immediate Family Member) provided that you do not and your Spouse does not own or hold, in the assignee, any direct or indirect ownership and/or equity interest whether legal, equitable or otherwise; (d) if you are an Owner of Franchisee, the date on which you cease to be an Owner of Franchisee; or (e) if you are the Spouse of an Owner of Franchisee.

"**Restricted Territory**" refers to and means the United States of America, provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the largest geographic area permitted by the court of competent jurisdiction.

"**Spouse**" refers to and means, as of the Effective Date, the legal spouse of an Owner.

"**System**" refers to and means our system for the development, establishment and operation of yorCMO Businesses including, but not limited to: (a) the Approved Services and Products, System Supplies, and services, procedures and systems that are designated by us, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a yorCMO Business; (b) the Licensed Marks; (c) the Trade Dress; (d) Copyrights; (e) other trade names, service marks, signs, and logos, copyrights and trade dress that is designated by us, whether presently or in the

future, for use in connection with the development, establishment, marketing, promotion and operation of a yorCMO Business; (f) Operations Manual; (g) Business Management System Data; (h) Know-How; (i) Confidential Information; and (j) Digital Media. All determinations as to the system including components to the system and modifications and replacements thereto shall be determined by us in our Reasonable Business Judgment.

"**System Supplies**" refers to and means the equipment and supplies designated by us as required for use in connection with Franchisee's yorCMO Business and the Approved Services and Products. Without limitation to the foregoing, the System Supplies shall include yorCMO branded, non-branded and third party branded equipment and supplies designated by us for use in the day-to-day operations of Franchisee's yorCMO Business including, among other things: sales materials, stationary, sales slips, receipts, client notices and other forms and materials, designated by us in the Operations Manual and/or otherwise in writing and, as may be modified and supplemented by us from time to time in our Reasonable Business Judgment. System Supplies shall further include those products that we authorize for sale to clients of Franchisee's yorCMO Business.

"**System Website**" refers to and means the web page and/or pages located on the world wide web at the www.yorcmo.com URL (uniform resource locator) and shall further include all webpages and subdomains (including those that are franchisee and/or geography specific) that are a part of www.yorcmo.com, or as designated by us as being associated with the URL of www.yorcmo.com and/or yorCMO Businesses.

"**Trade Dress**" refers to and means the yorCMO Business designs, images, marketing materials, packaging, branding and/or branding images which we authorize and require Franchisee to use in connection with the operation of the Franchised Business and as may be revised and further developed by us from time to time.

"**Transfer**" refers to and means and shall include, without limitation, the following, whether voluntary or involuntary, conditional or unconditional, and/or direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; and (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee.

"**yorCMO Business(s)**" shall have the meaning defined in the Recitals and Representations section of this Agreement and, without limitation to the Recitals and Representations section of this Agreement, the definition of "yorCMO Businesses", shall further include, refer to and mean: every business and all businesses owned and/or operated by us, our affiliates and/or our authorized franchisee(s) that utilize and/or is/are required to utilize the System and/or Licensed Marks including, but not limited to, the Franchised Business.

"yorCMO Client" means any prospective client, Active Client, or former client of any yorCMO practice, including, but not limited to (i) the Franchised Business; (ii) another licensed or franchised yorCMO practice; and/or a company-owned/affiliated yorCMO practice.

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3. Additional Acknowledgments by You.

In addition to the representations and acknowledgments contained in the Recitals and Representations, above, and incorporated into this Agreement, you acknowledge and represent that:

(a) as of the Effective Date you are an Owner and/or Spouse;

(b) that you are signing this Agreement in your individual capacity and that you are bound to the terms and conditions of this Agreement and irrespective of any change in your status as an Owner and/or Spouse;

(c) in your capacity as an Owner of Franchisee or as the Spouse of an Owner of Franchisee that you have and will be gaining access to, among other things, the System and Intellectual Property;

(d) you acknowledge that all of the components and aspects of the System and Intellectual Property (both individually and as they relate to one another collectively) are critical to our success as the franchisor of the System and to the overall System;

(e) you acknowledge that we need to protect the System and Intellectual property and that to do so we require that you, in your individual capacity, to agree to the brand protection, non-competition and other covenants and restrictions contained in this Agreement and that you personally guarantee the financial and other obligations of Franchisee to us; and

(f) you acknowledge that the terms of this Agreement are fair and reasonable and that you have elected, based on your own decision, to enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee.

4. Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions.

(a) Know-How. You agree that: (i) you will not use the Know-How in any business or capacity other than the Franchised Business; (ii) you will maintain the confidentiality of the Know-How at all times; (iii) you will not make unauthorized copies of documents containing any Know-How; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-How; and (v) you will stop using the Know-How immediately if you are no longer an Owner of Franchisee or your Spouse is no longer an Owner of Franchisee, as applicable. You will not use the Intellectual Property for any purpose other than the development and operation of the Franchised Business pursuant to the terms of the Franchise Agreement and Operations Manual. You agree to assign to us or our designee, without charge, all rights to any improvement developed by you, including the right to grant sublicenses. If applicable law precludes you from assigning ownership of any improvement to us, then such improvement shall be perpetually licensed by you to us free of charge, with full rights to use, commercialize, and sublicense the same.

(b) Non-Competition During Franchise Relationship. Subject to the terms and conditions of Article 5 of this Agreement, below, you represent and agree that while you are an Owner of Franchisee or while your Spouse is an Owner of Franchisee (as applicable) that you will not engage in any Prohibited Activities. You acknowledge and agree that this restriction is fair and reasonable and that if you did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm the System and us.

(c) Non-Competition After Franchise Relationship. You represent, acknowledge and agree that during the Restricted Period you will not (i) knowingly engage in any activity to solicit, encourage, or induce any yorCMO Client to commence doing business with you or an affiliated person or entity; and/or (ii) solicit, divert, take away, or interfere with any of our employees, vendors, potential franchisees, clients, clients, contractors, trades or patronage of ours or any affiliated person or entity of ours. Notwithstanding the foregoing, upon transfer, expiration or termination of the Franchise Agreement, you may buyout the ability to continue to service a yorCMO Client of the Franchised Business, provided that you (i) pay us an amount equal to the highest Gross Sales amount achieved by the yorCMO Client in any calendar month within the prior 12 month period, multiplied by 6 per yorCMO Client you wish to continue to provide services to ("Client Buyout Payment"); (ii) pay us all outstanding balances owed prior to the transfer, termination or expiration of the Franchise Agreement; and (iii) remain in compliance of the in term and post-term covenants and obligations of the Franchise Agreement. You acknowledge and agree that this restriction is fair and reasonable and that if you did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm us and the System.

(d) Confidentiality Restrictions. You represent, acknowledge and agree that, at all times you: (i) shall not use the Confidential Information in any business or capacity other than the Franchised Business; (ii) shall maintain the confidentiality of the Confidential Information; (iii) shall not make unauthorized copies of documents containing any Confidential Information; (iv) shall take such reasonable steps as we may ask of you and/or Franchisee from time to time to prevent unauthorized use or disclosure of the Confidential Information; (v) shall immediately and permanently stop using the Confidential Information upon the expiration or termination of the Franchise Agreement; (vi) shall immediately and permanently stop using the Confidential Information if you are no longer an Owner of Franchisee and/or the Spouse of an Owner; (vii) shall immediately and permanently stop using the Confidential Information upon Franchisee's Transfer of the Franchise Agreement; and (viii) shall not disclose the Confidential Information to any third party except in a legal proceeding pursuant to an order of a court of competent jurisdiction and after affording us no less than 15 business days prior notice and an opportunity for us, at our election, to appear in such action.

(e) Immediate Family Members. You acknowledge that should you circumvent the purpose and protections (due to us) of this Agreement by disclosing Know-How to an immediate family member (*i.e.*, parent, sibling, child, or grandchild) we will and the System will be irreparably harmed. You acknowledge that if you did disclose the Know-How to an immediate family member and your immediate family member used the Know-How to engage in activities that, for you, qualify as Prohibited Activities as defined above, that we and the System will be irreparably harmed. You agree that as between you and us that you are in a better position to know if you permitted and/or provide an immediate family member with access to the Know-How. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities or (ii) uses or discloses the Know-How. However, you may rebut this presumption by providing evidence conclusively demonstrating that you did not disclose the Know-How nor permit disclosure of the Know-How to the family member.

(f) Reasonableness of Covenants and Restrictions. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE.** Although you and we both believe that the covenants in this Agreement are

reasonable in terms of scope, duration and geographic are, we may at any time unilaterally modify the terms of this Article 4 (Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions) by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under this Article 4 to ensure that the terms are enforceable under applicable law.

(g) Breach. You agree that failure to comply with these Article 4 Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions will cause irreparable harm to us and/or other yorCMO Business franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Article are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

5. Transfer Restrictions and Non-Competition Covenants and Restrictions.

Notwithstanding anything contained in this Agreement to the contrary, you expressly acknowledge and agree that if you are an Owner, and/or the Spouse of an Owner, that, prior to Transferring an Owner's equity and/or ownership interests in Franchisee that, among other things, Franchisee must notify us and obtain our written consent. Likewise, you acknowledge and agree that under the Franchise Agreement that prior to Franchisee's Transfer of the Franchise Agreement, among other things, Franchisee must notify us and obtain our written consent. For our protection and to prevent the subversion of the non-competition covenants contained in Article 4 of this Agreement and, to induce us to enter into the Franchise Agreement with Franchisee, you agree, that:

(a) if you are an Owner, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of your equity and/or ownership interests in Franchisee and/or should Franchisee, fail to obtain our consent to the proposed Transfer of your equity and/or ownership interests in Franchisee (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement;

(b) if you are a Spouse, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of your Spouse's equity and/or ownership interests in Franchisee and/or should Franchisee, fail to obtain our consent to the proposed Transfer of your Spouse's equity and/or ownership interests in Franchisee (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement;

(c) if you are an Owner, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of the Franchise Agreement to a third party and/or should Franchisee, fail to obtain our consent to the proposed Transfer of the Franchise Agreement to a third party (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and

irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement; and

(d) if you are the Spouse of an Owner, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of the Franchise Agreement to a third party and/or should Franchisee, fail to obtain our consent to the proposed Transfer of the Franchise Agreement to a third party (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement.

6. Personal Guaranty of Franchise Agreement and Financial Obligations.

To secure Franchisee's financial obligations under the Franchise Agreement and all ancillary agreements executed by Franchisee in connection with the Franchise Agreement, including, but not limited to, any agreement for the purchase of goods or services from us or an affiliate of ours (collectively the "Ancillary Agreements") you individually, jointly and severally, and personally and unconditionally:

(a) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Franchise Agreement;

(b) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Ancillary Agreements;

(c) agree, at all times, to be personally bound by and personally liable for each and every fee, payment and monetary obligation due from Franchisee to us pursuant to the terms of the Franchise Agreement (including, but not limited to, the fee obligations of Article 5 of the Franchise Agreement, the advertising obligations of Article 9 of the Franchise Agreement, and the indemnification obligations of Article 10 of the Franchise Agreement);

(d) agree, at all times, to be personally bound by and personally liable for each and every fee, payment and monetary obligation due from Franchisee to us and/or our affiliates under the Ancillary Agreements;

(e) do, at all times, hereby personally guarantee payment of each and every fee, payment and monetary obligation due or that may become due from Franchisee to us pursuant to the terms of the Franchise Agreement including, but not limited to, the fee obligations of Article 5 of the Franchise Agreement, the advertising obligations of Article 9 of the Franchise Agreement, and the indemnification obligations of Article 10 of the Franchise Agreement; and

(f) do, at all times, hereby personally guarantee payment of each and every fee, payment and monetary obligation due or that may become due from Franchisee to us pursuant to the terms of the Ancillary Agreements.

You waive: (a) acceptance and notice of acceptance by us of the foregoing undertakings; (b) notice of demand for payment of any indebtedness guaranteed; (c) protest and notice of default to any party with respect to the indebtedness guaranteed; (d) any right you may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (e) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed.

You agree that: (a) your direct and immediate liability under this guaranty shall be joint and several with Franchisee and all other signatories to this Agreement; (b) you will render any payment required under the

Franchise Agreement and the Ancillary Agreements upon demand if Franchisee fails or refuses punctually to do so; (c) your liability shall not be contingent or conditioned upon pursuit by us of any remedies against Franchisee or any other person; and (d) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that we may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guarantee, which shall be continuing and irrevocable during the term of each of the Franchise Agreement and the Ancillary Agreements and following the termination, expiration or Transfer of each of the Franchise Agreement and the Ancillary Agreements to the extent any financial obligations under any such Franchise Agreement and Ancillary Agreements survive such termination, expiration or Transfer. This guaranty will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Franchise Agreement and/or and Ancillary Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency.

7. Arbitration, Consent to Jurisdiction and Venue, and Cross-Default.

Any dispute between the parties relating to this Agreement shall be brought in accordance with the dispute resolution procedures set forth in the Franchise Agreement. Notwithstanding the foregoing, if any of the dispute resolution procedures set forth in the Franchise Agreement conflict with any of the terms of this Agreement, the terms of this Agreement shall prevail. Without limitation to the foregoing, you agree that:

(a) Arbitration – Except, at our option, as to any claims or disputes related to or concerning a breach of this Agreement by you that may entitle us to the award of injunctive relief, you agree that any and all disputes, controversies, and claims, arising from and/or related to this Agreement, shall be submitted to the American Arbitration Association ("AAA") for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with the AAA's then current rules for commercial disputes, except as may be otherwise required in this Agreement. All arbitration proceedings shall be conducted in a suitable location selected by the arbitrator that is within Douglas County, Nebraska or the closest suitable location nearest to our corporate headquarters at the time the arbitration proceeding is commenced.

In connection with binding arbitration, you agree that:

(i) All matters relating to arbitration, will be governed by the United States Federal Arbitration Act, except as expressly or otherwise set forth in this Agreement;

(ii) The arbitration hearing shall be conducted within 180 days of the demand for arbitration;

(iii) The arbitrator shall render written findings of fact and conclusions of law;

(iv) Except as may be otherwise required and/or prohibited by this Agreement, the arbitrator has the right to award or include in his or her award any relief that he or she determines to be proper, including monetary damages, interest on unpaid sums, specific performance, injunctive relief, attorneys' fees, and costs and expenses as allowable under this Agreement. Notwithstanding the foregoing, under no circumstance shall the Arbitrator be authorized to award or declare the Licensed Marks to be generic or invalid; and

(v) Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

(b) **Consent to Jurisdiction and Venue – You agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within Douglas County, Nebraska or, as applicable, the state court or Federal District Court located nearest to our corporate headquarters at the time the legal proceeding is commenced. You do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, you agree that we, at our election, may bring any legal action or proceeding (i) seeking a temporary restraining order, preliminary injunction, or any action seeking our enforcement of an arbitration award or any judicial decision; (ii) for monies owed; and/or (iii) involving relief related to real property in the federal or state court located in the county and state where you reside.**

(c) Acknowledgment as to Cross-Default – You acknowledge and agree that a breach of this Agreement by you shall constitute a material event of default under the Franchise Agreement, permitting us, among other things, to terminate the Franchise Agreement in accordance with the terms thereof.

8. Miscellaneous.

(a) If either party hires an attorney or files suit against the other party in relating to and alleging a breach of this Agreement, the losing party agrees to pay the prevailing party's reasonable attorneys' fees and costs incurred in connection with such breach.

(b) This Agreement will be governed by, construed and enforced under the laws of Nebraska and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

(c) Any claim, defense or cause of action that you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

(d) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

(e) You agree that we may deliver to you any notice or other communication contemplated by this Agreement in the same manner and to the same address listed in the notice provisions of the Franchise Agreement and any such delivery shall be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice shall be delivered in the manner and to the address listed in the Franchise Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, each undersigned has executed this Agreement as of the date set forth below.

Owner / Spouse:

_____
Signature of Owner / Spouse

_____
Name (please print individual name)

_____
Date

_____
Signature of Owner / Spouse

_____
Name (please print individual name)

_____
Date

Owner / Spouse:

_____
Signature of Owner / Spouse

_____
Name (please print individual name)

_____
Date

_____
Signature of Owner / Spouse

_____
Name (please print individual name)

_____
Date

Franchise Agreement – Exhibit 2
Confidentiality Agreement

[THIS EXHIBIT IS FOR REFERENCE PURPOSES ONLY AS A SAMPLE FORM CONFIDENTIALITY AGREEMENT THAT FRANCHISOR MAY APPROVE FOR USE BY FRANCHISEE – BEFORE USING WITH AN EMPLOYEE OR CONTRACTOR FRANCHISEE SHOULD HAVE THIS AGREEMENT REVIEWED AND APPROVED BY AN INDEPENDENT LOCAL ATTORNEY HIRED BY FRANCHISEE]

CONFIDENTIALITY AGREEMENT (Sample Only)

This Agreement (the "Agreement") is entered into by the undersigned ("you") in favor of:

[Insert on the Line Below Name of Franchisee that Owns and Operates the yorCMO Franchised Business]

_____ (hereinafter referred to as "us", "our" or "we")

Recitals and Representations

WHEREAS, we are the owners of a licensed yorCMO Business (hereinafter referred to as the "yorCMO Business") that we independently own and operate as a franchisee;

WHEREAS, you are or are about to be an employee, independent contractor, officer and/or director of a yorCMO Business that is independently owned and operated by us;

WHEREAS, in the course of your employment, independent contractor relationship and/or association with us, you may gain access to Confidential Information (defined below in this Agreement) and you understand that it is necessary to protect the Confidential Information and for the Confidential Information to remain confidential;

WHEREAS, our Franchisor, yorCMO Franchising, LLC, is not a party to this agreement and does not own or manage the yorCMO Business but is an intended third party beneficiary of this Agreement; and

WHEREAS, this Agreement is not an employment agreement and is only a confidentiality agreement in connection with information, materials and access that may be provided to you in connection with the yorCMO Business.

NOW THEREFORE, you acknowledge and agree as follows:

1. Recitals and Representations. You agree that the foregoing Recitals and Representations are true and accurate and shall constitute a part of this Agreement and are hereby incorporated into the main body of this Agreement.

2. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Business Management System" refers to and means the software and/or internet or cloud based system and/or systems, or systems and client relationship management system or systems as used in connection with the operations of the yorCMO Business.

"Business Management System Data" refers to and means the forms, data, tools, client information, inventory and sales information, and other information that is entered into and/or maintained on the Business Management System of the yorCMO Business.

"Confidential Information" refers to and means: (a) non-public methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development,

establishment, marketing, promotion and operation of the yorCMO Business; (b) information concerning clients, client lists, email lists, database lists, product sales, operating results, financial performance and other financial data of the yorCMO Business; (c) client lists and information related to the yorCMO Business; (d) Business Management System Data; and (e) current and future information contained in the yorCMO Operations Manual made available to the yorCMO Business by yorCMO Franchising, LLC.

"*Digital Media*" refers to and means any interactive or static electronic document, application or media including, but not limited to, www.yorcmo.com, social media platforms and applications such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, TikTok, YouTube, and world wide web and internet-based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to the yorCMO Business or other yorCMO Business.

"Licensed Marks" refers to and means the word marks, trademarks, service marks, and logos now or hereafter utilized in the operation of a yorCMO Business, including, but not limited to, the "yorCMO" word mark, associated logos, and any other trademarks, service marks or trade names that we designate for use in a yorCMO Business.

"Operations Manual" refers to and means the confidential Operations Manual made available to the yorCMO Business by our franchisor or as otherwise designated by us. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, video, electronic media files, cloud/internet-based list-service, intra-net, internet based and accessed databases, computer media, webinars and other materials as may be modified, added to, replaced or supplemented.

"Trade Dress" refers to and means the yorCMO designs, images, marketing materials, packaging, branding and/or branding images used in connection with the operation of the yorCMO Business.

3. **Your Access to Confidential Information.** In addition to the representations and acknowledgments contained in the Recitals and Representations, above, you acknowledge and represent that in your capacity as an employee, independent contractor, officer and/or director of the yorCMO Business that you will be gaining access to, among other things, the Confidential Information. You acknowledge that the terms of this Agreement are fair and reasonable.

4. Protection of the Confidential Information. You agree that: (i) you will not use the Confidential Information in any business or capacity other than the yorCMO Business; (ii) you will maintain the confidentiality of the Confidential Information at all times; (iii) you will not make unauthorized copies of documents containing the Confidential Information; (iv) you will take such reasonable steps as the we may ask of you from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (v) you will stop using the Confidential Information immediately at our request or demand. You will not use the Confidential Information for any purpose other than for the performance of your duties on behalf of us and in accordance with the scope of your work with us.

5. Reasonableness of Covenants and Restrictions. You agree that the terms of this Agreement are reasonable and fair and that you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **You hereby waive any right to challenge the terms of this Agreement as being overly broad, unreasonable or otherwise unenforceable.**

6. Breach. You agree that failure to comply with the terms of this Agreement will cause irreparable harm to us and to our Franchisor, yorCMO Franchising, LLC, and other yorCMO franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us or our Franchisor, yorCMO Franchising, LLC, to injunctive relief. You agree that we and/or our Franchisor,

yorCMO Franchising, LLC, may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, you agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Article are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

7. Miscellaneous.

(a) If we hire an attorney or file suit against you because you have breached this Agreement and if we prevail in such lawsuit, you agree to pay the reasonable attorney fees and costs that we incur.

(b) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

(c) YOU ACKNOWLEDGE THAT THIS IS NOT AN EMPLOYMENT AGREEMENT.

(d) YOU ACKNOWLEDGE AND AGREE THAT OUR FRANCHISOR, YORCMO FRANCHISING, LLC, IS NOT A PARTY TO THIS AGREEMENT BUT IS AN INTENDED THIRD PARTY BENEFICIARY OF THIS AGREEMENT.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date or dates set forth below.

_____	_____
Individual Signature of Restricted Party	Individual Signature of Restricted Party
_____	_____
Name (please print)	Name (please print)
Date: _____	Date: _____

ASSIGNMENT OF TELEPHONE NUMBERS AND DIGITAL MEDIA ACCOUNTS

(for the benefit of yorCMO Franchising, LLC and its assigns)

THIS ASSIGNMENT OF TELEPHONE NUMBERS AND DIGITAL MEDIA ACCOUNTS ASSIGNMENT ("Assignment") is entered into between _____ (the "Assignor") and yorCMO Franchising, LLC and its successors and assigns (the "Assignee").

WHEREAS, Assignee is the franchisor of the yorCMO Business franchise system (the "yorCMO Business Franchise System");

WHEREAS, Assignor, as franchisee, and Assignee, as franchisor, are parties to a yorCMO Business Franchise Agreement (the "Franchise Agreement");

WHEREAS, the term "Digital Media" shall refer to and mean "any interactive or static electronic document, application or media that is connected to and/or in a network of computers, servers and/or other devices linked by communications software, part of the world wide web (including, but not limited to websites), linked by the internet or part of a web-based application, software application, smart phone based application or social media platform including, but not limited to social media platforms and applications such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, TikTok, YouTube, and world wide web and internet-based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to a yorCMO Business, yorCMO Businesses, Assignor's yorCMO Business and/or trademarks associated with the yorCMO Business Franchise System and/or Assignee. Digital Media further includes the yorCMO Business website, web pages and website subdomains (including those related to, associated with and/or a part of the yorCMO Business Franchise System) associated with and/or related to Assignor's yorCMO Business and all web pages, blog posts, videos, articles, information, sub-domains, and all other media and/or publications relating to the yorCMO Business Franchise System that is displayed and/or transmitted digitally'; and

WHEREAS, in connection with Assignor's establishment and operation of a yorCMO Business, Assignor will be utilizing accounts, information, phone numbers and Digital Media subject to strict requirements set forth in the Franchise Agreement.

NOW THEREFORE, Assignor, in exchange for good and valuable consideration provided and paid by Assignee (receipt of which is hereby acknowledged), agrees:

1. That Assignor does hereby assign to assignee all telephone numbers, facsimile numbers, listings, domain names and Digital Media that is associated with Assignor's yorCMO Business including, the following (all collectively referred to as the "Media"):

(a) All phone numbers, facsimile numbers and listings that are currently, or in the future, associated with Assignor's yorCMO Business;

(b) The following telephone and facsimile numbers:

_____

_____; and

(c) All Digital Media, all Digital Media accounts and all Digital Media log-in information.

The foregoing shall not be construed and/or interpreted as Assignees acknowledgment and/or agreement that Assignor owns and/or possesses any ownership interests in the foregoing telephone numbers, accounts and/or Digital Media. Any and all rights of Assignor in and to same exist subject to a limited license pursuant to the yorCMO Business Franchise Agreement which shall take precedence and govern. However, this Assignment is intended by Assignor and Assignee to be an instrument that may be relied upon by all third parties to authorize and permit the assignments and transfers set forth in this Assignment and to facilitate the transfer of accounts and media to within the control of Assignee. Nothing contained in this Assignment shall be used to construe nor imply that Assignor possesses any ownership interests or rights in the Digital Media and in the event of any inconsistency or conflict between this Assignment and the Franchise Agreement, the Franchise Agreement shall take precedence and govern.

2. This Assignment will become effective automatically upon the termination or expiration of the Franchise Agreement for any reason. As to all third parties, proof of the expiration or termination of the Franchise Agreement shall exist exclusively upon the written declaration of Assignee and Assignee's declaration shall be dispositive and not subject to challenge. Assignor acknowledges that all third parties may rely on this Assignment for the purpose of taking any and all actions to ensure that access to and control of the Media is maintained by Assignee.

UTILIZATION OF THIS ASSIGNMENT SHALL EXIST AT THE SOLE DISCRETION OF ASSIGNEE AND FOR THE SOLE BENEFIT OF ASSIGNEE.

Assignee: yorCMO Franchising, LLC	**Assignor:**
_____ Signature	_____ Signature
_____ Name and Title (please print)	_____ Name (please print)
_____ Dated	_____ Dated

Franchise Agreement – Exhibit 4
ACH Authorization Form

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

Franchisee Name | Business No.

Franchisee Mailing Address (street) | Franchisee Phone No.

Franchisee Mailing Address (city, state, zip)

Contact Name, Address and Phone Number (if different from above)

Franchisee Fax No. | Franchisee Email Address

Bank Account Information:

Bank Name

Bank Mailing Address (street, city, state, zip)

Bank Account No. | [ ] Checking [ ] Savings (check one) | Bank Routing No.

Bank Phone No.

Authorization:
Franchisee hereby authorizes yorCMO Franchising, LLC ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature: _____ Date: _____

Name: _____ Federal Tax TD No.: _____

Its: _____

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT

GENERAL RELEASE

TO ALL TO WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW THAT:

_____, as RELEASOR, in consideration of good and valuable consideration received from:

yorCMO Franchising, LLC, as RELEASEE, receipt of which is hereby acknowledged, releases and discharges the RELEASEE, RELEASEE'S heirs, officers, members, agents, executors, administrators, successors and assigns, from all claims, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, contracts, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever, in law, admiralty or equity which against the RELEASEE, the RELEASOR, RELEASOR's, heirs, executors, administrators, successors and assigns ever had, now have or hereafter can, shall or may, have for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE. The words "RELEASOR" and "RELEASEE" include all releasors and releasees under this Release. This Release may not be changed orally.

[The following additional language should be used with Washington franchisees]

This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to relieve RELEASEE, directly or indirectly, from liability imposed by the Washington Franchise Investment Protection Act or the rules adopted thereunder.

IN WITNESS WHEREOF, the **RELEASOR** has hereunto set RELEASOR'S hand and seal on the date set forth below.

Releasor:

_____
Signature

_____
Name (please print)

Date _____

NOTARY SIGNATURE, SEAL AND INFORMATION: On _____before me, the undersigned, personally appeared _____ personally known to me or proven to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity/capacities, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Signature and Seal

Franchise Agreement – Exhibit 6
Additional Service Offerings Addendum

ADDITIONAL SERVICE OFFERINGS ADDENDUM

This Additional Service Offerings Addendum to the yorCMO Franchise Agreement ("Addendum") is made effective as of the _____day of _____, (the "Effective Date") by and between yorCMO Franchising, LLC, a Nebraska limited liability company with a principal place of business located at 802 S 80th Street, Omaha, Nebraska 68114, (the "Franchisor") and _____(the "Franchisee") and _____ and _____
, each an adult individual (together, "Guarantors") (collectively, the "Parties").

BACKGROUND

A. On or about _____, 20____ , Franchisee entered into [number] Franchise Agreement[s] with Franchisor, along with ancillary agreements related and/or attached to the same, (together, the "Franchise Agreement[s]") to establish and operate a yorCMO franchised and referred to by the names _____ (the "Franchised Business[es]").

B. Guarantors personally guaranteed Franchisee's obligations under the Franchise Agreements and are therefore also guaranteeing the obligations of Franchisee under this Addendum.

C. Franchisor has approved additional Service offerings which Franchisee qualifies in order to offer and sell through their yorCMO Franchised Businesses, and through this Addendum has offered to Franchisee the opportunity, and Franchisee has accepted the opportunity and its related obligations, to offer and sell these additional Service offerings pursuant to the terms and conditions of this Addendum.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual premises contained in this Addendum and in the Franchise Agreements, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Additional Offerings: The Franchisor has now developed standards and specifications for the offer of CMO services through yorCMO businesses ("Additional Service Offerings") and has begun to offer to qualifying system franchisees the opportunity to offer and sell these Additional Service Offerings to their clients through their existing yorCMO franchised businesses. Franchisor has determined that Franchisee meets the minimum qualifications in order to be eligible to offer the Additional Service Offerings to its clients and, therefore, if Franchisee elects to participate and to provide such Additional Service Offerings by executing this Addendum, Franchisee agrees to provide such Additional Service Offerings pursuant to the standards and specifications set by Franchisor, and to abide by the terms of this Addendum in connection with such Additional Service Offerings.

2. Franchisee's Obligations. For the continued right to offer and sell the Additional Service Offerings Franchisee agrees to spend up to an additional 50% of the total minimum required advertisement expenditure amount set in their Franchise Agreements on approved Additional Service Offering advertisement and marketing activities.

3. Applicability of Franchise Agreements. The Parties agree that Franchisee's sale of the Additional Service Offerings will be subject to all of the terms and conditions of the Franchise Agreements, including without limitation, fee assessments such as Royalty Fees, and insurance and indemnification obligations.

4. Term and Termination. The Franchisor may terminate this Addendum, and Franchisee's right to offer and sell the Additional Service Offerings, if Franchisee is in default under the terms of the Franchise

Agreements, if Franchisee does not cure the default within the time periods set forth in the Franchise Agreements.

5. Release of Franchisor. Franchisee and Guarantors, on their own behalf and on behalf of their heirs, representatives, successors, and assigns and any individual or entity claiming on behalf of, by, through, or under them (together, "Releasors"), hereby fully release, acquit, covenant not to sue, and forever discharge Franchisor, its affiliates and parent entities, and each of their respective past and present officers, directors, members, managers, owners, employees, attorneys, servants, agents, representatives, successors, and assigns (the "Released Parties") of and from any and all causes of action, liability, damages, expenses, losses, demands, obligations, debts, promises, agreements, accounts, costs, attorneys' fees, actions, and claims whatsoever, known or unknown, direct or indirect, vested or contingent ("Claims") which any or all of the Releasors, have, had, claim to have, or may in the future have, against the Franchisor Released Parties, or any of them, from the beginning of time through the Effective Date of this Addendum, including but not limited to, any claims arising out of or in any way related to the Franchise Agreements, any other agreements entered into between any of the Releasors and any of the Franchisor Released Parties, the relationships created thereunder, any of the yorCMO Franchised Businesses owned, operated by, or established by any of the Releasors, and/or the offer, sale, establishment, or operation of the yorCMO Franchised Businesses and the yorCMO franchise opportunity. **FRANCHISEE AND GUARANTORS ON BEHALF OF THEMSELVES AND THE RELEASORS, WAIVE ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE, OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED IN THIS AGREEMENT BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS THAT THE RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS ADDENDUM.**

6. Miscellaneous. Capitalized terms not defined herein will have the meanings ascribed to them in the Franchise Agreements. All other provisions of the Franchise Agreements remain in full force and effect including, without limitation, all fees and payments, indemnification provisions, confidentiality provisions and non-competition provisions. If any discrepancy or conflict arises between the provisions of this Addendum and the provisions of the Franchise Agreements, the provisions of this Addendum will control.

Franchisor:
yorCMO Franchising, LLC

By: _____
Signature

_____
Name and Title

_____
Signature

_____
Name (please print)

Franchisee:

_____
Signature

_____
Name (please print)

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT E(2)
LICENSE AGREEMENT

yorCMO

LICENSE AGREEMENT

This License Agreement (the "Agreement") is entered into on _____, 20__ (the "Effective Date"), by and between yorCMO Franchising, LLC, a Nebraska limited liability company with a principal place of business located at 802 S 80th Street, Omaha, Nebraska 68114, (the "yorCMO Licensor") and licensee (the "Licensee"), a(n) _____ with a principal place of business located at _____ and _____, an individual (the "Equity Owner") with an address of _____. Licensee and Equity Owner may be referred to collectively below as "Licensee" or "CMO". yorCMO Licensor, Licensee and Equity Owner are all bound to the terms of this Agreement.

RECITALS

WHEREAS, yorCMO Licensor offers Chief Marketing Officer ("CMO") services on a fractional basis providing businesses with the opportunity to engage a shared CMO to develop and implement marketing strategies for the businesses, artificial intelligence (AI) marketing products, and other services products ("CMO Services") using yorCMO Licensor's unique and proprietary "yorCMO Licensor Resources" which includes the following:

(i) a NETWORK of Firm CMO franchisees who independently operate yorCMO Licensor franchises that follow a system developed by yorCMO Licensor to generate client opportunities (the "yorCMO Network");

(ii) a FRAMEWORK of various best practices and tools used in providing CMO Services to clients (the "yorCMO Licensor Framework");

(iii) a COMMUNITY for collaboration amongst Firm CMO franchisees and CMOs on how to customize solutions to support each yorCMO Licensor client (the "yorCMO Licensor Community"); and

(iv) a BRAND which includes the marketing of CMO Services through the yorCMO Licensor Community ("yorCMO Licensor Brand"), as well as, certain unique and publicly recognized trademarks, service marks, logos and other commercial symbols including but not limited to the mark, "yorCMO®" (the "yorCMO Licensor Marks");

WHEREAS, Licensee wishes to obtain a license in order to access the yorCMO Licensor Resources and perform CMO Services for yorCMO Licensor Clients; and

WHEREAS, yorCMO Licensor is willing to grant a non-exclusive license to Licensee to join yorCMO Licensor to perform CMO Services for yorCMO Licensor Clients and/or Firm CMO franchisees of yorCMO Licensor using the yorCMO Licensor Resources, subject to and upon the terms and conditions hereof.

NOW THEREFORE, in consideration of the foregoing recitals and other valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, yorCMO Licensor and Licensee do hereby respective grant, covenant and agree, as follows:

SECTION 1
GRANT OF LICENSE

1.1. yorCMO Licensor hereby grants Licensee a non-exclusive license to perform CMO Services using the yorCMO Licensor Resources to authorized clients who have signed a Scope of Work with yorCMO Licensor ("yorCMO Licensor Clients") and to any Firm CMO franchisee, in yorCMO Licensor's sole discretion.

1.2. The CMO Services that Licensee is authorized to perform are set forth on the Business Terms attached hereto as Exhibit A and may be amended from time to time by yorCMO Licensor by providing written notice to Licensee. Licensee is not authorized to provide CMO Services to any prospective client until yorCMO Licensor receives a fully executed copy of the Scope of Work and Licensee shall not engage in any services that are not authorized by the Scope of Work and/or not authorized by the Firm CMO franchisee for whom Licensee is engaged to perform CMO services for.

1.3. Licensee will work in a coordinated effort with yorCMO Licensor Firm CMO franchisees to obtain yorCMO Licensor Clients and to perform CMO Services to authorized yorCMO Licensor Clients and/or clients of the Firm CMO franchisee.

1.4. Licensee is free to use, but is not required to use, various tools provided in the yorCMO Licensor Framework and to collaborate with other Licensees in the performance of the CMO Services subject to reasonable branding and marketing guidelines and policies adopted from time to time as set forth in the Operations Manual necessary to protect the yorCMO Licensor Brand and yorCMO Licensor Marks.

1.5. There is no guarantee that Licensee will be provided opportunities to work with any particular yorCMO Licensor Client or any particular Firm CMO franchisee.

1.6. yorCMO Licensor requires that Licensee enter this Agreement and perform the CMO Services to authorized yorCMO Clients and/or authorized clients of the Firm CMO franchisee as a business entity such as a corporation, limited liability company or similar entity (collectively, the "Entity") and such entity shall have one equity owner who shall perform the CMO Services. Licensee shall obtain legal and tax advice with respect to this issue.

1.7. As a condition to executing this Agreement, yorCMO Licensor will conduct a background check on Licensee and its Equity Owner. The background check takes seven (7) days to process, but it may take longer. yorCMO Licensor will initiate the background check concurrent with providing Licensee a draft of the License Agreement for review. If yorCMO Licensor receives an unsatisfactory background check prior to executing this Agreement, yorCMO Licensor's offer to execute this Agreement will be null and void. If yorCMO Licensor receives an unsatisfactory background check after Licensee executes this Agreement, the Agreement shall terminate immediately and Licensee's License Fee will be fully refunded.

SECTION 2
TERM OF AGREEMENT

This Agreement is effective upon the Effective Date and shall remain in effect for a period of five consecutive years unless earlier terminated by either party in accordance with Section 8 of this Agreement.

SECTION 3
FEES AND PAYMENTS

3.1. License Fee. In consideration of the execution of this Agreement by yorCMO Licensor and yorCMO Licensor's grant of the non-exclusive right herein to use the yorCMO Licensor Resources, Licensee shall pay to yorCMO Licensor a License Fee in the amount of $5,000.00. The License Fee shall be paid by Licensee upon execution of this Agreement. This Agreement shall not become effective until such payment is made. The full amount of the License Fee shall be deemed duly earned by yorCMO Licensor upon the execution of this Agreement and shall not be refunded under any circumstance, other than as outlined in Section 8.1 of this Agreement. Licensee shall obtain tax advice with respect to the tax treatment of these fees.

3.2. Monthly Technology Fee. Licensee is required to procure and maintain its own business computer and to pay a continuing monthly Technology Fee. The monthly Technology Fee is an administrative fee and is not associated with any particular service but is used, at yorCMO Licensor's discretion, to defray some of yorCMO Licensor's costs related to yorCMO Licensor's designated technology systems. Currently, the monthly Technology Fee is equal to an amount of $50 per month but yorCMO Licensor reserves the right to increase the monthly Technology Fee upon thirty (30) days prior written notice provided that it shall not exceed $150 per month.

3.3. Training and Optional Developmental Activities. yorCMO Licensor may provide training and other optional developmental opportunities to Licensee. Section 5 of this Agreement addresses training. Licensee may be responsible for the cost and expenses of these activities, or out of pocket expenses to attend such activities (e.g., food, lodging and other travel expenses).

3.4. Payments to Licensee. yorCMO Licensor shall pay Licensee as an independent contractor for performance of the CMO Services according to the Compensation Policy adopted from time to time by yorCMO Licensor. yorCMO Licensor has the right to modify the Compensation Policy by providing Licensee at least thirty (30) days written notice; provided, however, yorCMO Licensor cannot reduce the percentages set forth in the then-current Compensation Policy by more than 5% per year without Licensee's prior consent. The current Compensation Policy is set forth on the Business Terms attached hereto as Exhibit A.

3.5. Licensee to Franchisee Conversion Upgrade Fee. If, during the Term of this Agreement, Licensee wishes to upgrade and convert to either a solo yorCMO franchised business or a firm yorCMO franchised business, Licensee may pay a non-refundable conversion upgrade fee (the "Licensee Conversion Upgrade Fee"). The Licensee Conversion Upgrade Fee shall be an amount equal to the difference between the then current initial franchise fee for a solo yorCMO franchised business or firm yorCMO franchised business and the License Fee paid by Licensee at the time of executing this Agreement. Prior to converting and upgrading to either a solo yorCMO franchised business or firm yorCMO franchised business, Licensee must be in compliance with the terms of this Agreement, meet yorCMO Franchising, LLC's then current standards and qualifications for a yorCMO franchisee and sign yorCMO Franchising, LLC's then current franchise agreement for either a solo yorCMO franchised business or firm yorCMO franchised business. The Licensee Conversion Upgrade Fee is fully earned by yorCMO Franchising, LLC upon payment.

SECTION 4
CONFIDENTIALITY; MARKS; INTELLECTUAL PROPERTY

4.1. Confidential Information. The parties acknowledge that while performing CMO Services for a yorCMO Licensor Client, Licensee may be provided with, or have access to (i) confidential information regarding each client's business, including their operations, financial statements, products and customers; and (ii) confidential information relating to yorCMO Licensor including access to the confidential and proprietary Operations Manual (collectively "Confidential Information"). Licensee agrees (a) to hold in strict confidence all Confidential Information; (b) not to use, reproduce, publish, disclose or otherwise make known to any person or entity any Confidential Information at any time; (c) limit access to Confidential Information to those who have a need-to-know in connection with the Agreement, the client's Scope of Work or client services agreement of a Firm CMO franchisee who has engaged Licensee to perform the CMO Services on their behalf to clients of the Firm CMO's franchised business; (d) use Confidential Information only for the purposes and in connection with the performance of Licensee's obligations under this Agreement and the CMO Services, as applicable.

4.2. Return of Confidential Information. With respect to any yorCMO Licensor Client, Licensee agrees to return to each client all Confidential Information in its possession at the end of each client engagement. With respect to yorCMO Licensor, Licensee agrees to return to yorCMO Licensor all Confidential

Information at the termination of this Agreement, which includes but is not limited to any information retrieved from the Operations Manual. Licensee shall notify yorCMO Licensor immediately when Licensee learns about unauthorized use of Confidential Information. yorCMO Licensor is not obligated to take any action but will respond as it deems appropriate.

4.3. Use of the yorCMO Licensor Resources. During the term of this Agreement, yorCMO Licensor grants Licensee a non-exclusive right to provide CMO Services under the name yorCMO Licensor and to use the yorCMO Licensor Resources. yorCMO Licensor shall retain all ownership rights in the yorCMO Licensor Resources. Licensee must notify yorCMO Licensor immediately if Licensee learns about an infringement of or challenge to Licensee's use of the yorCMO Licensor Resources, including Licensee's use of the yorCMO Licensor Marks. yorCMO Licensor will take the action it deems appropriate. yorCMO Licensor will defend any action brought against Licensee to the extent it is based on a claim that the yorCMO Licensor Marks infringe upon the rights of a third party, valid and enforceable in the jurisdiction where the yorCMO Licensor Marks are used, provided Licensee provides prompt notice in writing of such claim. yorCMO Licensor shall have sole control of the defense and all negotiations for the settlement or compromise of such claim and Licensee shall cooperate with yorCMO Licensor in the defense or settlement of any claim. yorCMO Licensor shall have no obligation to Licensee for any claim of infringement based on yorCMO Licensor Marks that have been modified by a party other than yorCMO Licensor, Licensee's use of the yorCMO Licensor Marks with non-yorCMO Licensor products or services, or Licensee's use of the yorCMO Licensor Marks in a manner otherwise prohibited by this Agreement. Licensee must modify or discontinue use of the yorCMO Licensor Resources if yorCMO Licensor modifies or discontinues them. Licensee must not directly or indirectly contest yorCMO Licensor's right to the yorCMO Licensor Resources, trade secrets or business techniques that are part of yorCMO Licensor's business. Licensee may not use any yorCMO Licensor Mark or any portion of any of the yorCMO Licensor Marks as part of any business entity name.

4.4. Operations Manual. Licensee shall have access to the confidential Operations Manual which contains training, guidelines, and policies which Licensee shall regularly review and, where applicable, adhere to during the Term of this Agreement. The Operations Manual includes training on the yorCMO Licensor Resources including reasonable branding and marketing guidelines governing Licensee's use of the yorCMO Licensor Brand and yorCMO Licensor Marks. The Operations Manual also sets forth policies as adopted from time to time by yorCMO Licensor. yorCMO Licensor shall have the right to modify and amend the Operations Manual, including the polices set forth therein, from time to time and Licensee agrees to adhere to such changes as they occur. Licensee agrees that the Operations Manual is necessary to protect the yorCMO Licensor Brand and the yorCMO Licensor Marks and does not provide yorCMO Licensor with any control over Licensee's day-to-day operations and the means and manner by which Licensee performs the CMO Services.

SECTION 5
TRAINING

Prior to performing any CMO Services for yorCMO Licensor Clients, Licensee shall participate in initial training through yorCMO Licensor's confidential Operations Manual. Initial training consists of instructional materials on best practices for performing CMO Services using the yorCMO Licensor Resources. Licensee will also be responsible for completing other required training as set forth in the Training Policy adopted from time to time by yorCMO Licensor and documented in the Operations Manual. Such training is provided to advise Licensee of the resources and best practices available to assist Licensee with the performance of the CMO Services; however, the training does not provide any specific instructions on the means and manner by which Licensee performs the CMO Services. yorCMO Licensor has the right to modify the Training Policy by providing Licensee at least thirty (30) days written notice, at which time Licensee will review the revised training within thirty (30) days. Training may be held virtually or in-person. Licensee is responsible for any travel and lodging expenses, if applicable, to attend all training.

SECTION 6
CORE VALUES

Licensee acknowledges that the goodwill and value of the yorCMO Licensor Marks stems from implementation of the yorCMO Licensor Core Values. Licensee agrees to undertake the investment and effort to embody the Core Values in the performance of the CMO Services. yorCMO Licensor's Core Values are published on its website.

SECTION 7
INSURANCE; INDEMNIFICATION

7.1. Business Insurance Coverage. At Licensee's sole expense, Licensee is recommended to procure and maintain reasonable business insurance coverage in connection with Licensee's performance of the CMO Services pursuant to this Agreement. yorCMO Licensor recommends Licensee consult with its insurance carrier representative prior to signing this Agreement to determine the level of coverage necessary. Licensee acknowledges and agrees that yorCMO Licensor does not represent or warrant that such insurance coverage is adequate to protect Licensee and nothing in this Agreement restricts Licensee from obtaining additional insurance than what is recommended.

7.2. Renewal. As part of the annual renewal process, Licensee shall be required to sign an annual statement prior to the renewal each year certifying that Licensee is in compliance with this Agreement and disclosing any known circumstances that could result in a legal claim against yorCMO Licensor which could then lead to a potential insurance claim.

7.3. Adverse Event Defined. An Adverse Event is deemed to have occurred if yorCMO Licensor determines in its sole discretion after its review of the surrounding facts and circumstances that one or more of the following circumstances or events applies or has occurred with respect to Licensee: (i) Licensee committed an act or omission constituting a felony or involving fraud, embezzlement or other criminal conduct; (ii) Licensee failed to perform or observe any obligation or condition to be performed or observed by Licensee under this Agreement or any other agreement with yorCMO Licensor or a yorCMO Licensor affiliate or the Scope of Work with the yorCMO Licensor Client or the agreement with a Firm CMO franchisee that Licensee was engaged to perform services for; (iii) Licensee engaged in any act of dishonesty, misrepresentation, material neglect of duty, or any other act that is materially harmful to yorCMO Licensor; (iv) Licensee engaged in any behavior that caused physical harm to an individual or property or behavior which is coercive, threatening, abusive, exploitive, harassing (including sexual, verbal or physical harassment) or which is otherwise considered inappropriate in a workplace or professional environment.

7.4. Licensee Indemnification. Licensee shall hold harmless, defend and indemnify yorCMO Licensor, any affiliate of yorCMO Licensor, all employees, officers, directors, managers, members, franchisees, licensees, successors and assigns of yorCMO Licensor and yorCMO Licensor affiliates (collectively, the "yorCMO Licensor Indemnitees") from and against all losses, damages, fines, costs, expenses or liabilities (including reasonable attorneys' fees, costs of investigation, expert fees and disbursements and all other costs of investigation, arbitration and/or litigation, court costs, settlement amount, judgments and compensation, for damages to yorCMO Licensor's reputation and goodwill) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, which arises from or is based upon Licensee's (i) violation, breach or asserted violation of any federal, state or local law, regulation or rule; (ii) the commission of any act or omission involving a felony or involving fraud, embezzlement or other criminal conduct; (iii) breach of any representation, warranty, covenant or provision of this Agreement or any other agreement between Licensee and yorCMO Licensor; (iv) gross negligence

or intentional acts, especially related to work performed for a yorCMO Licensor Client; (v) infringement or alleged infringement, of a third party's patent, copyright, trademark, tradename, trade secrets or other intellectual property or the misuse or disclosure of third party confidential information; or (vi) any behavior causing physical harm to an individual or property or behavior which is coercive, threatening, abusive, exploitive, harassing (including sexual, verbal or physical harassment) or which is otherwise inappropriate in a workplace or professional environment. The obligations of this Section shall expressly survive the expiration or early termination of this Agreement.

7.5. Notice. Licensee shall give yorCMO Licensor immediate notice (i.e., within 24 hours) of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification. yorCMO Licensor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. yorCMO Licensor has the right, at any time without notice, to take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in yorCMO Licensor's sole judgment, there are grounds to believe any of the acts or circumstances listed in Sections 7.4 or 7.5 have occurred. yorCMO Licensor has the right, at any time it considers appropriate, to offer, order, consent or agree to settlements or take any other remedial or corrective actions yorCMO Licensor considers expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in yorCMO Licensor's sole judgment, there are reasonable grounds to do so. Under no circumstances shall yorCMO Licensor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Licensee. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by yorCMO Licensor from Licensee.

SECTION 8
TERMINATION

8.1. Termination without Cause. This Agreement may be terminated by either party for any reason or no reason without penalty upon thirty (30) days written notice to the other party.

8.2. Immediate Termination for Cause. yorCMO Licensor may terminate this Agreement upon notice to Licensee if Licensee: (i) becomes insolvent; (ii) files a petition in bankruptcy; (iii) makes an assignment for the benefit of its creditors; (iv) takes any action or inaction that defames or disparages the yorCMO Licensor Brand or the yorCMO Licensor Marks as determined by yorCMO Licensor in its sole determination; (v) engages in any act of dishonesty, misrepresentation, material neglect of duty or willful misconduct in connection with the performance of the CMO Services pursuant to this Agreement; (vi) engages in any behavior that causes physical, mental or emotional harm to an individual or property or behavior which is coercive, threatening, abusive, exploitive, harassing (including sexual, verbal or physical harassment) or which is otherwise inappropriate in a workplace or professional environment; (vii) makes an unauthorized use of the yorCMO Licensor Marks or unauthorized use or disclosure of any confidential information of yorCMO Licensor; (viii) engages in or is accused of the commission of any act or omission constituting or involving fraud, embezzlement or other crime which could affect the reputation of yorCMO Licensor or the yorCMO Licensor Brand and the yorCMO Licensor Marks or Licensee is charged with or indicted for a felony or convicted of a misdemeanor offense involving moral turpitude; or (ix) fails to comply with applicable federal, state or local regulations or laws relating to the CMO Services.

8.3. Termination for Cause After Opportunity to Cure. yorCMO Licensor may terminate this Agreement for cause upon notice and opportunity to cure as follows:

8.3.1. Core Values**.** As set forth in Section 6, above, Licensee shall undertake the investment and effort to embody yorCMO Licensor's Core Values. If yorCMO Licensor determines in its sole discretion that Licensee's actions or inactions cause it to not embody the Core Values, yorCMO Licensor will provide written notice to Licensee and provide Licensee thirty (30) days to cure such actions. If the action or inaction

goes uncured or the Licensee accumulates three (3) such notices within the term of this Agreement, yorCMO Licensor may terminate this Agreement immediately.

8.3.2. Operations Manual. As set forth in Section 4.4, above, Licensee shall adhere to training, guidelines, and policies, where applicable, as set forth and modified from time to time in the Operations Manual. If yorCMO Licensor determines in its sole discretion that Licensee is not complying with any required obligations, yorCMO Licensor will provide written notice to Licensee and thirty (30) days' opportunity to cure. If the action or inaction goes uncured or the Licensee accumulates three (3) such notices within the terms of this Agreement, yorCMO Licensor may terminate this Agreement immediately.

8.3.3. Breach of Other Obligations, Representations or Warranties. Notwithstanding yorCMO Licensor's right to terminate pursuant to Section 8.2, if Licensee breaches any of its obligations, representations or warranties under this Agreement, including those outlined in Exhibit A, in any material respect, which breach is not remedied within thirty (30) days of Licensee receiving written notice of such breach from yorCMO Licensor, yorCMO Licensor may terminate the Agreement immediately.

8.4. Payments Upon Termination. Upon termination of this Agreement for any reason, payments due through the date of termination under Section 3.4 of this Agreement will be paid to Licensee by yorCMO Licensor as follows: for services performed directly by Licensee prior to the date of termination of this Agreement and collected by yorCMO Licensor within ninety (90) days of the termination of this Agreement will be paid to Licensee within one hundred twenty (120) days of termination of the Agreement. No other payments will be made to Licensee following termination.

8.5. Licensee's Obligations Upon Termination. If this Agreement is terminated by Licensee for any reason or by Licensor as a result of a default under this Agreement by Licensee that Licensee fails to cure prior to the expiration of the Term of this Agreement, Licensee shall not be required to pay any early termination fee. Licensor waives any right to impose an early termination fee. Upon termination of this Agreement whatsoever, Licensee shall promptly take such reasonable actions to cease any and all use of the Licensor Resources. Licensee shall promptly return Licensor all Confidential Information including but not limited to access to the Operations Manual.

SECTION 9
PERMANENT DISABILITY OR DEATH

If the Equity Owner becomes physically or mentally disabled or unable to perform the CMO Services pursuant to this Agreement for a period of ninety (90) consecutive days, or for an aggregate period of one hundred twenty (120) days in any one hundred eighty (180) day period, yorCMO Licensor has a right to terminate this Agreement. In addition, this Agreement shall terminate immediately upon the death of the Equity Owner.

SECTION 10
INDEPENDENT CONTRACTOR

Licensee is an independent contractor under this agreement.

10.1. Taxes. Licensee shall be responsible for payment of all taxes arising out of Licensee's activities in accordance with this Agreement, including by way of illustration but not limited to, federal and state income taxes, social security taxes, unemployment insurance taxes, and any other taxes or business license fees as required.

10.2. Worker's Compensation and Other Federal, State and Local Laws. Licensee shall comply at its own expense with all state and local worker's compensation laws and, if requested, provide a copy of the Licensee's certificate of insurance to yorCMO Licensor. Licensee shall comply at its own expense with all federal, state and local laws (including but not limited to, Fair Labor Standards Act and applicable employment discrimination laws) and shall indemnify and hold yorCMO Licensor harmless against any claims, demands, suits, losses, damages, costs, including legal fees and expenses arising out of any violation or alleged violation by Licensee of any such laws.

10.3. Licensee shall not represent directly or indirectly that it is an agent or legal representative of yorCMO Licensor, nor shall Licensee incur any liabilities or obligations of any kind in the name of or on behalf of yorCMO Licensor other than those specifically approved in writing by yorCMO Licensor. Nothing in this Agreement is intended by the parties to create a fiduciary relationship between them, nor to constitute one party as an agent, legal representative, subsidiary, franchisee, joint venturer, partner, employee or servant of the other party for any purpose whatsoever. Licensee shall neither state nor imply, directly or indirectly, that Licensee or its activities, other than those explicitly granted under this limited license, are supported, endorsed or sponsored by yorCMO Licensor and, upon direction of yorCMO Licensor, shall issue express disclaimers to that effect.

SECTION 11
NON-COMPETE AND NON-SOLICITATION

11.1. Non-Compete During Term. During the entire term of this Agreement, unless as authorized in writing by yorCMO Licensor, Licensee shall not advertise, promote, offer to provide or provide services which are competitive with yorCMO Licensor's business to a third party.

11.2. Non-Compete After Term. In the event that Licensee terminates this Agreement pursuant to Section 8.1, Licensee agrees to not provide fractional CMO Services in connection with any other business, group or organization (as an employee, independent contractor, licensee, franchisee or otherwise) for a period of one (1) year following the date of termination of this Agreement to any yorCMO Licensor Clients, any prospective yorCMO Licensor Clients, or any clients of the Firm CMO franchisee that Licensee was engaged to provide services for in connection with the Firm CMO franchisee's operation of their franchised business that Licensee performed CMO Services on behalf of. However, the Equity Owner of Licensee may provide fractional CMO Services on his or her own behalf (not affiliated with any business, group or organization), while complying with Section 11.2 of this Agreement.

11.3. Non-Solicitation. Licensee acknowledges that all yorCMO Licensor Clients and prospective yorCMO Licensor clients (collectively, "Customers") and all Licensees and Firm CMO franchisees, whether or not such Customers or Licensees and Firm CMO franchisees are obtained or retained through your efforts, shall be the Customers, franchisees and licensees of yorCMO Licensor. You agree that during the entire Term of this Agreement, and continuing for a period of one year (1) following the expiration or termination of this Agreement, for any reason, unless authorized in writing by yorCMO Licensor, you shall not, either directly or indirectly, on Licensee's own behalf or on behalf of or in conjunction with any person, firm, corporation, or other business or legal entity:

(a) employ or engage as an employee, independent contractor, or otherwise, any member, employee, independent contractor, franchisee, licensee, officer, director or agent of yorCMO Licensor (yorCMO Licensor and its affiliates are collectively referred to herein as the "yorCMO Licensor Consolidated Group");
(b) solicit, approach, endeavor to entice away or have discussions or other communications (regardless of who initiates such discussions or communications) with any member, employee, independent contractor, franchisee, licensee, officer, director, or agent of the yorCMO Licensor Consolidated Group, for the purpose of causing that individual or company to terminate its

relationship with the yorCMO Licensor Consolidated Group to become employed or associated with any person, business or organization that offers services that are the same as or substantially similar to the services or products offered by yorCMO Licensor or any of its affiliates;

(c) offer to provide or provide services to any Customer Licensee contacted or had contact with on behalf of yorCMO Licensor or attempt to cause any such Customer not to do business or to decrease the amount of business done with yorCMO Licensor. The restrictions contained in this subsection shall not apply to services which are not, directly or indirectly, in competition with the business then being conducted by yorCMO Licensor; or

(d) encourage, solicit, recommend or otherwise attempt to induce or influence any Customer of yorCMO Licensor, to engage any person or entity other than yorCMO Licensor, or any of its respective affiliates or franchisees, to perform the types of services provided by yorCMO Licensor.

11.4. Employment with any yorCMO Licensor Client. yorCMO Licensor Clients agree not to discuss any potential arrangements or to make offers of employment to any yorCMO Licensor licensee with whom they have met or worked with as part of their yorCMO Licensor arrangement without first discussing the matter with the applicable yorCMO Licensor or the applicable yorCMO Licensor's Firm CMO franchisee (meaning the primary operator acting as the sole CMO of a firm yorCMO franchised business that hires associate CMOs, including Licensee, to provide services on behalf of their franchised business). Licensee agrees to promptly notify the applicable Firm CMO franchisee if Licensee receives any offer, verbal or written, from any yorCMO Licensor Client within five (5) business days of receipt of such offer, even if the offer is informal. Further, Licensee agrees that if Licensee accepts such an offer with any yorCMO Licensor Client, Licensee is not authorized to begin working directly for the client until either Licensee or the yorCMO Licensor Client, pay directly to yorCMO Licensor the termination fee which is set forth in the Scope of Work with the yorCMO Licensor Client or the client services agreement of the Firm CMO franchisee. Licensee acknowledges and agrees yorCMO Licensor's damages and lost opportunities upon termination of the Agreement will be difficult to ascertain and that the fee which has been agreed to between the yorCMO Licensor client and yorCMO Licensor is a reasonable estimate thereof and does not constitute a penalty or forfeiture.

SECTION 12
NON-DISPARAGEMENT

The parties hereby agree that they will not, either during the term of this Agreement or at any time following the termination hereof for any reason, disparage the other party through any means of communication, including but not limited to the internet, blog posts, reviews or social media platforms. In regard to yorCMO Licensor this includes any officer, licensee or franchisee of yorCMO Licensor (including any other CMOs or Firm CMO franchisees), or any business practice employed by yorCMO Licensor or any officer, employee, licensee, or franchisee thereof.

SECTION 13
ENTIRE AGREEMENT; AMENDMENT

This Agreement and Exhibit to this Agreement, as executed and, as applicable, represents the entire, full and complete Agreement between the yorCMO Licensor and Licensee concerning the subject matter of this Agreement and supersedes any and all prior understandings, agreements, representations or undertakings. This Agreement is not subject to amendment, change or modification except by written agreement signed by duly authorized officers of both parties. Any amendments to this Agreement shall specifically refer to this Agreement.

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SECTION 14
NOTICE

Any notice, demand, request or other writing required or permitted by this Agreement shall be deemed to have been delivered one (1) business day after transmission by email or three (3) business days after placement in the United States Mail by Registered or Certified Mail, postage prepaid, and addressed as follows, or such other address as the party to which such notice is directed may have designated by notice in writing given pursuant to this Section.

If to yorCMO Licensor at the following address:

802 S 80th Street
Omaha, Nebraska 68114
_____
_____

If to Licensee:

_____
_____
_____
_____

Personal Email: _____

All payments required by this Agreement shall be sent to yorCMO Licensor via wire transfer or ACH payment as follows:

Beneficiary: yorCMO Franchising, LLC
Bank: [[Name of Bank]]
Routing Number: [[Routing Number]]
Account Number: [[Account Number]]

SECTION 15
DISPUTE RESOLUTION

15.1. Choice of Law. Except to the extent this Agreement or any particular provision is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska (without reference to its conflict of laws principles). The Federal Arbitration Act shall govern all matters subject to arbitration.

15.2. Consent to Jurisdiction. Any action brought by either party, except those claims required to be submitted to arbitration, shall only be brought in the appropriate state or federal court located in or serving Douglas County, Nebraska. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by yorCMO Licensor where Licensee is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

15.3. Cumulative Rights and Remedies. No right or remedy conferred upon or reserved by yorCMO Licensor or Licensee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be in addition to every other right or remedy. Nothing contained herein shall bar yorCMO Licensor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

15.4. Limitation of Claims. Any claim concerning this Agreement or the relationship between yorCMO Licensor and Licensee will be barred unless an action for a claim is commenced within one (1) year from the date on which Licensee or yorCMO Licensor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to the claim.

15.5. Limitation of Damages. yorCMO Licensor and Licensee each waive, to the fullest extent permitted by law, any right or claim for any punitive damages against the other and agree that if there is a dispute with the other party, each will be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees. Licensee waives and disclaims any right to consequential damages in any action or claim against yorCMO Licensor concerning this Agreement or any related agreement. In any claim or action brought by Licensee against yorCMO Licensor concerning this Agreement (other than a claim for the failure to pay any compensation due Licensee), Licensee's contractual damages shall not exceed and shall be limited to refund of the License Fee.

15.6. Waiver of Jury Trial. LICENSEE AND YORCMO LICENSOR EACH IRREVOCABLY WAIVE TRAIL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER A LEGAL ACTION, IN MEDIATION, OR IN ARBITRATION.

15.7. Arbitration.

15.7.1. This Agreement evidences a transaction involving commerce and, therefore, the Federal Arbitration Act, Title 9 of the United States Code is applicable to the subject matter herein. Except for controversies or claims relating to the ownership of any and all intellectual property rights, including, but not limited to, yorCMO Licensor's Marks, copyrights or the unauthorized use or disclosure of yorCMO Licensor's Confidential Information, covenants against competition and other claims for injunctive relief, or amounts owed by Licensee to yorCMO Licensor, all disputes arising out of or relating to this Agreement or to any other agreements between the parties, or with regard to the interpretation, formation or breach of this or any other agreement between the parties, shall be settled by binding arbitration conducted in Douglas County, Nebraska, in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect.

15.7.2. The proceedings will be held by a single arbitrator agreed upon by the parties or otherwise appointed by the District Court for the State of Nebraska and located in Douglas County, Nebraska. The decision of the arbitrator will be final and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having personal and subject matter jurisdiction. LICENSEE AGREES THAT IT WILL NOT FILE ANY ARBITRATION CLAIM AS A CLASS ACTION, SEEK CLASS ACTION STATUS, OR PERMIT ITS CLAIM TO BE JOINED OR MADE PART OF ANY CLASS ACTION FILED BY ANOTHER. LICENSEE FURTHER AGREES THAT IT WILL NOT FILE OR JOIN IN ANY CONSOLIDATED ARBITRATION.

15.7.3. Licensee acknowledges that it has read the terms of this binding arbitration provision and affirms that this provision is entered into willingly and voluntarily and without any fraud, duress or undue influence on the part of yorCMO Licensor or any of yorCMO Licensor's agents or employees.

SECTION 16
ASSIGNMENT

Licensee may not assign or transfer this Agreement. yorCMO Licensor has the right to transfer and/or assign this Agreement to any successor business entity without prior written notice to, or consent of the

Licensee. Licensee agrees and acknowledges that in the event yorCMO Licensor is acquired (whether through acquisition of assets, ownership interests or otherwise regardless of the form of the transaction), this Agreement may be assigned to any successor business entity or this Agreement may be immediately terminated by written notice to Licensee.

SECTION 17
CAPTIONS AND HEADINGS

The captions and section headings used in this Agreement are strictly for convenience of reference only and they shall not limit, expand, or otherwise affect the construction or interpretation of the terms and conditions of this Agreement.

SECTION 18
NO THIRD PARTY BENEFICIARIES

This Agreement inures to the benefit of Licensee and yorCMO Licensor only, and no third party shall enjoy the benefits of this Agreement or shall have any rights under it except as is expressly provided in this Agreement.

SECTION 19
FORCE MAJEURE

Neither Licensee nor yorCMO Licensor shall be deemed to be in default of any provision of this Agreement for failures in performance, resulting from acts or events beyond its reasonable control (a "Force Majeure Event") for the duration of the Force Majeure Event. Such Force Majeure Events shall include but are not limited to acts of God, civil or military authority, terrorists, civil disturbance, war, strikes, fires, other catastrophes, labor disputes, epidemics, pandemics, quarantine restrictions or other events beyond yorCMO Licensor and Licensee's reasonable control.

SECTION 20
SURVIVAL

Notwithstanding the expiration or early termination of this Agreement for any reason whatsoever, all covenants and agreements to be performed or observed by Licensee, the Equity Owner and/or Other Equity Owners under this Agreement or which by their nature survive the expiration or termination of this Agreement hereof shall survive any such expiration or termination.

SECTION 21
WAIVER AND BREACH

The waiver by either party of any default or breach of this Agreement shall not constitute a waiver of any other default or breach or subsequent default or breach.

SECTION 22
COUNTERPARTS AND SIGNATURES

Execution and delivery of this Agreement and any amendments shall be legally valid and effective through: (i) hand-delivery; (ii) electronic mail in "portable document format" ('.pdf") or any other electronically scanned format; or (iii) use of an electronic document execution and delivery process (i.e., DocuSign®). This Agreement may be executed in multiple counterparts and yorCMO Licensor and Licensee may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed, sealed and delivered this Agreement as of the Effective Date set forth in the first paragraph of this Agreement.

LICENSEE:
Entity Name: _____

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

yorCMO License Agreement is hereby void if payment of the License Fee is not made within three (3) business days of signing the License Agreement by the Licensee

THE INDIVIDUAL PROVIDING THE CMO SERVICES ("EQUITY OWNER")

_____
Signature

_____
Name (please print)

_____
Dated

YORCMO LICENSOR
yorCMO Franchising, LLC

By: _____
Signature

Joseph Frost, Co-Founder
Name and Title (please print)

_____
Dated

Exhibit A
Business Terms

yorCMO Licensor has the right to modify the Business Terms as set forth here in Exhibit A by providing Licensee at least thirty (30) days written notice.

Authorized CMO Services

In order to provide brand consistency and to protect the yorCMO Licensor Brand and yorCMO Licensor Marks, the following services are authorized by yorCMO Licensor to be performed by Licensee utilizing the yorCMO Licensor Resources to clients who have signed a Scope of Work with yorCMO Licensor (the "CMO Services") and/or to clients of who have signed a client services agreement of a Firm CMO franchisee who has engaged Licensee to perform the CMO Services on their behalf to clients of their franchised business:

Marketing Leadership & Advisory

- Acting as a fractional Chief Marketing Officer for the client by providing marketing leadership, guidance, and oversight of internal or external marketing teams.
- Advising on brand strategy, campaign direction, marketing technology stack selection, and vendor performance in accordance with yorCMO standards.

Coordination & Project Management

- Collaborating with assigned yorCMO Coordinators and client teams to ensure implementation of marketing initiatives.
- Utilizing yorCMO's standard operating procedures, templates, and dashboards for tracking progress and reporting outcomes.

Client Engagement & Onboarding

- Conducting new client intake and kick-off activities in alignment with yorCMO's New Customer Kick-Off documented process, including data collection, coordination of client systems access, definition of quick wins, stakeholder introductions, surveys, and setting estimated dates for marketing audit and foundation session delivery.
- Delivering and documenting internal and client kick-off meetings following yorCMO's approved agendas and templates.

Marketing Audit & Analysis

- Performing marketing audits in accordance with yorCMO's Marketing Audit documented process, including assessment of the Six Marketing Fundamentals, principal and stakeholder interviews, budget review, brand positioning, and digital landscape analysis.
- Conducting buyer persona research and insights projects using yorCMO's proprietary tools, template, and documented approach, and presenting findings under the yorCMO brand as an authorized deliverable.
- Preparing and presenting the yorCMO Marketing Audit Report to the client.

Foundation Session (Strategy Development)

- Facilitating the Strategy portion of the Foundation Session using yorCMO's proprietary frameworks for defining the client's Ideal Buyer, Customer Lifetime Value (CLV), Positioning (3 Uniques + Brand Promise), Sales Map, and 2-Year WIG (Wildly Important Goal) following the 4 Disciplines of Execution (4DX).
- Facilitating the Action portion of the Foundation Session using yorCMO's proprietary frameworks for executing the Dangers Opportunities and Strengths (DOS) exercise, establish rocks, set scorecard metrics, and hold an Evergreen Campaign Session.
- Creating the yor2/90 document and associated issues & opportunities lists.

Planning & Execution Oversight

- Delivering and documenting Quarterly Action Sessions following yorCMO's approved agendas and templates.
- Creating and maintaining the yor2/90 document and associated issues & opportunities lists.
- Developing and managing 90-Day action plans, evergreen campaigns, creative briefs and marketing calendars aligned with the client's strategic priorities.
- Coordinating, prioritizing, and monitoring marketing projects and deliverables using yorCMO-approved tools, templates, and reporting systems.

Performance Measurement & Reporting

- Conducting regular review meetings (weekly check-in, quarterly action sessions, annual meetings as appropriate) following yorCMO's templates and agenda structures.
- Monitoring and reporting client performance metrics through yorCMO dashboards and reporting tools.

CMO for a Day Engagements

- Providing one-day strategic consulting engagements under the yorCMO brand for approved clients or prospects, including facilitating marketing workshops, attending executive strategy sessions, or conducting a focused marketing research project.
- Utilizing yorCMO's approved frameworks, templates, and client-facing materials for such engagements.

Monthly Advisory and Mentoring Services

- Delivering ongoing advisory, mentorship, or fractional leadership support as part of the Monthly Advisory and Mentoring Offering, including quarterly strategy days, monthly mentoring or review sessions, or client success support in marketing, and, where applicable, coordination with yorCMO-approved fractional sales or operations partners.
- Conducting all advisory and mentoring using yorCMO Licensor systems, templates, and brand standards.

yorMarketing MVP Offering

- Conducting marketing assessment, gap analysis, and Marketing MVP sourcing and onboarding following yorCMO's approved yorMarketing MVP framework.
- Overseeing ongoing MVP performance through weekly check-ins using yorCMO templates and systems, as well as holding a monthly check-in meeting with the client.
- Delivering reports and recommendations under the yorCMO brand as part of the client's ongoing engagement.

Client Offboarding

- Executing the Customer Send-off (End-of-Engagement) process when a client relationship concludes, including closure communications, final deliverables, system access termination, and completion of the Offboarding Form.

Client Communication & Account Stewardship

- Managing client communications, meeting documentation, and follow-up using yorCMO systems (e.g., Teams, HubSpot, SharePoint) as prescribed in the operations manual.
- Maintaining ongoing alignment with yorCMO's client relationship standards and professional conduct guidelines.

Use of yorCMO Intellectual Property

- Utilizing yorCMO's proprietary templates, surveys, reports, tools, and training materials solely for authorized client engagements under the yorCMO brand and according to brand guidelines.

yorCMO Licensor may provide Licensee with additional authorized CMO Services, best practices and guidelines concerning the performance of the CMO Services in the Operations Manual.

Limitation on CMO Services

1. The following services are not authorized CMO Services using the yorCMO Licensor Resources; however, they may be provided by Licensee outside its License with yorCMO Licensor and not in connection with the yorCMO Licensor Brand and yorCMO Licensor Marks. If Licensee wishes to perform these services in connection with the yorCMO Licensor Brand and the yorCMO Licensor Marks, Licensee must obtain the advanced written consent of yorCMO Licensor.

Independent or Unapproved Consulting Engagements

- Performing fractional marketing leadership, CMO for a Day, monthly advisory and mentoring services, or similar consulting engagements outside yorCMO's approved framework, pricing, or materials.
- Using yorCMO licensor marks or materials to deliver independent subscription, membership, or coaching or consulting programs that have not been scoped, priced, or approved through yorCMO Licensor.

Unapproved Program Modifications or Derivatives

- Altering or recreating yorCMO's Additional Service Offerings, templates, or training materials for independent use.
- Creating derivative programs, courses, or workshops that replicate yorCMO Licensor's IP, frameworks, or processes.

Buyer Research Outside yorCMO Standards

- Conducting buyer research, interviews, or surveys outside yorCMO's approved Buyer Persona methodology, templates, or confidentiality requirements.
- Selling buyer persona services separately from yorCMO systems or branding.

Recruiting or Placement Services Beyond MVP Scope

- Providing third party recruiting, placement, or talent management services unrelated to yorCMO's Marketing MVP program.
- Accepting commissions, placement fees, or recruiting incentives from marketing professionals or vendors introduced through yorCMO-branded projects.

Public Relations and Communications Execution

- Writing or distributing press releases, media pitches, or securing media placements.
- Managing influencer relationships or social media community engagement.

Sales or Business Development Functions

- Performing direct sales calls, closing sales, or handling customer service inquiries on behalf of a client.
- Negotiating client contracts, pricing, or commercial terms on behalf of the client.

Financial, Legal, or HR Advisory

- Providing accounting, tax, legal, human resources, or operational consulting.

- Managing or advising on client payroll, employee compensation, or benefits.

Technology and IT Services

- Providing software development, website hosting, cybersecurity, IT management, or system integration.
- Selling or reselling marketing technology, tools, or data services.

Vendor or Agency Fee Sharing

- Accepting referral fees, kickbacks, or commissions from vendors, agencies, or third parties referred to yorCMO clients, unless explicitly approved in writing by yorCMO Licensor.

Governance or Management Roles

- Serving in any compensated role on a client's Board of Directors or Trustees.
- Acting in a management capacity or making operational or staffing decisions on behalf of a client.

Recruiting and Employment Services

- Recruiting, hiring, or managing employees or contractors for client organizations.
- Providing HR consulting, performance management, or compensation planning.

Investment or Ownership Activities

- Taking equity, profit-sharing, or investment interests in client businesses as part of yorCMO-branded services.
- Acting as a broker, intermediary, or financial sponsor for client ventures.

Non-Compliant or Unethical Practices

- Performing any services that are inconsistent with yorCMO's brand standards, ethical guidelines, or professional code of conduct.
- Engaging in any practice that violates federal, state, or local laws or regulations.

Licensee acknowledges that yorCMO Licensor is a strategic marketing leadership and consulting organization, not a marketing production or agency services provider, and that all service offerings authorized under this model must be executed in accordance with yorCMO Licensor's approved scopes, templates, and operational playbooks. Licensee shall not represent yorCMO Licensor or use the yorCMO Brand to solicit, perform, or deliver any unauthorized or non-strategic services described herein.

3. Licensee is never authorized to accept any form of a referral fee or fee sharing arrangement from any third party who is referred, either by Licensee or by yorCMO Licensor, to work with or provide services to a client of yorCMO Licensor or a Firm CMO franchisee under the yorCMO Licensor Brand or yorCMO Licensor Marks.

4. Licensee may not serve in a compensated role on the Board of Directors or Board of Trustees of a yorCMO Licensor client.

5. Licensee may not perform any activity that is not fully in compliance with all Federal, state or local regulations and requirements.

6. Licensee may not enter into any agreement or scope of work with a client to perform CMO Services on behalf of yorCMO Licensor or Firm CMO franchisee or make any promises on behalf of yorCMO Licensor or Firm CMO franchisee.

A VIOLATION OF THESE LIMITATION OF SERVICES COULD RESULT IN TERMINATION OF THE LICENSE AGREEMENT.

Licensee Compensation Policy for CMO Services

yorCMO Licensor has the right to modify the Compensation Policy as set forth in the License Agreement.

1. Licensee is paid 75% of the net client billables collected by yorCMO Licensor from a yorCMO Licensor Client as payment for CMO Services directly performed by Licensee and/or from a client of the Firm CMO franchisee as payment for the CMO Services directly performed by Licensee for the Firm CMO franchisee. The compensation paid to Licensee for CMO Services directly performed by Licensee is calculated based on the net client billables less the applicable franchise fees payable and due to Licensor from a Firm CMO franchisee.

2. Our affiliate yorCMO LLC handles all Artificial Intelligence related marketing work. This affiliate is responsible for determining and paying commission, if applicable, to Licensee whose clients purchase AI marketing products directly from this affiliate.

3. With the consent of yorCMO Licensor and in yorCMO Licensor's sole discretion, Licensee may be entitled to receive an additional amount equal to percentage of the revenue collected from a yorCMO Licensor client for CMO Services if (i) yorCMO Licensor and the client Firm CMO franchisee agree Licensee has significantly contributed to the generation of the new client by providing the new client introduction to the Firm CMO franchisee; and (ii) such compensation is deducted from the base rate paid to the Firm CMO franchisee.

4. yorCMO Licensor, as compensation to Licensee for directly referring a client to yorCMO Licensor or a Firm CMO franchisee, and subject to the terms and condition set forth herein, agrees to pay Licensee a referral fee (hereinafter "Referral Fee") for each new yorCMO client that enters into a scope of work with yorCMO Licensor or a Firm CMO franchisee for the performance of CMO Services during the Term of this Agreement. Licensee's right to receive the Referral Fee shall be deemed earned when a new client has (i) executed a scope of work or other form of agreement with yorCMO Licensor or a Firm CMO franchisee, and (ii) paid, in full, the applicable fee in connection with the CMO services. The Referral Fee shall be 10% of the gross client billables earned. The Referral Fee shall only be paid if Licensee was the first to procure the new client and the first to introduce the new client to Licensor. Licensee's right to any Referral Fees shall automatically expire upon the earlier of one of the following events: (i) Licensee's termination of this Agreement; (ii) yorCMO Licensor's termination of this Agreement; and/or (iii) Licensee's uncured breach of this Agreement, unless such breach is not curable pursuant to the terms of this Agreement and, in which event, upon Licensee's breach of this Agreement.

5. yorCMO Licensor has the sole discretion and authority to pay other forms of activity-based compensation to Licensee on an individual-by-individual and case-by-case basis.

6. All payments are made to Licensee as yorCMO Licensor fees are collected (not billed) from yorCMO Licensor Clients, per the following schedule:

(i) Amounts collected from the first (1st) day of the month to the fifteenth (15th) day of the month are paid no later than the twenty-fifth (25th) day of the month; and

(ii) Amounts collected from the sixteenth (16th) day of the month to the last day of the month are paid no later than the tenth (10th) day of the following month.

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FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT F
LIST OF FRANCHISEES

FRANCHISEES (as of December 31, 2025)			
State	**Business Location**	**Franchisee**	**Contact Information**
AL	2144 O'Rourke Drive Mobile, AL 36695	Type A Marketing, LLC Attn: Allison Hart (Lite yorCMO Business)**	allison@yorcmo.com (228) 596-2214
CA	18791 Caminito Pasadero, Unit 84 San Diego, CA 92128	IMPAC Marketing, LLC Attn: Nanda Grandison (Solo yorCMO Business)	nanda@yorcmo.com (973) 592-6555
	6673 Mount Holly Drive San Jose, CA, 95120	Demandgen Consultant, LLC Attn: Aditi Karandikar (Lite yorCMO Business)**	aditi@yorcmo.com (408) 341-5408
CO	5370 S Garland Way Littleton, CO 80123	Amanda Costanzi	amanda@yorcmo.com (773) 456-3662
	3662 Deacon Drive Mead, CO 80542	KAM Strategy Group, LLC Attn: Stacy Kamigaki (Firm yorCMO Business)	stacy@yorcmo.com (720) 236-7342
FL	14081 Heritage Landing Boulevard Unit 227 Punta Gorda, FL 33955	QUAE SCRIBIT, LLC Attn: Erin A. Matts (Lite yorCMO Business)**	erin@yorcmo.com (917) 941-6080
GA	315 Avalon Way Thomasville, GA 31792	Charles Eric Johnson (Lite yorCMO Business)**	eric@yorcmo.com (404) 226-9312
IL	563 Canterbury Drive Carol Stream, IL 60188	Rich Taylor, LLC Attn: Richard A. Taylor (Firm yorCMO Business)	rich@yorcmo.com (773) 368-5135
IN	2218 N. Park Avenue Indianapolis, IN 46205	Dawn Renee Yankey Howard (Lite yorCMO Business)**	dawn@yorcmo.com (317) 506-3399
MD	1926 Altavue Road Catonsville, MD, 21228	US CMO Consulting, LLC Attn: Evan Featherstone (Lite yorCMO Business)**	evan@yorcmo.com (301) 502-3948
MN	2229 Edgcumbe Rd. St. Paul, MN 55116	Sonja O'Brien (License yorCMO Business)	sonja@yorcmo.com (612) 810-3287
NE	16565 Locust Street Omaha, NE 68116	Haslyn Group, LLC Attn: Brandie Rezac (Solo yorCMO Business)	brandie@yorcmo.com (402) 968-3052
	2626 North 170th Avenue Omaha, NE 68116	WEBTIVITY GROUP LLC Attn: Jay Gordman (Firm yorCMO Business)	jay@yorcmo.com (402) 630-5440
NC	6135 Long Stirrup Lane Mint Hill, NC 28227	Lisa K. Sperow (Lite yorCMO Business)**	lisa@yorcmo.com (704) 968-8367
OH	1151 Stone Dr. Suite D, Harrison OH 45030	Person Consulting, Inc. Attn: Jason Chadwick Person (Firm yorCMO Business)	chad@yorcmo.com (417) 241-1097
	5868 Scotsman Court Dublin, OH 43016	Hunshika, LLC Attn: Nikhil Hunshikatti (Firm yorCMO Business)	nikhil@yorcmo.com (614) 634-1919
	10579 Durrey Court, Reminderville, OH 44202	Nadine Nana (Lite yorCMO Business)**	nadine@yorcmo.com (678) 641-8847
PA	232 Gladstone Road Pittsburgh, PA 15217	Acer Fractional Marketing, LLC Attn: Kenneth S. Acer (Firm yorCMO Business)	ken@yorcmo.com (412) 580-5985
TN	503 Ben Allen Road, Unit B, Nashville, TN 37216	CONTINEO LLC Attn: Sean Foote	sean@yorcmo.com (773) 949.5287

		(Lite yorCMO Business)**	
VA	1927 Marthas Road Alexandria, VA 22307	Aneta Zawila-Jordan	aneta@yorcmo.com (804) 695-7333
	43429 Sperrin Court Ashburn, VA 20147	Jamie Coffey (Firm yorCMO Business)	jamie@yorcmo.com (703) 755-5774
	1104 Great Passage Boulevard Great Falls, VA 22066	Stephanie Broyles	stephanie@yorcmo.com (703) 597-5060
WA	12901 NE 176th Circle Battle Ground, WA 98604	Cognesis Marketing Attn: Dave Blanchard (Solo yorCMO Business)	dave@yorcmo.com (360) 953-8898
	3722 E. Jefferson Street Seattle, WA 98122	M's Pursuits, Inc. Attn: Marguerite Yeo (Lite yorCMO Business)**	marguerite@yorcmo.com (206) 536-5884
WI	S75W21384 Crimson Court, Muskego, WI 53150	S.M. Poindexter Business Growth Solutions, LLC Attn: Marshall Poindexter (Solo yorCMO Business)	marshall@yorcmo.com (414) 217-5090

**Effective as of the Issuance Date of this Disclosure Document, we no longer offer franchise opportunities to individuals wishing to operate as a Lite yorCMO Business.

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT G
LIST OF FRANCHISEES
THAT HAVE LEFT THE SYSTEM

FRANCHISEES WHO LEFT THE SYSTEM (January 1, 2025, to December 31, 2025)			
State	**Business Address**	**Franchisee Information**	**Contact Information**
CA	3553 Liggett Drive San Diego, CA 92106	Growth Marketing Partner, Inc. Attn: Alexandra Chrisman (Lite yorCMO Business)	alex@yorcmo.com (619) 838-9226
GA	3040 Balearic Drive Marietta, GA 30067	John Callahan (Lite yorCMO Business)	john@yorcmo.com (678) 982-5638
NJ	587 Highland Avenue Montclair, NJ 07043	Alcibiades Montas (Lite yorCMO Business)	alex.m@yorcmo.com (347) 366-8370
NC	10 Grace Street, Apartment 605 Wilmington, NC 28401	Fractional Marketing Executive, LLC Attn: Swanie Tolentino (Lite yorCMO Business)	swanie@yorcmo.com (919) 282-4648
TN	1043 Clendening Drive Gallatin, TN 37066	Brisbane & Associates, LLC Attn: Jason Brisbane (Lite yorCMO Business)	jason@yorcmo.com (408) 375-6543
TX	11816 Inwood Drive, Unit 3258 Dallas, TX 75244	Revenu Factor, LLC Attn: Chris Daniello (Lite yorCMO Business)	chris@yorcmo.com (704) 974-2884

FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT H
STATE SPECIFIC ADDENDA

California FDD Amendment
Amendments to the yorCMO
Franchise Disclosure Document

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

1. Item 17 "Renewal, Termination, Transfer and Dispute Resolution: The Franchise Relationship," is supplemented by the addition of the following:

A. 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 14 DAYS PRIOR TO THE EXECUTION OF THE AGREEMENT.

B. The franchisor, any person or franchise broker in Item 2 of the FDD is not 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 such persons from membership in such association or exchange.

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

D. 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.).

E. The Franchise Agreement contains a covenant not to compete, which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

F. The Franchise Agreement requires binding arbitration. The arbitration will occur in Nebraska with the costs being borne by the franchisee and franchisor.

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.

G. The Franchise Agreement requires application of the laws of the State of Nebraska. This provision may not be enforceable under California law.

2. Section 31125 of the California Corporations Code requires us to give you a Disclosure Document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

3. You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516).

4. Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

5. Item 6 "Other Fees," is supplemented by the addition of the following statement: "The highest interest rate allowed by law in the State of California is 10%."

6. The following URL address is for the franchisor's website: www.yorcmo.com.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

7. California's Franchise Investment Law (Corporations Code Sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees or its agents make to you, (ii) our ability to rely on any representations it makes to you, or (iii) any violation of the law.

8. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Franchisees must sign a personal guaranty, making you and your spouse individually liable for your financial obligations under the agreement if you are married. The guaranty will place your and your spouse's marital and personal assets at risk if your franchise fails.

You will not receive an exclusive territory. You must face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Revise Corporations Code section 31119 language to add "14 days prior to execution of agreement" at end of statement.

We do not have a federal registration for one of our principal marks. Therefore, such trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Connecticut FDD Amendment

Amendments to the yorCMO
Franchise Disclosure Document

1. Item 3 "Litigation," is supplemented by the addition of the following:

A. Neither the Franchisor nor any person identified in Items 1 or 2 above has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent

conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations.

B. Neither the Franchisor nor any other person identified in Items 1 or 2 above has during the 10 year period immediately preceding the date of this Disclosure Document, been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable in any civil action by final judgment, or been the subject of any material complaint or other legal proceeding where a felony, civil action, complaint or other legal proceeding involved violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations or which was brought by a present or former purchaser-investor or which involves or involved the business opportunity relationship.

C. Neither the Franchisor nor any person identified in Items 1 or 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, business opportunity, antitrust, trade regulation or trade practice law as a result of concluded or pending action or proceeding brought by a public agency, or is a party to a proceeding currently pending in which an order is sought, relating to or affecting business opportunity activities or the seller-purchaser-investor relationship, or involving fraud, including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property or restraint of trade.

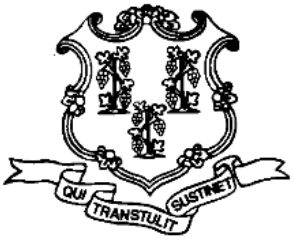
D. Neither Company nor any person identified in Item 2 above is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities & Exchange Act of 1934) suspending or expelling these persons from membership in the association or exchange.

2. Item 4 "Bankruptcy," is supplemented by the addition of the following:

No entity or person listed in Items 1 and 2 of this Disclosure Document has at any time during the previous 10 fiscal years (a) filed for bankruptcy protection, (b) been adjudged bankrupt, (c) been reorganized due to insolvency, or (d) been a principal, director, executive officer or partner of any other person that has so filed or was adjudged or reorganized, during or within one year after the period that the person held a position with the other person.

If the seller fails to deliver the products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract be cancelled.

DISCLOSURES REQUIRED BY CONNECTICUT LAW



The State of Connecticut does not approve, recommend, endorse, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

BUSINESS OPPORTUNITY DISCLOSURE

The following business opportunity disclosure is provided by yorCMO Franchising, LLC a registered business in the State of Connecticut.

Disclosure Document is dated: March 26, 2026

Hawaii FDD Amendment
Amendments to the yorCMO
Franchise Disclosure Document

Exhibit J "FDD Receipts," is supplemented with the addition of the following:

The Receipt for this Disclosure Document (Exhibit "J") is supplemented to add the following:

1. THIS FRANCHISE WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS BEFORE THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

3. THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT AND THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

4. NO STATEMENT, QUESTIONNAIRE OR ACKNOWLEDGEMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF: (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

Illinois FDD Amendment

Amendments to the yorCMO
Franchise Disclosure Document

DISCLOSURE REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a Franchise Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Franchise Agreement may provide for arbitration to take place outside of Illinois.

Franchisee's rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Currently, you must pay the Franchisor a "Success Fee" of 20% of ALL gross sales generated by any yorCMO business that was referred to you by the Franchisor. This "Success Fee" may be increased to 30% during the five year term of your franchise.

Indiana FDD Amendment

Amendments to the yorCMO
Franchise Disclosure Document

1. Item 8, "Restrictions on Sources of Products and Services," is supplemented by the addition of the following:

> Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

2. Item 6, "Other Fees" and Item 9, "Franchisee's Obligations", are supplemented, by the addition of the following:

> The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," is supplemented, by the addition of the following:

A. Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.

B. Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.

C. ITEM 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee.

D. ITEM 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.

E. ITEM 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action that arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

Maryland FDD Amendment
Amendments to the yorCMO
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," is supplemented, by the addition of the following:

A. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

B. A Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

C. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

D. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Michigan FDD Amendment
Amendments to the yorCMO
Franchise Disclosure Document

1. THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

A. A prohibition of your right to join an association of Franchisees.

B. A requirement that you assent to a release, assignment, novation, waiver or estoppel that deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.

C. A provision that permits us to terminate a franchise before the expiration of this term except for good cause. Good cause shall include your failure to comply with any lawful provision of the Franchise Agreement and to cure the failure after being given written notice of the failure and a reasonable opportunity, which in no event need be more than 30 days, to cure the failure.

D. A provision that permits us to refuse to renew a franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures and furnishings. Personalized materials that have no value to us and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (a) the term of the franchise is less than five years, and (b) you are prohibited by the Franchise Agreement or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or you do not receive at least six months advance notice of our intent not to renew the franchise.

E. A provision that permits us to refuse to renew a franchise on terms generally available to other Franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

F. A provision requiring that litigation be conducted outside this state. This shall not preclude you from entering into an agreement, at the time of litigation, to conduct litigation at a location outside this state.

G. A provision that permits us to refuse to permit a transfer of ownership of a franchise, except for good cause. The subdivision does not prevent us from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet our then current reasonable qualifications or standards.
(ii) The fact that the proposed transferee is our or Sub-franchisor's competitor.
(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
(iv) Your or proposed transferee's failure to pay us any sums or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

H. A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants us a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants us the right to acquire the assets of a franchise for the market or appraised value and has failed to cure the breach in the manner provided in Item 17(g).

I. A provision that permits us to directly or indirectly convey, assign or otherwise transfer our obligations to fulfill contractual obligations to you unless a provision has been made for providing the required contractual services.

2. If our most recent financial statements are unaudited and show a net worth of less than $100,000, you may request that we arrange for the escrow of initial investment and other funds you paid until our obligations, if any, to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At our option, a surety bond may be provided in place of escrow.

3. THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENFORCEMENT BY THE ATTORNEY GENERAL.

4. Any questions regarding this notice should be directed to: State of Michigan, Consumer Protection Division, Attention: Franchise Bureau, 670 Law Building, Lansing, MI
48913; telephone number (517) 373-3800.

Minnesota FDD Amendment
Amendments to the yorCMO
Franchise Disclosure Document

ADDITIONAL RISK FACTORS:

1. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

AMENDMENT OF FDD DISCLOSURES:

A. Item 6, "Other Fees", Not sufficient funds are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

B. Item 13, "Trademarks", Item 13 is supplemented by the addition of the following: As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred by you in the defense of your right to use the marks, so long as you were using the marks in the manner authorized by us, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

C. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following: With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days- notice of termination (with 60 days to cure) and 180 days-notice of non-renewal of the Agreement.

D. Item 17 "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following: Item 17 shall not provide for a prospective general release of claims against us that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

E. 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 Franchise 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.

F. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

New York FDD Amendment
Amendments to the yorCMO
Franchise Disclosure Document

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A

PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from 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 in 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, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for a franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

> However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**," and Item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements - No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any. statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts - Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, 10 business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

North Dakota FDD Amendment

Amendments to the yorCMO
Franchise Disclosure Document

1. Item 5, "Initial fees", Item 5 is supplemented by the addition of the following:

Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If franchisor elects to cancel this Franchise Agreement, franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.

2. Item 6, "Other Fees", Item 6 is supplemented by the addition of the following:

No consent to termination or liquidated damages shall be required from franchisees in the State of North Dakota.

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following:

A. Any provision requiring a franchisee to sign a general release upon renewal of the Franchise Agreement has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

B. Any provision requiring a franchisee to consent to termination or liquidation damages has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

C. Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust and inequitable. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

D. Any provision in the Franchise Agreement requiring a franchisee to agree to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The site of arbitration or mediation must be agreeable to all parties and may not be remote from the franchisee's place of business.

E. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

F. Apart from civil liability as set forth in Section 51-19-12 of the N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents and it is unfair to franchise investors to require them to waive their rights under North Dakota Law.

G. Any provision in the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

H. Any provision in the Franchise Agreement which requires a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

4. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Rhode Island FDD Amendment

Amendments to the yorCMO
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following:

A. The Rhode Island Franchise Investment Act, R.I. Gen. Law Ch. 395 Sec. 19-28.1-14 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 the Rhode Island Franchise Investment Act.

B. Any general release as a condition of renewal, termination or transfer will be void with respect to claims under the Rhode Island Franchise Investment Act.

Virginia FDD Amendment

Amendments to the yorCMO
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17(h) is supplemented by the addition of the following:

> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in yorCMO Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from $13,682 to $117,321. This amount exceeds the franchisor's stockholders' equity as of February 15, 2025, which is $56,585.

Washington FDD Amendment

Amendments to the yorCMO
Franchise Disclosure Document

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees**. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgemen**t. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants**. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings

from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments**. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers**. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

Wisconsin FDD Amendment

Amendments to the yorCMO
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following:

> The Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Section 135.01-135.07 may affect the termination provision of the Franchise Agreement.

STATE SPECIFIC AMENDMENTS TO FRANCHISE AGREEMENT

CALIFORNIA FRANCHISE AGREEMENT AMENDMENT

Amendments to the yorCMO Franchise Agreement

No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

Article 18.I of the Franchise Agreement does not apply to California franchisees.

IN WITNESS WHEREOF, the parties have duly executed and delivered this California State amendment to the yorCMO Franchising, LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor: yorCMO Franchising, LLC	**Franchisee:**
_____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

HAWAII FRANCHISE AGREEMENT AMENDMENT

Amendments to the yorCMO Franchise Agreement

In recognition of the requirements of the Hawaii Franchise Investment Law, the undersigned agree to the following modifications to the yorCMO Franchising, LLC Franchise Agreement (the "Franchise Agreement"), as follows:

1. Sub-Article 14.C.(6). Sub-article 14.C.(6), under the Article section titled "Conditions for Approval of Transfer," is supplemented by the addition of the following language:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Hawaii Franchise Investment Law, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Hawaii Franchise Investment Law be satisfied; and
>
> The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If this Sub-article contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

2. Sub-Article 15.B.(8). Sub-article 15.B.(8), under the Article section titled "Conditions for Renewal," is supplemented by the addition of the following:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Hawaii Franchise Investment Law, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Hawaii Franchise Investment Law be satisfied; and
>
> The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If this subarticle contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

3. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this amendment.

4. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this Hawaii State amendment to the yorCMO Franchising, LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor: yorCMO Franchising, LLC	**Franchisee:**
_____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

ILLINOIS FRANCHISE AGREEMENT AMENDMENT

Amendments to the yorCMO Franchise Agreement

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a Franchise Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Franchise Agreement may provide for arbitration to take place outside of Illinois.

Franchisee's rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act Provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act, or any other law of Illinois is void.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Currently, you must pay the Franchisor a "Success Fee" of 20% of ALL gross sales generated by any yorCMO business that was referred to you by the Franchisor. This "Success Fee" may be increased to 30% during the five year term of your franchise.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Illinois amendment to the yorCMO Franchising, LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor: yorCMO Franchising, LLC	**Franchisee:**
_____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

MARYLAND FRANCHISE AGREEMENT AMENDMENT

Amendments to the yorCMO Franchise Agreement

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached yorCMO Franchising, LLC Franchise Agreement (the "Franchise Agreement"), as follows:

1. The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

2. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Article 18.G. of the Franchise Agreement, under the heading "Choice of Law, Non-Binding Mediation, Binding Arbitration, and Consent to Jurisdiction," shall be amended by the addition of the following statement added to Article 18.G. of the Franchise Agreement:

> A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Article 18.I. of the Franchise Agreement, under the heading "Limitations of Claims," shall be amended by the addition of the following statement added to Article 18.I. of the Franchise Agreement:

> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.
>
> A general release required as a condition of renewal, sale, and/or assignment or transfer of a Franchise Agreement shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

5. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this amendment.

6. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this Maryland amendment to the yorCMO Franchising, LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor: yorCMO Franchising, LLC	**Franchisee:**
_____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

MINNESOTA FRANCHISE AGREEMENT AMENDMENT

Amendments to the yorCMO Franchise Agreement

In recognition of the requirements of the Minnesota Statutes, Chapter 80C. and Minnesota Franchise Rules, Chapter 2860, the parties to the attached yorCMO Franchising, LLC Franchise Agreement (the "Franchise Agreement"), as follows:

1. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

3. Article 14.C. of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," subarticle 14.C(6) is supplemented with the addition of the following language:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of the Minnesota Rules 2860.4400(D) be satisfied; and
>
> Minnesota law provides a franchisee with certain termination and non-renewal rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 180 days-notice of nonrenewal of this Agreement by Franchisor.

4. Article 15.B. of the Franchise Agreement, under the heading "Conditions for Renewal," subarticle 15.B(8) is supplemented with the addition of the following language:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of the Minnesota Rules 2860.4400(D) be satisfied; and
>
> Minnesota law provides a franchisee with certain termination and non-renewal rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 180 days-notice of nonrenewal of this Agreement by Franchisor.

5. Under Article 11 of the Franchise Agreement, under the heading "Notification of Infringement and Claims," the subarticle 11.C. shall be supplemented by the addition of the following:

Franchisor agrees to protect Franchisee, to the extent required by the Minnesota Franchise Act, against claims of infringement or unfair competition with respect to Franchisee's use of the Marks when, in the opinion of Franchisor's counsel, Franchisee's rights warrant protection pursuant to Article 11.E. of this Agreement.

6. Under Article 14 of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," the subarticle 14.C. shall be supplemented by the addition of the following:

Franchisor shall not unreasonably withhold consent to transfer the Franchise Agreement.

7. Under Article 16 of the Franchise Agreement, under the heading "Defaults and Automatic Termination Upon Written Notice Without Cure Period," the subarticle 16.A.(2). shall be supplemented by the addition of the following:

Article 16.A.(2) will not be enforced to the extent prohibited by applicable law.

8. Under Article 16 of the Franchise Agreement, under the heading "Defaults and Automatic Termination After 30 Day Cure Period," the subarticle 16.A.(4)(f), shall be supplemented by the addition of the following:

Subarticle 16.A.(4)(f) will not be enforced to the extent prohibited by applicable law.

9. Under both subarticles 16.A.(2) and 16.A.(4) of the Franchise Agreement, the following is added:

Minnesota law provides a franchisee with certain termination rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 90 days-notice of termination (with 60 days to cure) of this Agreement.

10. Article 18.F. of the Franchise Agreement, under the heading "Governing Law", shall be amended by the addition of the following statement added to the end of the last sentence of Article 18.F.:

; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

11. Article 18.G. of the Franchise Agreement, under the heading "Choice of Law, Non-Binding Mediation, Binding Arbitration, and Consent to Jurisdiction", shall be amended by the addition of the following statement added to the end of the last sentence of Article 18.G. of the Franchise Agreement:

; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

12. Article 18.K. of the Franchise Agreement, under the heading "Waiver of Jury Trial", shall be supplemented by the addition of the following statement at the end of the sentence contained in Article 18.K. of the Franchise Agreement:

; except that nothing in this Agreement should be considered a waiver of any right conferred upon Franchisee by the Minnesota Franchise Act.

13. Article 18.I. of the Franchise Agreement, under the heading "Limitations of Claims," shall be supplemented by the addition of the following statement:

Under the Minnesota Franchise Act, any claims between the parties must be commenced within three years of the occurrence of the facts giving rise to such claim, or such claim shall be barred.

14. Article 18 of the Franchise Agreement, under the heading "Enforcement and Construction," shall be supplemented by the addition of the following new subarticle 18.Z. to the Franchise Agreement:

Any foregoing acknowledgments are not intended to nor shall they act as a release, estoppel or waiver or any liability under the Minnesota Franchise Act.

15. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act are met independently without reference to this amendment.

16. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Minnesota State amendment to the yorCMO Franchising, LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor: yorCMO Franchising, LLC	**Franchisee:**
_____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

NEW YORK FRANCHISE AGREEMENT AMENDMENT

Amendments to the yorCMO Franchise Agreement

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N.Y. Comp. Code R. & Regs., tit. 13, §§ 200.1 through 201.16), the parties to the attached yorCMO Franchising, LLC Franchise Agreement (the "Franchise Agreement"):

1. Under Article 14.C. of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," the subarticle 14.C(6) is supplemented with the addition of the following language:

> ; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied.

2. Under Article 15.B. of the Franchise Agreement, under the heading "Conditions for Renewal," the subarticle 15.B(8) is supplemented with the addition of the following language:

> ; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied.

3. Article 18 of the Franchise Agreement and, under the heading "Enforcement and Construction," shall be supplemented by the addition of the following new subarticle 18.Z. to the Franchise Agreement:

> Nothing in this Agreement should be considered a waiver of any right conferred upon franchisee by New York General Business Law, Sections 680-695.

4. There are circumstances in which an offering made by yorCMO Franchising, LLC would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York. However, an offer or sale is deemed made in New York if you are domiciled in New York or the Practice will be opening in New York. yorCMO Franchising, LLC is required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

5. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, are met independently without reference to this amendment.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this New York amendment to the yorCMO Franchising, LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor: yorCMO Franchising, LLC	**Franchisee:**
_____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

NORTH DAKOTA FRANCHISE AGREEMENT AMENDMENT

Amendments to the yorCMO Franchise Agreement

In recognition of the North Dakota Franchise Investment Law, Section 51-19, the parties to the attached yorCMO Franchising, LLC Franchise Agreement (the "Franchise Agreement") agree as follows:

The North Dakota Addendum is only applicable if you are a resident of North Dakota or if your yorCMO Business will be located within the State of North Dakota.

1. Article 15 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring North Dakota franchisees to sign a general release upon renewal of the Franchise Agreement are not enforceable in North Dakota."

2. Article 16 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring North Dakota Franchisees to consent to termination or liquidated damages are not enforceable in North Dakota."

3. Articles 6 and 17 of the Franchise Agreement are hereby amended by the addition of the following language: "Covenants not to compete such as those mentioned above are generally considered unenforceable in the state of North Dakota."

4. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Covenants requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota may not be enforceable in North Dakota."

5. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "for North Dakota Franchisees, North Dakota law shall apply."

6. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring a franchisee to consent to a waiver of trial by jury are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law."

7. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring the franchisee to consent to a waiver of exemplary and punitive damages are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law."

8. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring a franchisee to consent to a limitation of claims within one year have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, for North Dakota franchisees, the statute of limitations under North Dakota Law will apply."

7. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[SIGNATURE PAGE TO FOLLOW]

Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of North Dakota Law are met independently without reference to this amendment.

Franchisor: yorCMO Franchising, LLC	**Franchisee:**
_____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees**. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgemen**t. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants**. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments**. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers**. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or

selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Washington State amendment to the yorCMO Franchising, LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor: yorCMO Franchising, LLC	**Franchisee:**
_____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration:
California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

Effective Dates	
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

yorCMO Franchising, LLC

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all the agreements carefully.

If yorCMO Franchising, LLC offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate of ours in connection with the proposed franchise sale, or sooner if required by applicable law.

Applicable state laws in New York and Rhode Island require that we give you this document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the signing of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If yorCMO Franchising, LLC does not deliver this Disclosure Document on time of if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state administrator identified in Exhibit A of this Disclosure Document. We authorize the respective state agencies identified in Exhibit B of this Disclosure Document to receive service of process for us in the particular state.

The Issuance Date of this Disclosure Document is: March 26, 2026

The franchise sellers for this offering are:

Name	Principal Business Address	Telephone Number
Joseph Frost	802 S 80th Street, Omaha, Nebraska 68114	(402) 807-5414
Estefania Ramos	802 S 80th Street, Omaha, Nebraska 68114	(402) 807-5414

I received a Disclosure Document issued on March 26, 2026, that included the following exhibits:

A. List of State Administrators	F. List of Franchisees
B. List of Agents for Service of Process	G. List of Franchisees Who Have Left the System
C. Operations Manual Table of Contents	H. State Specific Addenda
D. Financial Statements	I. State Effective Dates
E. Franchise Agreement	J. Receipts

Date	**Print Name**	**Signature**
Date	**Print Name**	**Signature**

Please sign this copy of the receipt, date your signature, and return it to yorCMO Franchising, LLC, 802 S 80th Street, Omaha, Nebraska 68114.

yorCMO Franchising, LLC

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all the agreements carefully.

If yorCMO Franchising, LLC offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate of ours in connection with the proposed franchise sale, or sooner if required by applicable law.

Applicable state laws in New York and Rhode Island require that we give you this document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the signing of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If yorCMO Franchising, LLC does not deliver this Disclosure Document on time of if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state administrator identified in Exhibit A of this Disclosure Document. We authorize the respective state agencies identified in Exhibit B of this Disclosure Document to receive service of process for us in the particular state.

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Date	**Print Name**	**Signature**

Date	**Print Name**	**Signature**

Please sign this copy of the receipt, date your signature, and return it to yorCMO Franchising, LLC, 802 S 80th Street, Omaha, Nebraska 68114.