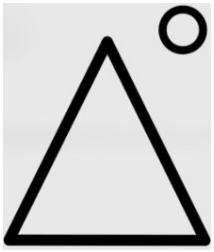
FRANCHISE DISCLOSURE DOCUMENT



Portal Franchising LLC
a Colorado limited liability company
4949 Broadway Street, Suite 113
Boulder, Colorado 80304
(920) 858-1090
openaportal@portalthermaculture.com
www.portalthermaculture.com

Portal Franchising LLC ("Portal") offers franchises for businesses (each, a "**Portal Club**") that operate a service-based wellness business providing sauna services, cold plunge services, other wellness offerings, and related amenities and products using Portal's proprietary methodology under certain trademarks (the "**Trademarks**"). We offer three different types of Portal Clubs: (i) stand-alone modular container structures (each, an "**Outpost**"), which are semi-permanent land-based structures, (ii) multi-unit developments comprising a container asset or a design-build equivalent (each, a "**Clubhouse**"), which are land-based structures, and (iii) adaptive reuse developments (each, a "**Brick & Mortar**"), which are permanent land-based traditional structures.

The total investment necessary to begin operation of an Outpost ranges from $267,500.00 to $727,000.00. This includes $153,000.00 to $335,000.00 that must be paid to the franchisor or affiliates. The total investment necessary to begin operation of a Clubhouse ranges from $1,021,750.00 to $1,347,500.00. This includes $910,250.00 to $940,000.00 that must be paid to the franchisor or affiliates. The total investment necessary to begin operation of a Brick & Mortar ranges from $946,000.00 to $2,973,000.00. This includes $360,250.00 to $821,000.00 that must be paid to the franchisor or affiliates. The total investment necessary to begin operation under an eight-unit Multi-Unit Development Agreement is $1,137,500.00 to $4,641,000.00. This includes $920,000.00 to $1,832,000.00 that must be paid to the franchisor or affiliates.

This Franchise Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Franchise Disclosure Document and all accompanying agreements carefully. You must receive this Franchise Disclosure Document at least fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your Franchise Disclosure Document in another format that is more convenient for you. To discuss the availability of a Franchise Disclosure Document in different formats, contact Will Drescher, 4949 Broadway Street, Suite 113, Boulder, Colorado 80304, (920) 858-1090.

The terms of your contract will govern your franchise relationship. Don't rely on the Franchise Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Franchise Disclosure Document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this Franchise 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 Franchise Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at (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: April 3, 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 Exhibit E.
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?	Exhibit F 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 Portal Club 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 Portal Club franchisee?	Exhibit E lists 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 Franchise 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 customers, 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 may also 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 risks 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 Colorado. Out-of-state mediation and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate, arbitrate, and litigate with the franchisor in Colorado than in your own state.

2. **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.

3. **Mandatory Minimum Payments**. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

4. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

6. **Minimum Sales Performance**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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.

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Franchise Disclosure Document, "**Portal**," "**us**," "**our**," or "**we**" means Portal Franchising LLC, the franchisor. "**You**," "**your**," or "**Franchisee**" means the person, corporation, limited liability company, partnership, or other entity that buys the franchise. If the franchisee will be a corporation, limited liability company, partnership, or other entity, "**you**," "**your**," and "**Franchisee**" will also mean the owners, shareholders, partners, or other ownership interest holder of the corporation, limited liability company, or partnership, or other entity and any Managing Party (as defined in Item 15).

The Franchisor and Any Parents, Predecessors, and Affiliates

We are a Colorado limited liability company organized on August 26, 2025. We conduct business under our corporate name and the Trademarks (see Item 13). We began offering franchises on September 24, 2025. Our principal business address is 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. We have no parent or predecessor companies. Our registered agent for service of process in Colorado is Denise Rahme and our address for service of process in Colorado is 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Our agents for service of process for other states are listed in Exhibit A. We do not offer franchises in any other line of business, but we may do so in the future.

We have eleven affiliates.

Our affiliate Portal Thermaculture LLC ("**Portal One**") is a Colorado limited liability company organized on October 11, 2023. Portal One maintains a principal business address at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Portal One's registered agent for process in Colorado is Zenbusiness Inc. at 1801 Broadway Street, Suite 1225, Denver, Colorado 80202. Portal One operates three company-owned Portal Clubs. Portal One has not and does not offer franchises in any line of business.

Our affiliate Portal Consulting LLC ("**Portal Consulting**") is a Colorado limited liability company organized on August 18, 2025. Portal Consulting maintains a principal business address at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Portal Consulting provides marketing, training, and operational consulting services. Portal Consulting has not and does not offer franchises in any line of business.

Our affiliate Portal Denver LLC ("**Portal Denver**") is a Colorado limited liability company organized on May 3, 2024. Portal Denver maintains a principal business address at 2949 Federal Blvd, Denver, Colorado 80211. Portal Denver sells access to sauna and cold plunge facilities via credits and memberships. Portal Denver has not and does not offer franchises in any line of business.

Our affiliate Portal Dry Goods LLC ("**Portal Dry Goods**") is a Colorado limited liability company organized on August 26, 2025. Portal Dry Goods maintains a principal business address at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Portal Dry Goods designs, sources, and sells branded merchandise, apparel, and packaged wellness products. Portal Dry Goods has not and does not offer franchises in any line of business.

Our affiliate Portal Events LLC ("**Portal Events**") is a Colorado limited liability company organized on August 19, 2025. Portal Events maintains a principal business address at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Portal Events manages and produces brand activations, event partnerships, and experiential programming. Portal Events has not and does not offer franchises in any line of business.

Our affiliate Portal Insight LLC ("**Portal Insight**") is a Colorado limited liability company organized on August 13, 2025. Portal Insight maintains a principal business address at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Portal Insight develops and licenses our proprietary software and analytics systems to franchisees. Portal Insight has not and does not offer franchises in any line of business.

Our affiliate Portal Minnesota LLC ("**Portal Minnesota**") is a Minnesota limited liability company organized on March 21, 2024. Portal Minnesota maintains a principal business address at 3120 Excelsior Blvd, Minneapolis, Minnesota 55409. Portal Minnesota sells access to sauna and cold plunge facilities via credits and memberships. Portal Minnesota has not and does not offer franchises in any line of business.

Our affiliate Portal Mobile Clubhouse LLC ("**Portal Mobile Clubhouse**") is a Colorado limited liability company organized on August 26, 2025. Portal Mobile Clubhouse maintains a principal business address at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Portal Mobile Clubhouse creates our mobile wellness structures and sells or leases them to franchisees. Portal Mobile Clubhouse has not and does not offer franchises in any line of business.

Our affiliate Portal Plunge LLC ("**Portal Plunge**") is a Colorado limited liability company organized on August 18, 2025. Portal Plunge maintains a principal business address at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Portal Plunge manufactures and distributes cold plunge products to our affiliates. Portal Plunge has not and does not offer franchises in any line of business.

Our affiliate Portal Real Estate LLC ("**Portal Real Estate**") is a Colorado limited liability company organized on September 10, 2025. Portal Real Estate maintains a principal business address at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Portal Real Estate acquires, manages, and leases real estate sites including properties used by our franchisees. Portal Real Estate has not and does not offer franchises in any line of business.

Our affiliate Portal Saunas LLC ("**Portal Saunas**") is a Colorado limited liability company organized on August 18, 2025. Portal Saunas maintains a principal business address at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304. Portal Saunas furnishes sauna equipment including proprietary sauna systems to our affiliates. Portal Saunas has not and does not offer franchises in any line of business.

The Franchise Offered

You will establish and operate a Portal Club providing sauna services, cold plunge services, other wellness offerings, and related amenities, services, and products (collectively, the "**Services and Products**") using our proprietary methodology under the Trademarks. We will grant you a license to use the Trademarks in the operation of your Portal Club. The Trademarks include, without limitation, the distinctive trade dress used to identify a Portal Club and our service marks as they currently exist or may be modified in the future. We will provide you with our proprietary operations manual and other written materials or directions (collectively, the "**Operations Manual**") for the operation of your Portal Club. You will sign a Portal Franchising LLC Franchise Agreement (a "**Franchise Agreement**") and operate your Portal Club in accordance with the terms of your Franchise Agreement and the Operations Manual. Our current form of Franchise Agreement is attached to this Franchise Disclosure Document as Exhibit B.

We have developed a distinct, proprietary system for the operation of a Portal Club (the "**System**"). Distinctive characteristics of the System include, without limitation, the Services and Products, the Trademarks, the Operations Manual, and our other proprietary information and processes (see Item 14). You will operate your Portal Club as an independent business using the System. Other franchisees may

operate under different forms of agreement. Our obligations and rights with respect to our other franchisees may differ materially in certain circumstances.

Your Franchise Agreement will grant you a defined geographic territory (a "**Territory**"). If the physical site of your Portal Club (the "**Club Location**") is not known or approved as of the effective date of your Franchise Agreement, you will propose a Club Location that meets our site selection criteria for our approval. Once we have approved your proposed Club Location, we will designate your Club Location and your Territory in your Franchise Agreement by providing you with written notice within 30 days from the date of approval. If we do not designate the Territory in your Franchise Agreement within 30 days of our approval of your Club Location, your Territory will be a geographic area defined as a circle with a radius of three miles from your Club Location. You will establish and operate your Portal Club solely from your Club Location. During the term of your Franchise Agreement, as long as you are not in default of your Franchise Agreement, we will neither directly or indirectly establish or operate, nor grant a license or right to any other person or entity to establish or operate, any other franchised business identified with the Trademarks inside of your Territory except as otherwise provided in your Franchise Agreement.

If you sign a Portal Franchising LLC Multi-Unit Development Agreement (a "**Development Agreement**"), you will develop multiple Portal Clubs (each, a "**Development Club**") on an agreed-upon schedule (the "**Development Schedule**") in a specific geographic area (a "**Development Territory**"). The current form of Development Agreement is attached as Exhibit C. You will sign our then-current form of Franchise Agreement for each Development Club, which form of Franchise Agreement may be different from the form of Franchise Agreement attached as Exhibit B.

Market and Competition

The target market for Portal Club clients is the general public. The market for the Services and Products is well developed and highly competitive. Portal Clubs compete with other businesses within the health, personal care, and wellness industry that offer services and products similar to the Services and Products including, without limitation, national chains, independently-owned clubs, wellness spas, and other businesses that may be independent or franchised operations.

Laws and Regulations

You must research and comply with all federal, state, and local laws and regulations that apply to the operation of your Portal Club. You will secure and maintain in force all required licenses, permits, and certificates relating to the operation of your Portal Club.

Every Portal Club must comply with all applicable federal, state, county, and municipal building codes, handicap access codes, and laws restricting smoking in public places, the public posting of notices regarding health hazards, fire safety, and general emergency preparedness, rules regarding proper use, storage, and disposal of hazardous waste and materials, and other building, fire, and health standards. You must operate your Portal Club in full compliance with all applicable workplace laws, ordinances, and regulations including, without limitation, governmental regulations relating to occupational hazards, health, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, discrimination, employment, sexual harassment, worker's compensation, unemployment insurance, and the withholding and payment of federal, state, and local income taxes, social security taxes, and sales and use taxes.

Some states have laws regulating the advertising and trade names you may use. You are strictly prohibited from publishing any advertising, testimonials, or claims or using any trade name without complying with all applicable laws and obtaining our prior written approval.

There may be other local, state, or federal laws or regulations that your Portal Club must comply with. We strongly advise you to investigate these laws before buying this franchise.

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer: Will Drescher

Will Drescher has been our Chief Executive Officer since August 2025. He has been the Chief Executive Officer for Portal One since October 2023. He was a therapist for Explore Well-Being from January 2023 to August 2025. All of these positions are or were located in Boulder, Colorado. He was a counselor at the Hazelden Betty Ford Foundation from January 2020 to January 2023 in St. Paul, Minnesota.

Chief Creative Officer: John Drescher

John Drescher has been our Chief Creative Officer since August 2025. He has been the Chief Creative Officer for Portal One since January 2025. He was an Executive Director, Creative for MAKE from December 2023 to January 2025. He was a Creative Director, Associate Creative Director and Environmental Designer, and Associate Technical Director and Environmental Designer for Drury Design from April 2019 to August 2024. All of these positions are or were located in New York, New York.

Chief Operating Officer and General Counsel: Denise Rahme

Denise Rahme has been our Chief Operating Officer since November 2025 and our General Counsel since August 2025. She has been the General Counsel for Portal One since February 2025. All of these positions are located in Boulder, Colorado. She was a Corporate Associate for Fortis Law Partners LLC from November 2024 to February 2025 in Denver, Colorado. She was a Corporate Associate for Holland & Hart LLP from October 2022 to November 2024 in Boulder, Colorado. She was a Structuring Associate for Partners Group from August 2021 to October 2022 in Broomfield, Colorado.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item 3.

ITEM 4
BANKRUPTCY

No bankruptcies are required to be disclosed in this Item 4.

ITEM 5
INITIAL FEES

Initial Franchise Fee

You will pay us a non-refundable initial franchise fee for the right to operate your Portal Club (the "**Initial Franchise Fee**") when you sign your Franchise Agreement. The Initial Franchise Fee is $25,000.00 for an Outpost and $45,000.00 for a Clubhouse and Brick & Mortar. The Initial Franchise Fee is uniform and fully earned upon receipt.

Growth System Contribution

You will pay us a non-refundable fee each month to power your Portal Club's growth marketing system (the "**Growth System Contribution**") beginning two months before your projected Portal Club opening date. The Growth System Contribution is the greater of (i) 5% of your Gross Revenues for the preceding month or (ii) $4,500.00 per month. Your projected opening date will be established in writing by mutual agreement no later than 30 days after you execute your Franchise Agreement and may not be advanced by us without your written consent. The Growth System Contribution applies to Clubhouse and Brick & Mortar franchisees and is optional for Outpost franchisees. The Growth System Contribution is uniform and fully earned upon receipt.

Activation Fee

You will pay us a non-refundable fee for our activation program, which includes pre-opening operational support, brand onboarding, systems configuration, and Portal staff deployment to prepare your Portal Club for opening (the "**Activation Fee**") when you sign your Franchise Agreement. The Activation Fee is $10,000.00 for an Outpost and $30,000.00 for a Clubhouse and Brick & Mortar. The Activation Fee is uniform and fully earned upon receipt.

Logistics Fee

You will pay us a non-refundable fee for the logistics of our assistance with the construction coordination, design review, and site supervision of your Portal Club (the "**Logistics Fee**") when you sign your Franchise Agreement. If you purchase an Outpost or a Clubhouse, the transportation and delivery of your Portal Club will be included. The Logistics Fee is $15,000.00 for an Outpost, $70,000.00 for a Clubhouse, and $80,000.00 for a Brick & Mortar. The Logistics Fee is uniform and fully earned upon receipt.

Container Purchase Fee

You will pay Portal Mobile Clubhouse a non-refundable fee for the purchase of the container asset associated with your Portal Club (the "**Container Purchase Fee**") when you sign your Franchise Agreement. The Container Purchase Fee applies to Clubhouse and Outpost franchisees and is not paid by Brick & Mortar franchisees. The Container Purchase Fee is uniform and fully earned upon receipt.

For an Outpost, the Container Purchase Fee ranges from $100,000.00 to $280,000.00 depending on the configuration you select. All Outpost configurations include one required sauna and cold plunge container for $100,000.00. You may select the following optional add-on containers at additional cost: (i) one additional sauna and cold plunge container for $100,000.00, and (ii) either (a) a check-in and changing area container for $60,000.00 or (b) a bathrooms-with-showers container with a check-in and changing area for $80,000.00. Portal Mobile Clubhouse will provide you with a written configuration specification and corresponding Container Purchase Fee prior to your signing of the Franchise Agreement.

For a Clubhouse, the Container Purchase Fee is $750,000.00 paid to Portal Mobile Clubhouse and applied toward either (i) a purpose-built, turn-key container asset comprising three containers including two saunas, four cold plunges, a changing area, and a bathroom with a shower that is constructed off-site and delivered to your Club Location, or (ii) the design-build budget for a ground-up Clubhouse constructed on a vacant lot, with Portal Mobile Clubhouse serving as the design-build manager. The Container Asset Trust Agreement governs disbursement of the Container Purchase Fee.

The Container Purchase Fee is deposited into a segregated bank account maintained at JPMorgan Chase Bank, N.A. and held pursuant to a written agreement between Portal Franchising LLC and Portal Mobile Clubhouse LLC (the "**Container Asset Trust Agreement**"). The Container Purchase Fee will not be commingled with Portal Mobile Clubhouse's other funds and may be used solely for the acquisition, construction, and delivery of your container asset. Portal Mobile Clubhouse serves as trustee, and we serve as trust administrator. Funds will be released to Portal Mobile Clubhouse upon commencement of construction of your container asset. If Portal Mobile Clubhouse is unable to deliver your container asset, the Container Purchase Fee will be refunded to you in full within 30 days of written notice of non-delivery. If Portal Mobile Clubhouse becomes insolvent, any funds then held in the segregated account will not constitute property of Portal Mobile Clubhouse's estate and will be refunded to you. A copy of the Container Asset Trust Agreement is available for your review upon request. The Container Purchase Fee is uniform and fully earned upon receipt.

Development Fee

If you sign a Development Agreement, you will pay us a non-refundable fee equal to the sum of the Initial Franchise Fees, the Activation Fees, the Logistics Fees, and the Growth System Contributions for each Development Club you are authorized to develop (the "**Development Fee**") when you sign your Development Agreement. The Development Fee is paid in lieu of the Initial Franchise Fees, the Activation Fees, the Logistics Fees, and the Growth System Contributions you would otherwise pay for your Development Clubs. Development Agreements require a minimum of eight Development Clubs. The Development Fee is uniform and fully earned upon receipt.

The royalty rate for your Development Clubs will be reduced to 2.5% of your Gross Revenues. Franchisees that sign a Development Agreement will not be charged the Management Fee described in Item 6 for any Development Club.

If you default on your Development Agreement by failing to meet your Development Schedule, following the date of default: (i) the reduced royalty rate of 2.5% applicable to your Development Clubs will automatically revert to our then-current standard royalty rate for all ongoing and future royalty obligations, (ii) the Management Fee waiver applicable to Development Clubs operated pursuant to your Development Agreement will terminate and the then-current Management Fee will apply to all of your Development Clubs, and (iii) territorial protections under your Development Agreement will be subject to reduction or termination in our discretion as described in Item 12. All royalty fees and Management Fees paid at the reduced rate prior to the date of failure are lawfully earned and not subject to retroactive adjustment, recalculation, or refund. Your failure to meet your Development Schedule will not affect the validity of any Franchise Agreement then in effect for any operating Development Club at the time of failure, provided that the Franchise Agreement will thereafter be governed by our then-current standard royalty rate and fee structure. We reserve all other rights and remedies available to us at law or in equity arising from your failure to meet your Development Schedule.

Territory Fee

If you sign a Development Agreement, you will pay us a non-refundable fee equal to $65,000.00 per Development Club (the "**Territory Fee**") when you sign your Development Agreement. The Territory Fee secures county-level territorial exclusivity for each county in which a Development Club is designated under your Development Agreement in lieu of the standard protected territory granted to single-unit franchisees. The Territory Fee for an eight-unit Development Agreement is $520,000.00. The Territory Fee is paid in addition to the Development Fee. The Territory Fee is uniform and fully earned upon receipt.

ITEM 6
OTHER FEES

Type of Fee[1]	Amount	Date Due	Remarks
Royalty Fee	5% of Gross Revenues for the preceding month.	Monthly.	Royalty fee payments are based on your Gross Revenues from the preceding month. The Royalty Fee is waived for the first twelve months of operation of your Portal Club. Beginning with the 13th month of operation, the Royalty Fee of 5% applies to all Gross Revenues.
Management Fee	2.5% of Gross Revenues (the "**Management Fee**").	Monthly.	You will pay us the Management Fee for our management services if you elect for us to manage your Portal Club based on your Gross Revenues from the preceding month. For the first six months of operation of your Portal Club, the Management Fee will apply only to Gross Revenues exceeding $60,000.00 per month. During this period, no Management Fee is due in any month when Gross Revenues do not exceed $60,000.00.
Growth System Contribution[3]	The greater of (i) 5% of Gross Revenues for the preceding month or (ii) $4,500.00 for a Clubhouse or Brick & Mortar.	Monthly.	Growth System Contributions are calculated based on your Gross Revenues from the preceding month and payable on the first day of each month. We may change the Growth System Contribution rate and floor in our discretion, but in no event will an increase exceed CPI plus 10%.
Technology Fee	$500.00.	Monthly.	Technology fee payments are used to defray expenses we incur to offer you various technology-related services and products including, without limitation, providing you with email accounts and access to our proprietary CRM software. We may change the technology fee in our discretion, but in no event will an increase exceed CPI plus 10%.

Type of Fee[1]	Amount	Date Due	Remarks
Computer System Maintenance Expenses	$500.00 to $1,000.00.	Annually.	You will pay computer system maintenance expenses directly to the service provider.
Insufficient Funds Fee	$100.00.	As incurred.	Payable if your electronic funds payment is rejected for insufficient funds.
Club Location Rent	As determined by your lease.	Monthly.	You will either enter into a direct lease with your Club Location landlord with monthly rental payments you negotiate or with Portal Real Estate under a sublease. If you rent your Club Location from Portal Real Estate, Portal Real Estate will pass through any rent escalations to you.
Default Management Operations Fee	Our current Management Fee plus associated expenses.	As incurred.	You will pay us a reasonable fee for our services until your default is cured if you are in default of your Franchise Agreement and we elect to manage your Portal Club on your behalf. You will pay all associated expenses for our management personnel including, without limitation, accommodation costs, salary costs, transportation costs, and food costs. We may change the default management fee in our discretion, but in no event will an increase exceed CPI plus 10%.
Regulatory Compliance Expenses	Determined by applicable agencies.	As incurred.	You will pay any expenses associated with regulatory compliance.
Late Submission Fee	$250.00.	As incurred.	Payable if any report required by your Franchise Agreement is not provided to us in a timely manner. This fee may be modified in our discretion.
Transfer Fee	$10,000.00 plus associated expenses.	The earlier of our approval of your transfer application or the date your transferee attends our training program.	You must satisfy all required conditions to obtain our approval of your transfer. You will pay our associated expenses incurred in connection with your transfer including, without limitation, expenses incurred to conduct a training program for your transferee and our legal costs.

Type of Fee[1]	Amount	Date Due	Remarks
Renewal Fee	$10,000.00 plus associated expenses.	When you sign your renewal Franchise Agreement.	You must satisfy all required conditions to renew your Franchise Agreement including, without limitation, executing our then-current form of Franchise Agreement. You will pay our associated expenses incurred in connection with your renewal including, without limitation, our legal costs.
Audit Fee	Cost of audit plus any deficiency.	Upon demand.	Audit fees are payable if we audit the operations of your Portal Club and determine that you have understated amounts due to us by more than 3% or if your records are not compliant with our requirements.
Interest Fee	10% per annum.	Upon demand.	Interest fees are payable on any overdue amounts due to us and accrue from the date any payment is due until the payment is remitted.
Indemnification Fee	Cost of any liabilities, claims, damages, and legal fees we incur.	Upon demand.	Indemnification fees are payable for any matters arising from your operation of your Portal Club for which you are obligated to indemnify us pursuant to your Franchise Agreement.
Liquidated Damages Fee	The greater of (i) an amount equal to any amounts due or owed to us or our affiliates by you including, without limitation, unpaid accrued and future royalties, Growth System Contributions, or any other fees payable by you under your Franchise Agreement, lease, or otherwise, or (ii) $100,000.00 for an Outpost, $120,000.00 for a Clubhouse, $180,000.00 for a Brick & Mortar.	Upon demand.	Payable if (i) we terminate your Franchise Agreement because of your default or (ii) you terminate your Franchise Agreement without the right to do so. Liquidated damages are payable in addition to any outstanding amounts due at the time of termination and are in addition to any other remedies we may have at law or equity.

Notes:

1. Fees. Except where otherwise noted, all fees are payable to us or our designees, are non-refundable and uniformly imposed on all franchisees. We may reasonably increase any fees or charges for products, materials, and services we provide from time to time excepting the royalty fee percentage used to calculate your royalty fee payments. The royalty fee percentage is not subject to any increases. You will remit all amounts you owe us pursuant to the Franchise Agreement or other agreements in the manner we determine including, without limitation, payment by bank draft, certified check, credit card, electronic funds transfer, or as we may otherwise direct in writing. You will participate in any payment plans, computerized point of sale systems, credit verification systems, electronic funds transfer systems, automatic banking systems, or other similar plans or systems we require to facilitate your payments. You will execute all necessary documents and consents for payment including, without limitation, our current form of Auto-Debit Authorization Agreement for payments to be made by electronic funds transfer, a copy of which is attached to the Franchise Agreement as Schedule C, to enable us to automatically withdraw money from your financial accounts.

2. Gross Revenues. The term "**Gross Revenues**" means all gross sums collected or billed by you or us for all goods and services sold in connection with your Portal Club and any other revenue related to or derived from the provision of the Services and Products or the sale of any products or services in connection with the conduct and operation of your Portal Club whether for cash, check, credit, gift certificates, coupons, barter, or any other means of exchange. Gross Revenues do not include any sales, use, excise, license, or similar taxes separately billed, charged, and collected by you for remittance to the appropriate governmental authorities, proceeds from any business interruption insurance policy, or revenues derived from the subletting of any portion of your Club Location. Any installment or credit sale will be treated as a cash sale for the full price in the month during which the sale is made regardless of the time payment is received.

3. Growth System Fund. We have established a dedicated marketing fund for the benefit of the System (the "**Growth System Fund**"). Clubhouse and Brick & Mortar franchisees will pay Growth System Contributions regardless of their Gross Revenues. The Growth System Contribution is optional for Outpost franchisees. The Growth System Contribution is equal to the greater of 5% of your Gross Revenues for the preceding month or $4,500.00 per month and funds the following programs: (i) paid media management, including digital advertising placement, campaign optimization, and channel-level reporting, (ii) creative and content system including branded content production, photography, video, and copy for use across all channels, (iii) CRM flows and lifecycle marketing including email and SMS automation, member journeys, and retention sequences, (iv) presale playbooks, including pre-opening demand generation, waitlist management, and community-building protocols, (v) launch campaigns, including grand opening marketing, influencer coordination, and local activation programs, and (vi) network distribution infrastructure, including future-state technology and distribution platforms developed for the benefit of the System.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT – OUTPOST

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee	$25,000.00.	Certified check, credit card, or electronic	Upon signing your Franchise Agreement.	Us.

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
		funds transfer.		
Activation Fee	$10,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Logistics Fee	$15,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Container Purchase Fee[2]	$100,000.00 to $280,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Portal Mobile Clubhouse.
Growth System Contributions	$0.00 to $9,000.00.	Certified check, credit card, or electronic funds transfer.	Two months prior to your projected Portal Club opening date.	Us.
Real Estate Rent and Security Deposit[3]	$0.00 to $15,000.00.	As agreed.	As incurred.	Landlord or us.
Real Estate Construction and Improvements[4]	$0.00 to $50,000.00.	As agreed.	As incurred.	Third parties.
Landscaping and Plant Life[10]	$30,000.00 to $80,000.00.	As agreed.	As incurred.	Third parties.
Utilities and Utility Deposits	$10,000.00 to $50,000.00.	As agreed.	As incurred.	Third parties.
Insurance	$2,500.00 to $5,000.00.	As agreed.	As incurred.	Third parties.
Training Expenses[5]	$0.00 to $3,000.00.	As agreed.	As incurred.	Third parties.
Initial Inventory	$3,000.00 to $5,000.00.	As agreed.	As incurred.	Us.
Furnishings and Locker Package[17]	$8,000.00 to $25,000.00.	As agreed.	As incurred.	Third parties.
Computer System	$0.00 to $3,000.00.	As agreed.	As incurred.	Third parties.
Grand Opening Expenses[6]	$1,000.00 to $20,000.00.	As agreed.	As incurred.	Third parties.
Licenses and Permits	$2,000.00 to $3,000.00.	As agreed.	As incurred.	Third parties.
Accounting and Professional Fees	$1,000.00 to $3,000.00.	As agreed.	As incurred.	Third parties.
Staff Recruiting and Salary Expenses[7]	$0.00 to $6,000.00.	As agreed.	As incurred.	Third parties.

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
Additional Funds for First Three Months of Operation[8]	$60,000.00 to $120,000.00.	As agreed.	As incurred.	Third parties.
Total Estimated Initial Investment[9]	**$267,500.00 to $727,000.00.**			

YOUR ESTIMATED INITIAL INVESTMENT – CLUBHOUSE

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee	$45,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Activation Fee	$30,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Logistics Fee	$70,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Container Purchase Fee	$750,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Portal Mobile Clubhouse.
Growth System Contributions	$9,000.00.	Certified check, credit card, or electronic funds transfer.	Two months prior to your projected Portal Club opening date.	Us.
Real Estate Rent and Security Deposit[3]	$0.00 to $24,000.00.	As agreed.	As incurred.	Landlord or us.
Real Estate Construction and Improvements[4]	$0.00 to $100,000.00.	As agreed.	As incurred.	Third parties.
Fitness Equipment	$0.00 to $60,000.00.	As agreed.	As incurred.	Third parties.
Landscaping and Plant Life[10]	$5,000.00 to $12,500.00.	As agreed.	As incurred.	Third parties.

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
Utilities and Utility Deposits	$2,500.00 to $8,000.00.	As agreed.	As incurred.	Third parties.
Insurance	$2,500.00 to $5,000.00.	As agreed.	As incurred.	Third parties.
Training Expenses[5]	$0.00 to $3,000.00.	As agreed.	As incurred.	Third parties.
Initial Inventory	$6,250.00 to $12,000.00.	As agreed.	As incurred.	Us.
Furnishings and Art[11]	$12,000.00 to $20,000.00.	As agreed.	As incurred.	Third parties.
Computer System	$2,000.00 to $6,000.00.	As agreed.	As incurred.	Third parties.
Audio and Visual Systems[12]	$3,500.00 to $5,000.00.	As agreed.	As incurred.	Third parties.
Grand Opening Expenses[6]	$1,000.00 to $20,000.00.	As agreed.	As incurred.	Third parties.
Licenses and Permits	$2,000.00 to $3,000.00.	As agreed.	As incurred.	Third parties.
Accounting and Professional Fees	$1,000.00 to $3,000.00.	As agreed.	As incurred.	Third parties.
Staff Recruiting and Salary Expenses[7]	$0.00 to $2,000.00.	As agreed.	As incurred.	Third parties.
Additional Funds for First Three Months of Operation[8]	$80,000.00 to $160,000.00.	As agreed.	As incurred.	Third parties.
Total Estimated Initial Investment[9]	**$1,021,750.00 to $1,347,500.00.**			

YOUR ESTIMATED INITIAL INVESTMENT – BRICK & MORTAR

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee	$45,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Logistics Fee	$80,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Activation Fee	$30,000.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Growth System Contributions	$9,000.00.	Certified check, credit card, or electronic	Two months prior to your projected Portal Club	Us.

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
		funds transfer.	opening date.	
Sauna Equipment[13]	$80,000.00 to $300,000.00.	Certified check, credit card, or electronic funds transfer.	As incurred.	Portal Mobile Clubhouse.
Cold Plunge Equipment[14]	$80,000.00 to $300,000.00.	Certified check, credit card, or electronic funds transfer.	As incurred.	Portal Mobile Clubhouse.
Real Estate Rent and Security Deposit[3]	$30,000.00 to $45,000.00.	As agreed.	As incurred.	Landlord or us.
Real Estate Construction and Improvements[4]	$300,000.00 to $1,500,000.00.	As agreed.	As incurred.	Third parties.
Fitness Equipment	$0.00 to $120,000.00.	As agreed.	As incurred.	Third parties.
Landscaping and Plant Life[10]	$30,000.00 to $60,000.00.	As agreed.	As incurred.	Third parties.
Utilities and Utility Deposits	$10,000.00 to $30,000.00.	As agreed.	As incurred.	Third parties.
Insurance	$3,500.00 to $6,500.00.	As agreed.	As incurred.	Third parties.
Training Expenses[5]	$0.00 to $3,000.00.	As agreed.	As incurred.	Third parties.
Initial Inventory	$6,250.00 to $12,000.00.	As agreed.	As incurred.	Us.
Furnishings and Art[11]	$25,000.00 to $80,000.00.	As agreed.	As incurred.	Third parties.
Computer System	$2,000.00 to $6,000.00.	As agreed.	As incurred.	Third parties.
Audio and Visual Systems[12]	$35,000.00 to $65,000.00.	As agreed.	As incurred.	Third parties.
Grand Opening Expenses[6]	$1,500.00 to $22,000.00.	As agreed.	As incurred.	Third parties.
Licenses and Permits	$2,500.00 to $3,750.00.	As agreed.	As incurred.	Third parties.
Accounting and Professional Fees	$1,250.00 to $3,750.00.	As agreed.	As incurred.	Third parties.
Staff Recruiting and Salary Expenses[7]	$0.00 to $2,000.00.	As agreed.	As incurred.	Third parties.
Additional Funds for First Three Months of Operation[8]	$175,000.00 to $250,000.00.	As agreed.	As incurred.	Third parties.
Total Estimated Initial Investment[9]	**$946,000.00 to $2,973,000.00.**			

YOUR ESTIMATED INITIAL INVESTMENT – DEVELOPMENT AGREEMENT

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
Development Fee[15]	$400,000.00 to $1,312,000.00.	Varies.	Upon signing your Development Agreement.	Us.
Territory Fee	$520,000.00.	Varies.	Upon signing your Development Agreement.	Us.
Cost of First Development Club[16]	$217,500.00 to $2,809,000.00	Varies.	As incurred.	Third parties.
Total Estimated Initial Investment[10]	**$1,137,500.00 to $4,641,000.00**			

Notes:

1. General. You will pay all associated processing charges for any initial fees paid to us or our affiliates by credit card or electronic funds transfer. All fees imposed by us or our affiliates are non-refundable unless otherwise noted. Fees and expenses paid to vendors or other third parties may or may not be refundable depending on the arrangements you make.

2. Container Purchase Fee. The Container Purchase Fee for an Outpost ranges from $100,000.00 to $280,000.00 depending on the container configuration you select, and is $750,000.00 for a Clubhouse, in each case as described in Item 5.

3. Real Estate Rent and Security Deposit. This estimate is for the first three months of your lease term and is based on a space with a footprint between 200 to 1,200 square feet for an Outpost, approximately 2,200 square feet for a Clubhouse, and a footprint between 2,000 and 6,000 square feet for a Brick & Mortar. You may also incur additional related expenses including, without limitation, (i) taxes, (ii) your *pro rata* share of common expenses and common area maintenance, (iii) percentage rent (if any), (iv) prepaid rent (which may or may not be refundable depending on your lease), (v) promotion fund payments, (vi) tenant insurance. The amount of your rent may vary significantly depending on a number of factors including, without limitation, the size, condition, and location of your Club Location and specific provisions of your lease. We cannot estimate the precise amount of your rent if you enter into your lease directly with a landlord other than Portal Real Estate. Portal Real Estate may derive revenue from a sublease arrangement if you sublease your Club Location from Portal Real Estate.

4. Real Estate Construction and Improvements. At your sole expense, you will design, construct, and equip your Club Location within the timetable we specify in conformity with our architectural and design plans, trade dress, and System specifications (the "**Plans**"). You will contract only with design, engineering, and construction companies we have previously approved or that you select and we approve. We will consult and supervise your construction process as we deem appropriate and may inspect the design, construction, and development of your Club Location at any reasonable time. If we identify instances where your design, construction, or remodeling is inconsistent with the Plans, we will notify you in writing of the deficiencies and you will correct the deficiencies before opening your Portal Club. You will exclusively bear the cost of the Plans and all costs and expenses pertaining to the design, construction, and equipping of your Club Location.

5. Training Expenses. You will pay all associated third party expenses for your personnel including, without limitation, accommodation costs, salary costs, transportation costs, and food costs.

6. Grand Opening Expenses. You will conduct a grand opening promotional program (a "**Grand Opening**") for your Portal Club during the period commencing 14 days before and ending 90 days after the date your Portal Club opens to the general public. You will provide us with a summary of your proposed Grand Opening expenditures at least 30 days before the date your Portal Club opens to the general public.

7. Staff Recruiting and Salary Expenses. You may need to hire minimal staff to assist with your Grand Opening or other matters before opening your Portal Club to the general public.

8. Additional Funds for First Three Months of Operation. This is an estimate of the additional funds necessary for the first three months after you open your Portal Club to the general public. This estimate includes employee salaries, but does not include royalty fees, debt service, or your compensation. This estimate does not include the Initial Franchise Fee, the Activation Fee, the Logistics Fee, the Growth System Contributions, or any container asset or equipment costs, each of which is separately disclosed in this Item 7. This is only an estimate and we cannot guarantee that you will not incur additional expenses during your initial operating period. The actual amount of your required additional funds will depend on factors including, without limitation, your management skills, your experience and business acumen, local economic conditions, the local market for the Services and Products, and your competition. Royalty Fees and Management Fees are waived during the first twelve months of operation. You should account for these obligations when evaluating the adequacy of your working capital reserves.

9. Total Estimated Initial Investment. We have relied on our experience and the experience of Portal One to prepare these figures. You should review these figures carefully with a business advisor before you sign a Franchise Agreement. These figures are estimates and we cannot guarantee that you will not incur additional costs. Your financial condition, the arrangements you negotiate, and the business decisions you make will affect these costs. There is no assurance that your experience or the experience of any particular franchisee will correspond with the information presented above. The Outpost format does not require audio and visual systems as part of the standard build-out. Landscaping and furnishings requirements will vary based on container configuration and site conditions. For the Development Agreement table, the low end of the range reflects an eight-unit Outpost Development Agreement and the high end reflects an eight-unit Brick & Mortar Development Agreement. You should review the applicable format-specific table for a complete breakdown of estimated costs per unit.

10. Landscaping and Plant Life. This estimate includes the cost of plants, planters, landscaping, and hardscaping at your Club Location. Actual costs will vary depending on the size, condition, and layout of your Club Location and local market rates for landscaping services and materials. You will contract only with landscaping vendors we have previously approved or that you select and we approve.

11. Furnishings and Art. This estimate includes the cost of hooks, benches, seating, tables, storage, light fixtures, art, murals, and stained glass required to meet our brand standards and System specifications. You will purchase furnishings and art from our approved or designated suppliers as described in Item 8. Actual costs will vary depending on the size and configuration of your Club Location and the specific furnishings and art selections required.

12. Audio and Visual Systems. This estimate includes the cost of speakers, projectors, and receivers required to meet our System specifications. You will purchase and install audio and visual systems that meet our then-current technical specifications as described in the Operations Manual. You

may purchase components from any supplier you choose as long as the components meet our specifications unless we designate a required supplier in the Operations Manual. Actual costs will vary depending on the size and acoustic requirements of your Club Location.

13. Sauna Equipment. You must purchase certain equipment relating to saunas (the "**Sauna Equipment**") from Portal Mobile Clubhouse. The estimate reflects the cost of Sauna Equipment depending on the number and specification of units required for your Club Location. Actual costs will vary depending on the size and configuration of your Club Location.

14. Cold Plunge Equipment. You must purchase certain equipment relating to cold plunges (the "**Cold Plunge Equipment**") from Portal Mobile Clubhouse. The estimated range of $80,000.00 to $300,000.00 reflects the cost of Cold Plunge Equipment depending on the number and specification of units required for your Club Location. Actual costs will vary depending on the size and configuration of your Club Location.

15. Development Fee. The Development Fee is equal to the sum of the Initial Franchise Fees, Activation Fees, Logistics Fees, and Growth System Contributions for each Development Club. The Development Fee is paid in lieu of the Initial Franchise Fees, Activation Fees, Logistics Fees, and Growth System Contributions you would otherwise pay for your Development Clubs. The per-unit Development Fee ranges from $50,000.00 to $59,000.00 for an Outpost, and is $154,000.00 for a Clubhouse and $164,000.00 for a Brick & Mortar. For an eight-unit Development Agreement, the Development Fee ranges from $400,000.00 (eight Outpost units) to $1,312,000.00 (eight Brick & Mortar units). See Item 5 for complete terms.

16. Cost of First Development Club. This amount is the estimated initial investment for your first Development Club less the Initial Franchise Fee, Logistics Fee, Activation Fee, and Growth System Contributions that are subsumed in the Development Fee.

17. Furnishings and Locker Package. This estimate applies to Outpost configurations that include a check-in and changing area container or a bathrooms-with-showers container with a check-in and changing area. This estimate includes the cost of lockers, benches, seating, hooks, and related furnishings required to meet our brand standards and System specifications. Actual costs will vary depending on the container configuration you select and the specific furnishings required.

ITEM 8
RESTRICTIONS ON SOURCES OF SERVICES AND PRODUCTS

Approved Suppliers and Specifications

You will establish and operate your Portal Club in compliance with your Franchise Agreement and the Operations Manual. Unless we direct you otherwise, you will purchase all goods, products, services, supplies, inventory, equipment, and materials required for the operation of your Portal Club including, without limitation, all or part of the Services and Products from manufacturers, suppliers, or distributors we approve or from other manufacturers, suppliers, or distributors that meet our specifications and standards for quality, appearance, and service. Some approved manufacturers, suppliers, or distributors may be affiliated with us. We may designate ourselves and our affiliates as exclusive suppliers of source-restricted goods and services. The items we currently require to be purchased through us or our designated suppliers are described below in this Item 8. If we do not designate a supplier for a particular item or service, you will purchase the item or service from suppliers who meet our general standards. We impose these requirements to ensure quality and uniformity.

Alternative Suppliers

We may designate approved manufacturers, suppliers, distributors, goods, products, services, supplies, inventory, equipment, and materials in the Operations Manual. You must request and obtain our prior written approval if you want to use an alternative supplier. We have the sole discretion to approve or reject an alternative supplier. We may condition our approval on criteria we reasonably deem appropriate including, without limitation, the alternative supplier's capacity, quality, financial stability, reputation, and reliability, our inspections, product testing, and performance reviews, or other criteria. Our criteria for approving alternative suppliers are not available to you. We may require you to submit sufficient photographs, drawings, or other information and samples to determine whether these goods, products, services, supplies, inventory, equipment, materials, non-designated manufacturers, suppliers, and distributors meet our general standards. We may charge a reasonable fee for this review process. We will provide you with written notification of our approval or disapproval of any proposed alternative supplier within ten days after our receipt of your request. If we fail to notify you of approval within the ten-day period, the proposed alternative supplier will be deemed unapproved. We may grant approvals of new suppliers or revoke approvals of current suppliers by written notice to you or through Operations Manual updates at our discretion. Except as described below and as further disclosed in Item 1 of this Franchise Disclosure Document, which identifies our affiliated entities including Portal Mobile Clubhouse LLC, Portal Real Estate LLC, Portal Insight LLC, Portal Plunge LLC, and Portal Saunas LLC, each of which may serve as a designated or approved supplier to franchisees, neither we nor any of our officers own an interest in or are presently affiliated with any approved or designated manufacturers, suppliers, or distributors. We may change our standards and specifications, or manufacturers, suppliers, or distributors who have our authorization at any time.

Optional Management Engagement

If you elect to not actively manage the day-to-day operations of your Portal Club, you may, but are not required to, engage us, Portal One, or another affiliate to perform management services on your behalf. You will pay us the Management Fee described in Item 6. Any obligation to provide management services is subject to the terms and conditions of your Franchise Agreement.

Required Purchases

We may receive consideration from our approved or designated suppliers for purchases made by our franchisees.

Cold Plunge Equipment

You will purchase the Cold Plunge Equipment directly from Portal Mobile Clubhouse. We may change our designated supplier for Cold Plunge Equipment at any time upon written notice to you. You will purchase and maintain your Cold Plunge Equipment as we direct in the Operations Manual.

Sauna Equipment

You will purchase the Sauna Equipment directly from Portal Mobile Clubhouse. We may change our designated supplier for Sauna Equipment at any time upon written notice to you. You will purchase and maintain your Sauna Equipment as we direct in the Operations Manual.

Container Assets

For Outpost and Clubhouse franchisees, you will purchase your Portal Club container asset directly from Portal Mobile Clubhouse. Portal Mobile Clubhouse is currently the sole approved supplier for container assets. For Outpost franchisees, the container asset is purchased when you sign your Franchise Agreement as described in Item 5. For Clubhouse franchisees, you will purchase the container asset from Portal Mobile Clubhouse as described in Item 5.

For Brick & Mortar franchisees, Portal Mobile Clubhouse is currently the designated exclusive supplier of all Sauna Equipment and Cold Plunge Equipment.

You will purchase and maintain all container assets and thermal equipment as we direct in the Operations Manual.

Promotional Materials

You will purchase certain promotional materials (the "**Promotional Materials**") directly from us or our approved or designated suppliers. We may change our approved or designated suppliers for the Promotional Materials at any time. We may be the sole approved supplier for the Promotional Materials. You will maintain amounts of the Promotional Materials and any other promotional materials as we direct in the Operations Manual.

Approved Services and Products

You will purchase certain components of the Services and Products including, without limitation, parts of the Cold Plunge Equipment and parts of the Sauna Equipment directly from us, our affiliates, or our approved or designated suppliers. We may change our approved or designated suppliers for the components of the Services and Products at any time. We may be the sole approved supplier for any component of the Services and Products. You will maintain the amounts of the Services and Products and other services and products as we direct in the Operations Manual.

CRM System

You will purchase the customer relationship management system (the "**CRM System**") we designate. We currently serve as our own designated CRM System provider because our CRM System incorporates our proprietary materials, but we may change our designated supplier for the CRM System at any time. Fees for your CRM System are currently included as part of your monthly technology fee payments to us, but you may be required to pay us or third parties separately for your CRM System in the future.

Furnishings and Art

You will purchase all furnishings and art for your Portal Club including, without limitation, hooks, benches, seating, tables, storage, light fixtures, art, murals, and stained glass, from suppliers we approve or designate. We may change our approved or designated suppliers for furnishings and art at any time. We may designate ourselves or our affiliates as exclusive suppliers for certain furnishings and art items. You will purchase and maintain your furnishings and art as we direct in the Operations Manual.

Computer Hardware, Software, and Technology

You will use a computer system composed of computer hardware, software, and technology we approve (the "**Computer System**"). If you do not already have a Computer System that we deem adequate, you will purchase or lease a Computer System with the specifications described in Item 11. We estimate that the cost of a new Computer System will range from $0.00 (if you already own the required items) to $6,000.00. We may change our approved or designated suppliers for the components of the Computer System at any time. You may purchase or lease certain components of the Computer System from any supplier you choose as long as the components meet our specifications. You must purchase and maintain the components of your Computer System as we direct in the Operations Manual. We estimate the cost of Computer System maintenance will range from $0.00 to $3,000.00 per year.

Insurance

You will purchase and continuously maintain the following minimum insurance coverage from an insurer acceptable to us and provide us with certified copies of each insurance policy within seven days of execution:

(i) Insurance for your inventory, fixtures, furniture, equipment, and wares in an amount equal to not less than the full replacement cost thereof with coverage against all risks on a broad form basis;

(ii) Commercial general liability and property damage insurance including personal injury liability, contractual liability, public liability and employer's liability, advertising liability and non-owned auto liability coverage of not less than $5,000,000.00 for any one occurrence and such greater amount as may be specified from time to time by us and tenant's legal liability in an amount acceptable to the landlord of your Club Location;

(iii) Commercial general liability and comprehensive vehicle insurance coverage on all vehicles used in the operation of your Portal Club;

(iv) All insurance coverage required by the landlord of your Club Location;

(v) Workers' compensation or similar insurance as may be required by applicable law; and

(vi) Any other insurance as we or applicable law may reasonably require from time to time.

Insurance coverage must be obtained from insurers acceptable to us. You will furnish us with certified copies of each of the insurance policies described above within seven days of the execution of your Franchise Agreement. Each policy must provide that it cannot be cancelled without 15 days' written notice to us. You will promptly refer all claims or potential claims against you or us to your insurer and us.

We may require you to change your insurance coverage from time to time upon our written demand. All insurance policies must be renewed on a timely basis and copies of all policies and certificates together with evidence of payment of premiums must be delivered to us at least 30 days before the expiration of the policies. We may add to, change, or otherwise modify the types and amounts of coverage from time to time in the Operations Manual or otherwise to reflect industry practices and our experience.

All insurance coverage must be maintained under insurance policies issued by insurance carriers with a performance rating acceptable to us as described in the Operations Manual. All insurance policies will (i) name us as an additional insured, (ii) contain a waiver by the insurance carrier of all subrogation rights against us, our affiliates, officers, directors, and employees, and (iii) provide us with 30 days' written

notice before the termination, cancellation, expiration, or modification of any policy. We may increase the minimum protection requirements as of the renewal date of any policy and may require different or additional kinds of insurance at any time, including excess liability (umbrella) insurance upon 30 days' notice.

Our corporate officers Will Drescher, John Drescher, and Denise Rahme own interests in Portal Consulting, Portal Dry Goods, Portal Events, Portal Insight, Portal Mobile Clubhouse, Portal Plunge, Portal Real Estate, and Portal Saunas, all of which are System suppliers.

We may negotiate purchase programs under which you can purchase items that meet our specifications. We may receive a commission on the sale of items sold under our purchase programs to franchisees by the manufacturer, supplier, or distributor on the compilation of mailing lists by outside suppliers and on items sold by us (that may include, without limitation, our handling charges). You may or may not receive any material benefits based on your use of designated or approved manufacturers, suppliers, or distributors. We did not derive income based on required purchases or leases in 2025, but may do so in the future.

We estimate that the costs of your purchases from designated or approved manufacturers, suppliers, or distributors according to our standards and specifications will range from 65% to 85% of the total cost of establishing your Portal Club and approximately 20% to 30% of the total cost of operating your TAB Business afterwards.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement, Development Agreement, and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this Franchise Disclosure Document.

Obligation	Section in Franchise Agreement (FA) or Development Agreement (DA)	Franchise Disclosure Document Item
(a) Site selection and acquisition/lease	FA: Section 8. DA: Section 5.	Item 11.
(b) Pre-opening purchases/leases	FA: Sections 7, 8, and 9. DA: Not applicable.	Items 5 and 7.
(c) Site development and other pre-opening requirements	FA: Section 8. DA: Section 5.	Item 11.
(d) Initial and ongoing training	FA: Section 6. DA: Not applicable.	Item 11.
(e) Opening	FA: Sections 9 and 10. DA: Not applicable.	Item 11.
(f) Fees	FA: Section 7. DA: Section 4.	Items 5, 6, and 7.
(g) Compliance with standards and policies/operations manual	FA: Section 5. DA: Not applicable.	Item 11.
(h) Trademarks and proprietary information	FA: Section 4. DA: Not applicable.	Items 13 and 14.
(i) Restrictions on products/services offered	FA: Sections 5 and 9. DA: Not applicable.	Items 8 and 16.

Obligation	Section in Franchise Agreement (FA) or Development Agreement (DA)	Franchise Disclosure Document Item
(j) Warranty and customer service requirements	FA: Sections 5 and 9. DA: Not applicable.	Item 16.
(k) Territorial development and sales quotas	FA: Section 7. DA: Section 4.	N/A.
(l) Ongoing product/service purchases	FA: Sections 5 and 9. DA: Not applicable.	Item 8.
(m) Maintenance, appearance, and remodeling requirements	FA: Sections 5, 8, and 9. DA: Not applicable.	Item 11.
(n) Insurance	FA: Sections 5 and 9. DA: Not applicable.	Items 6 and 8.
(o) Advertising	FA: Sections 5 and 9. DA: Not applicable.	Item 11.
(p) Indemnification	FA: Sections 8, 9, and 12. DA: Not applicable.	Item 6.
(q) Owner's participation/ management/staffing	FA: Section 9. DA: Not applicable.	Item 15.
(r) Records/reports	FA: Sections 5 and 7. DA: Not applicable.	Item 6.
(s) Inspections/audits	FA: Section 7. DA: Not applicable.	Item 6.
(t) Transfer	FA: Section 13. DA: Section 6.	Item 17.
(u) Renewal	FA: Section 11. DA: Not applicable.	Item 17.
(v) Post-termination obligations	FA: Section 15. DA: Not applicable.	Item 17.
(w) Non-competition covenants	FA: Section 15. DA: Not applicable.	Item 17.
(x) Dispute resolution	FA: Section 18. DA: Section 7.	Item 17.

ITEM 10
FINANCING

Neither we nor any agent or affiliate currently directly or indirectly offer any financing to you, nor do we guarantee your lease or any of your other obligations.

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

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

Assistance Before You Open Your Portal Club

Before you open your Portal Club, we will provide you with the following assistance:

1. Evaluate any proposed Club Location (Franchise Agreement, Section 8);

2. Provide you with access to the Operations Manual (Franchise Agreement, Section 5);

3. Provide you with the initial training described below (Franchise Agreement, Section 6);

4. Provide you with a list of the equipment, supplies, approved suppliers, and inventory necessary to open your Portal Club (Franchise Agreement, Sections 5 and 9);

5. Provide you with assistance with the development of your approved Club Location (Franchise Agreement, Section 8);

6. Provide you with assistance and consultation regarding your initial marketing efforts and the organization of your Grand Opening (Franchise Agreement, Section 9); and

7. Provide you with consultation regarding your initial staffing needs and potential employee evaluations. You will ultimately be responsible for all matters relating to the hiring, performance, qualification, compensation, and dismissal of your employees (Franchise Agreement, Section 9).

Assistance After You Open Your Portal Club

During your operation of your Portal Club, we, our affiliates, or our designees will:

1. Develop the System through means we determine including, without limitation, advertising and marketing initiatives (Franchise Agreement, Section 10);

2. Make a representative reasonably available to you via the telephone or e-mail during our normal business hours as we determine is necessary to discuss your Portal Club and offer marketing, strategic, or general advice regarding your Portal Club. You are responsible for any applicable charges that may apply for any additional assistance or resources (Franchise Agreement, Section 10);

3. At our discretion, promote the System at selected industry events and franchise expositions (Franchise Agreement, Section 10);

4. At our discretion, provide you with advice and direction pertaining to the operation of your Portal Club through, without limitation, scheduled consultations and reviews (Franchise Agreement, Section 10);

5. At our discretion, conduct a conference for the benefit of the System. You may be required to pay a fee for any conference we conduct whether or not you attend the conference (Franchise Agreement, Section 10);

6. At our discretion, provide you with public relations release formats, local marketing plans, and materials including, without limitation, components of the Promotional Materials, newspaper advertisements, radio commercials, sales aids, and other promotional and marketing materials. We may charge you a reasonable fee for the provision of these materials (Franchise Agreement, Section 10);

7. At our discretion, provide you with additional or remedial training as you request or we determine is necessary from time to time at our corporate headquarters, other locations, or virtually. You may be required to pay a fee to participate in any additional or remedial training (Franchise Agreement, Section 10); and

8. At our discretion, develop new services and products that may be used by you in your Portal Club including, without limitation, modifications to the Services and Products (Franchise Agreement, Section 10).

Advertising and Marketing

We may make components of the Promotional Materials, advertising, marketing, signage, and other promotional materials available for your Portal Club that are used by us and our other franchisees from time to time. As part of your advertising and marketing efforts, you will purchase and use these materials from us or our approved suppliers. As they become available, you will use and display all (i) product identification materials, (ii) point-of-purchase promotional materials, (iii) promotional memorabilia, merchandise, and prizes, and (iv) other advertising and marketing materials we create or authorize. If not provided to you as part of your contribution to the Growth System Fund, you will purchase these materials from us or a source we designate or approve. You may be required to purchase certain proprietary marketing, advertising, and promotional materials from us from time to time.

You may develop advertising and marketing materials for your own use at your own expense provided that the materials are prepared in accordance with our standards and specifications and you obtain our approval of the materials in writing at least ten days before actual use. We will notify you of our approval or disapproval of the materials within five business days after you submit the materials for our review. If we fail to respond to you within the five-day period, we are deemed to have withheld our approval. You will obtain our prior written approval for all promotions, special events, sales promotion materials, marketing, and advertising you use including, without limitation, on-site, Internet, social media, direct mail, newspaper, radio and television advertising, and advertising by third parties. You will not use the name of a public figure or celebrity in your promotional efforts without our prior written approval.

You will actively participate in and cooperate with any required national, regional, and local advertising, marketing, and sales promotion campaigns. You will display all advertising and marketing materials we provide to you in your Portal Club, conduct any promotions and special events we designate, offer local and national promotional items, accept any coupons, gift cards, or certificates we designate, and advertise and display any advertisements and solicitations on your vehicles to attract potential franchisees to the System we may require.

In addition to any Growth System Contributions you make, you will use your best efforts to promote and advertise your Portal Club and conduct any local marketing, advertising, and promotional programs we may require.

Client Loyalty, Gift Certificate, Gift Card, and Other Promotional Programs

We may establish and you will fully participate in advertising, sales, and promotional events and marketing programs that we, our affiliates, or our designees organize or conduct as developed from time to time including, without limitation, your participation in and acceptance of all client loyalty and reward programs, contests, sweepstakes, and other prize promotions, warranty programs, and such credit cards, courtesy cards, and other credit devices, programs, and plans as may be issued or approved by us from time to time. Any reasonable and customary service charges or discounts from reimbursements will be at your sole expense. You will honor any promotional materials issued by other franchisees presented to you for redemption and any coupons or similar promotional materials we prescribe. We will communicate to you in writing the details of any promotion and you will promptly display all point-of-sale advertising, marketing, and promotion-related information at the places we designate including, without limitation, on any vehicles you operate. You will purchase and distribute all coupons, clothing, and other collateral merchandise we designate.

To the extent that we develop or authorize the sale of gift cards, gift certificates, or stored value cards, you will acquire and use all computer software and hardware necessary to process their sale and to process purchases made using them at your expense. All proceeds from the sale of all gift cards, gift certificates, and stored value cards belong exclusively to us and you will remit the sales proceeds to us according to the procedures we prescribe. We will reimburse or credit you (at our option) for the redeemed value of gift cards or certificates and stored value cards you accept as payment for the Services and Products sold or offered by your Portal Club.

Grand Opening

We will assist you with your Grand Opening. You will provide us with a summary of your anticipated Grand Opening expenditures at least 30 days before your Portal Club opens to the general public. In connection with your Grand Opening, you will obtain appropriate third party services and purchase the necessary materials in consultation with us as we determine and approve. A Portal Club typically opens between six and eight months after the Portal Club's Franchise Agreement is signed.

Growth System Fund

We will administer the Growth System Fund. The Growth System Fund may be used for, without limitation, production and placement of media advertising, media relations salaries, administrative costs, and creating and testing direct response literature, social media, direct mailings, brochures, collateral material, advertising, surveys, or other public relations expenditures including agency costs, commissions, and other similar expenses. Advertising may be placed in local, regional, or national media of our choice including, without limitation, social media, online media, print, direct mail, e-mail messaging, or television. The Growth System Fund may be used to solicit franchisees. If you request, we will send you an unaudited statement describing Growth System Fund expenditures during the previous fiscal year. The Growth System Fund will not be audited and audited financial statements will not be available. We assume no direct or indirect liability or obligation to collect Growth System Contributions or to maintain, direct, or administer the Growth System Fund.

We may be reimbursed from the Growth System Fund for reasonable administrative costs, salaries, and overhead expenses related to the administration and operation of the Growth System Fund and its programs. We may self-reimburse for certain Growth System Fund-related expenses including, without limitation, employee salaries.

In any fiscal year, an amount greater or less than the aggregate contribution of all franchisees to the Growth System Fund may be spent during that fiscal year. The Growth System Fund may borrow from us or other lenders to cover deficits or invest any surplus for future use on any terms that we determine. We may reimburse the loans from the Growth System Fund. Any amounts that remain in the Growth System Fund at the end of each fiscal year will accrue and we may apply them toward the next fiscal year's expenses. We may borrow excess funds from the Growth System Fund to support other efforts to develop the System.

We do not guarantee that advertising expenditures from the Growth System Fund will benefit you or any other franchisee directly or on a *pro rata* basis. We undertake no obligation to ensure that Growth System Fund expenditures in or affecting any geographic area are proportionate or equivalent to the contributions of franchisees operating in that geographic area or that any franchisee will benefit directly or in proportion to its contribution to the Growth System Fund from the development of advertising and marketing materials or the placement of advertising. Some participants in the Growth System Fund may

contribute different amounts than other participants with our permission. Our company-owned Portal Clubs are not required to contribute to the Growth System Fund.

Computer System

We will designate the Computer System. The Computer System presently requires a minimum of one dedicated Apple iPad and one dedicated Apple iPhone. We estimate the cost to purchase the Computer System will range from $0.00 (if you already own the required items) and $6,000.00. Your Computer System will be used for general business purposes such as preparing financial reports, tracking sales information, and storing client information such as treatment and transaction history. We will have independent unlimited access to the data collected by your Computer System.

You will maintain your Computer System in good working order at your expense. During the term of your Franchise Agreement, you may be required to update or replace components of your Computer System to conform to our then-current specifications at your expense. There are no contractual limitations on the frequency or cost of these updates. We estimate the replacement cost for your Computer System will range from $1,000.00 to $3,000.00. Neither we nor any other party has any obligation to provide ongoing maintenance, repairs, upgrades, or updates to your Computer System. We may change the software or technology that you must use or add new software or technology at any time. We may charge you for any software or technology that we license or sublicense to you.

Club Location and Construction Assistance

We will assist you with selecting a location for your Club Location and the construction of your approved Club Location. Unless we otherwise direct you in writing, you assume all cost, liability, expense, and ultimate responsibility for locating, securing, developing, constructing, and equipping a site for your Club Location within your Territory that meets our specifications. To evaluate a proposed Club Location, we consider factors like general location and neighborhood, traffic patterns, parking, size, layout, proximity to other Portal Clubs and similar businesses, and other physical characteristics. Before leasing or purchasing the site for your Club Location, you will submit to us a description of the site in the form we specify with any other information and materials we may reasonably require. We will have 30 days after we receive the information and materials to evaluate the proposed site. You must obtain our approval of your proposed Club Location within 180 days of the date you sign your Franchise Agreement. We may terminate the Franchise Agreement if you do not submit an approved site for your Club Location and then purchase or lease it within 180 days after signing the Franchise Agreement. You will not make any binding commitment to a prospective landlord with respect to a proposed Club Location until the Club Location is approved by us in writing. Our approval of a Club Location will not constitute an express or implied representation, promise, warranty, recommendation, or endorsement by us that your Portal Club will be profitable or otherwise successful. Our approval only means that your proposed Club Location meets our minimum criteria for Club Locations in general.

Maintenance and Renovation

You may be required to renovate your Portal Club to meet our then-current configuration at any time we direct or when we agree to renew your franchise rights at your sole expense (a "**Renovation**"). Renovations may include, without limitation, changes to the interior and exterior decor, furniture, fixtures, equipment, small wares, and changes to the System to conform to our then-current look and feel. We cannot estimate the cost of a Renovation. The cost of any particular Renovation will depend on the amount of construction work necessary and may be considerable if your Portal Club requires extensive repair or updating. General maintenance of your Portal Club including, without limitation, repainting, replacing

worn furniture, fixtures, and equipment, cleaning, and the like will not be deemed a Renovation. You must perform general maintenance as often as necessary to maintain a clean and attractive Portal Club.

Initial Training

We will provide one of your guarantors and up to three of your key employees with our initial training program for no additional fee. The initial training program will take place at your Club Location, our corporate offices, an existing Portal Club, the operating location of one of our affiliates or service providers, or another location we designate. You will bear all costs and daily living expenses including, without limitation, travel, accommodation, and transportation costs, wages, living expenses, and other miscellaneous expenses for your attendees. If you want to train more than four persons or if it becomes necessary to retrain a certain individual, we will charge you our then-current fees for the additional training. Your trainees must complete our initial training program to our satisfaction before your Portal Club opens to the general public, but in no event later than the earlier of (i) 30 days before the opening, or (ii) 120 days after the date you sign your Franchise Agreement. If your trainees fail to complete our initial training to our satisfaction within 120 days after the date you sign your Franchise Agreement, we may terminate your Franchise Agreement without refunding any amounts you have paid us. Each Club Location must be operated and supervised only by persons that have successfully completed all training we require.

The initial training program will review all aspects of operating your Portal Club including, without limitation, business training, technology training, and client relationship management training. The initial training will be for a period of two to three weeks.

Training instructional materials include, without limitation, the Operations Manual, slides, videos, on-line training programs, handouts, audio presentations, and video presentations. The subjects covered in each portion of the initial training program and the approximate amount of time devoted to each subject is described below. The initial training program may be modified in our discretion. The exact number and distribution of hours of classroom training may vary.

TRAINING SCHEDULE

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Brand Standards, Culture, and Ethos	4	0	Boulder, Colorado, Denver, Colorado, or as we designate
Facility Build-Out and Compliance	6	6	Boulder, Colorado, Denver, Colorado, or as we designate
Sauna and Cold Plunge Operations, Maintenance, and Safety	6	10	Boulder, Colorado, Denver, Colorado, or as we designate
Membership Sales, Marketing, and Community Engagement	10	6	Boulder, Colorado, Denver, Colorado, or as we designate
Staff Recruiting, Training, and Management	8	8	Boulder, Colorado, Denver, Colorado, or as we designate
Customer Service and Member Experience	4	6	Boulder, Colorado, Denver, Colorado, or as we designate

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Technology and Booking Software	6	2	Boulder, Colorado, Denver, Colorado, or as we designate
Financial Management, Reporting, and Recordkeeping	6	2	Boulder, Colorado, Denver, Colorado, or as we designate
Pre-Opening On-Site Training	0	20	Boulder, Colorado, Denver, Colorado, or as we designate
Total	**50**	**60**	

Our training is mostly conducted either at our company's office headquarters in Boulder, Colorado or our company-owned Club in Denver, Colorado. The training is primarily overseen by the personnel disclosed in Item 2. Additional trainers may participate and will have at least one year's experience in the subjects they will be responsible for. Training materials include the Operations Manual and other relevant materials.

Additional Training

From time to time, we may require that you, your key personnel, or your other employees attend system-wide refresher or additional training courses in our discretion. Any new key personnel you hire or retain will comply with our training requirements within a reasonable time we specify. New personnel training generally occurs at one of our company-owned or affiliated locations, but we may schedule the training at another site. You will not permit the management of your Portal Club's operations on a regular basis by any person who has not successfully completed all training we require to our satisfaction. Without limiting the generality of the foregoing, you may choose to send additional managers or employees for initial training or any subsequent mandatory or optional training provided that we determine that space is available, you pay us our then-current applicable fees, and you pay all costs and daily living expenses including, without limitation, travel costs, accommodation costs, transportation costs, and living and other related miscellaneous expenses.

If you are given notice of default relating to your failure to meet any operational standards, we may require as a condition of curing the default that you and your personnel comply with the additional training requirements we prescribe at your expense including the payment of our then-current applicable fees.

Conferences

We may produce a conference for the benefit of the System that you will be required to attend in our discretion. You will pay any associated fees and expenses whether or not you attend.

Operations Manual

We will provide you with online access to the Operations Manual or loan you a hard copy of the Operations Manual as we elect. You will operate your Portal Club in compliance with the operational systems, procedures, policies, methods, and requirements found in the Operations Manual and any supplemental bulletins and notices, revisions, modifications, or amendments made to the Operations Manual. If we loan you a hard copy of the Operations Manual, you will keep it in a secure place within your Club Location. The Operations Manual and all other manuals or written materials relating to your

Portal Club will be returned to us upon the termination or expiration of your Franchise Agreement. We may change the Operations Manual in our discretion, but the modifications will not substantially or materially alter your status and rights pursuant to the Franchise Agreement. The Operations Manual is confidential and remains our property. At present, the Operations Manual is approximately 130 pages long. The Operations Manual's Table of Contents is attached as Exhibit D to this Franchise Disclosure Document.

We may notify you of changes to the Operations Manual by any method including, without limitation, e-mail, posting the modified Operations Manual to our website, or facsimile transmission. You will ensure that the Operations Manual is kept current at all times. You will abide by any modifications, changes, additions, deletions, and alterations to the Operations Manual. You will be responsible for all costs and expenses that you may incur to comply. You may need to purchase updated equipment, products, or supplies at your own cost. If there is any dispute as to the contents of the Operations Manual, the terms of the master copy of the Operations Manual that we maintain at our principal office will control.

ITEM 12
TERRITORY

Your Territory

Your Territory will be designated by certain ZIP codes, postal codes, counties, or other geographic boundaries we designate. Your Territory may differ significantly from the Territories of other franchisees including, without limitation, the physical size, number of total potential clients, and demographics. Your Territory will be described in the Summary on the cover page of your Franchise Agreement. We will grant you a license to use the System under the Trademarks for the operation of your Portal Club within your Territory. You must establish and operate your Portal Club solely at your approved Club Location within your Territory.

You will receive a protected territory that will not be exclusive. As long as you are in compliance with your Franchise Agreement and subject to the reserved rights described below, we will not directly operate or license any other person or entity to operate a Portal Club identified by the Trademarks within your Territory. Your Territory is not exclusive because we retain significant reserved rights within your Territory including, without limitation, the right to use other channels of trade including, without limitation, electronic, computerized, or other remote-entry ordering system like the Internet, direct mail, mail order catalogs, telemarketing, infomercials, shopping malls, hotels, hospitals, universities, schools, convention centers, casinos, military bases, office buildings, business complexes, apartment buildings, condominiums, dormitories, other high density locations and other similar locations, sales to wholesalers or distributors and retailers for resale in locations such as supermarkets, convenience, and department stores, other retail stores, co-branding relationships, and any similar outlets or distribution methods we determine (collectively, "**Other Channels**"), to develop or license competitive brands under different trademarks, to make acquisitions of businesses offering similar services, and to be acquired by a competing business, all as described in the Reservation of Rights section below. You may face competition within your Territory from us or our affiliates operating through Other Channels, from outlets that we own or operate under different trademarks, or from other channels of distribution or competitive brands that we control.

In certain circumstances, an approved location for your Club Location will not be identified or initially available when you sign your Franchise Agreement.

Development Territory

If you sign a Development Agreement, we will not establish or license another party to establish a Portal Club identified by the Trademarks within your Development Territory during the term of your

Development Agreement provided that you (i) comply with all obligations in your Development Agreement and (ii) meet the Development Schedule and performance criteria specified in your Development Agreement. If you fail to meet your Development Schedule or any other obligations, we may reduce the size of your Development Territory, terminate your rights to the undeveloped portions of your Development Territory, or both in our discretion.

County Exclusivity for Eight or More Development Clubs

If you sign a Development Agreement, your Development Territory will be defined on a county-by-county basis. For each county designated in your Development Agreement, we will not establish, operate, or license another party to establish a Portal Club within that county during the term of your Development Agreement, provided that you (i) comply with all obligations in your Development Agreement, (ii) meet the Development Schedule and performance criteria specified in your Development Agreement, and (iii) remain current on all monetary obligations owed to us and our affiliates. County-level exclusivity applies only to the counties expressly designated in your Development Agreement and does not expand your rights beyond those counties. Notwithstanding the foregoing, we expressly reserve all rights set forth in the Reservation of Rights section below including, without limitation, our right to operate using Other Channels within your Development Territory. County-level exclusivity will terminate upon the termination or expiration of your Development Agreement or your failure to meet your Development Schedule, in which case your territorial protection will revert to the standard territory described in the Franchise Agreement for each Development Club that is operating at the time of termination, expiration, or failure.

No Options, Rights of First Refusal, or Right to Relocate

You have no option, right of first refusal, or similar contractual right to acquire or purchase additional Portal Clubs other than as granted by a Development Agreement. You have no rights to relocate your Club Location. We will not consider you eligible to purchase additional Portal Clubs unless you remain in full compliance with your Franchise Agreement and the Operations Manual at all times and demonstrate to us that you meet our then-current qualifications for new franchisees.

Reservation of Rights

Notwithstanding anything in your Franchise Agreement to the contrary, we and our affiliates expressly reserve the right without compensation to you to:

(i) Establish, operate, or license to any other franchisee, person, or entity a franchised business identical or similar to your Portal Club at any location outside your Territory;

(ii) Develop, use, or license the use of proprietary marks other than the Trademarks in connection with the operation of a program or system that offers products or services which are the same as or similar to those offered by your Portal Club that may compete with your Portal Club anywhere in the world;

(iii) Develop, market, own, operate, or participate in any business other than a franchised business using the Trademarks or any other trademarks anywhere in the world;

(iv) Offer, distribute, or sell by ourselves or through our affiliates or other persons including, without limitation, other franchised businesses, services and products including, without limitation, the Services and Products using Other Channels anywhere in the world regardless of the proximity of the Other Channels to your Portal Club;

(v) Acquire the assets or ownership interests of one or more businesses providing Services and Products similar to those provided by your Portal Club, and franchise, license, or create similar arrangements with respect to these businesses once acquired wherever these businesses (or the franchisees or licensees of these businesses) are located;

(vi) Be acquired in whole or in part by a business providing Services and Products similar to those provided by your Portal Club or by another business even if the business operates, franchises, or licenses a business involved in the offer or sale of products or services that are the same as or similar to those offered by your Portal Club; and

(vii) Transact any business or take any action that your Franchise Agreement does not expressly grant to you on an exclusive basis.

Marketing Rights

You will only market your Portal Club to prospective clients in your Territory. You will not use Other Channels including, without limitation, the Internet, telemarketing, or other direct marketing sales to solicit clients outside your Territory without our prior written approval.

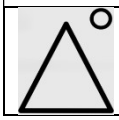
ITEM 13
TRADEMARKS

Under the terms of your Franchise Agreement, you will be granted a license to use the Trademarks and any other marks we designate. Portal One owns the Trademarks and has granted us a license to use the Trademarks and to sublicense our franchisees to use the Trademarks (the "**Trademark License**"). The Trademark License has an initial term of 20 years commencing August 26, 2025, with automatic renewal for successive ten-year terms unless either party provides written notice of non-renewal at least 180 days prior to the expiration of the then-current term. The Trademark License is perpetual and irrevocable except upon the mutual written agreement of both parties. Portal One has no unilateral right to terminate the Trademark License. The Trademark License expressly provides that any sublicense granted by us to a franchisee in good standing under their Franchise Agreement will survive any expiration or termination of the Trademark License and that in such event Portal One will either assume our obligations to the franchisees with respect to the Trademarks for the remaining term of their respective Franchise Agreements or grant each franchisee a direct license to use the Trademarks on substantially the same terms.

We are not aware of any current facts or circumstances that would affect our rights under the Trademark License. We may supplement and modify the marks that you may or may not use in connection with the operation of your Portal Club. You may only use the Trademarks as we authorize in writing pursuant to the terms of your Franchise Agreement. You may not use the Trademarks in the name of any business entity you establish.

Your Franchise Agreement grants you the nonexclusive right to use the Trademarks in your Portal Club. Portal One owns the Trademarks and has registered or applied for registration of the following principal Trademarks with the United States Patent and Trademark Office (the "**USPTO**") on the Principal Register:

Mark	Serial Number	Application or Registration Date
Chill | Sweat | Connect	98863792	Registered on August 5, 2025
Neighborhood Sauna	99277801	Registered on June 2, 2026
Portal	98413587	Registered on February 4, 2025

Mark	Serial Number	Application or Registration Date
Portal	98867719	Registered on January 20, 2026
	98864992	Registered on August 5, 2025

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 with respect to our principal trademarks. There are no pending infringement, opposition, or cancellation proceedings and no pending litigation involving our principal trademarks. We know of no superior rights or infringing uses that could materially affect your use of our principal trademarks or other related rights in any state.

You will provide us with written notice of any claims that you may become aware of regarding the Trademarks including, without limitation, your use of the Trademarks and any claim associated with a third party's use of a trademark that is identical or confusingly similar to the Trademarks. We have the sole discretion to take any actions or refrain from taking any action that we believe appropriate in response to any trademark infringement, challenge, or claim. As between us, we possess the sole right to exclusively control any litigation, legal proceedings, administrative proceedings, or settlements involving any actual or alleged infringement, challenge, or claim relating to the Trademarks. You will execute all documents, instruments, or agreements and undertake the actions that we determine to be necessary or advisable for the protection or maintenance of our interests in the Trademarks in any legal proceeding or administrative proceeding as we may determine. As to the foregoing, we will reimburse you for your reasonable out-of-pocket administrative expenses that you pay to comply with our written instructions.

We will protect your right to use the Trademarks and other related rights, protect you against claims of infringement and unfair competition related to the Trademarks, and indemnify you against direct damages for trademark infringement in a proceeding arising from your use of the Trademarks provided that you use the Trademarks in accordance with the terms of your Franchise Agreement, as designated by us in the Operations Manuals, or otherwise as we direct and you timely notify us of any claim, give us sole control of the defense and settlement of such claim, and are in compliance with your Franchise Agreement. If we defend any claim, we have no obligation to indemnify or reimburse you for the fees or disbursements of any attorney that you retain.

If any third party establishes to our satisfaction and in our discretion that its rights to the Trademarks are superior to any of our rights and we believe in our discretion that it is advisable to discontinue the use of or modify any part of the Trademarks, we will modify or replace the Trademarks and you will use the substitutions, replacements, or variations of or to the Trademarks and use those trademarks, service marks, logos, and trade names we designate. Our sole liability and obligation in such event will be to reimburse you for your direct out-of-pocket costs of compliance which you must document to our reasonable satisfaction.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents

We do not have any patents or pending patent applications that are material to your Portal Club. Portal One holds a pending patent application relating to its proprietary cold plunge technology.

Copyrights

The Operations Manual and all other manuals, systems, binders, logos, designs, marketing materials, layouts of advertising materials, books, writings, recordings, videos, software, web content, electronic files, printed materials, and licensed methods, and all revisions, modifications, changes, and derivatives of these materials that we provide to you for use in your Portal Club (collectively, the "**Copyrighted Materials**") are protected by copyright and other laws. Although we have not filed an application for copyright registration for any part of the Copyrighted Materials, we claim common law and federal copyrights and trade secret rights in the Copyrighted Materials. We grant you the right to use the Copyrighted Materials in the operations of your Portal Club, but such Copyrighted Materials remain our sole property. There are no currently effective material determinations of the United States Copyright Office or any court of competent jurisdiction regarding the Copyrighted Materials. There are no agreements that limit the use of the Copyrighted Materials. You will use copyright, confidentiality, or other proprietary notices on all the Copyrighted Materials.

Proprietary Information

We own the Operations Manual, electronic information and communications, marketing, advertising and related information and materials, data bases (whether in print, electronic, or other form), our methodology, and other written or oral information developed and used in connection with the System. These materials constitute our confidential information and trade secrets (collectively, the "**Confidential Information and Trade Secrets**"). We may use or transfer the Confidential Information and Trade Secrets in any way we elect at any time. We may contact any of your clients, suppliers, and other service providers for quality control, market research, and such other purposes as we deem appropriate in our discretion.

You will not use, publish, disclose, divulge, or in any manner communicate the Confidential Information and Trade Secrets to any person or other entity in any manner other than as we permit. You will not use, copy, or imitate, or allow any other person or other entity to use, copy, or imitate, any of the Confidential Information and Trade Secrets or any materials confusingly similar to the Confidential Information and Trade Secrets in any manner other than we permit. You and each of your officers, owners, directors, employees, other beneficial owners, your immediate family members, and your employees who have access to the Confidential Information and Trade Secrets must execute a non-disclosure and non-competition agreement.

If you, your owners, directors, other beneficial owners, employees, agents, or other personnel develop any new intellectual property, inventions, copyrights, trade secrets, concepts, processes, products, or improvements relating to the operation or promotion of your Portal Club (collectively, "**Improvements**"), you will promptly notify us and give us all necessary information relating thereto at no charge. The Improvements will be our property. You, your owners, directors, other beneficial owners, employees, agents, or other personnel will sign an assignment of all Improvements to us. We may allow other franchisees to use the Improvements and we may allow you to use Improvements derived from other franchisees.

We do not know of any copyright or patent infringement that could materially affect your use of the Copyrighted Materials or Confidential Information and Trade Secrets.

Challenges

You will notify us immediately when you learn about an infringement of or challenge to your use of the Copyrighted Materials or Confidential Information and Trade Secrets. We are not required to take affirmative action when notified of such infringement and we are not contractually obligated by your

Franchise Agreement to protect you against claims of infringement or unfair competition involving the Copyrighted Materials or Confidential Information and Trade Secrets, but it is our policy to do so when, in the opinion of our counsel, your rights require protection. We will pay costs, including attorneys' fees and court costs, associated with any litigation that we elect to bring or defend to protect your use of the Copyrighted Materials or Confidential Information and Trade Secrets. We do not indemnify you for expenses or damages you incur. You will fully cooperate with us in any litigation we bring or defend for your benefit. We will control any administrative proceeding or litigation involving the Copyrighted Materials or Confidential Information and Trade Secrets.

If we determine in our discretion that it is necessary to modify or discontinue use of any proprietary Copyrighted Materials or Confidential Information and Trade Secrets, you will, within a reasonable time after receipt of our written notice of modification, discontinuation, addition, or substitution, take such action as may be necessary to comply with such modification, discontinuation, addition, or substitution at your sole expense.

Your unauthorized use of any of the Copyrighted Materials or Confidential Information and Trade Secrets constitutes an infringement of our or our affiliates' rights.

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

We recommend, but do not require, that you actively manage the operation of your Portal Club. If you are a legal entity, you will designate one owner, officer, or key employee to have overall management responsibility (a "**Managing Party**") for the operation of your Portal Club. Your Managing Party must complete any training we require and be approved by us in writing prior to assuming any management responsibilities. You or your Managing Party will use your best efforts to develop your Portal Club and be personally responsible for the management and supervision of your Portal Club on a day-to-day basis. Your engagement of a Managing Party will not relieve you of any obligations you have pursuant to your Franchise Agreement. Any Managing Party you engage on the behalf of a legal entity must own at least 10% of the legal entity.

We offer management services to our franchisees who elect not to actively manage the operation of their Portal Club in exchange for the Management Fee.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only sell the Services and Products, other products, and other services we specify in the Operations Manual or otherwise designate. We may change the Services and Products, other products, and other services we require at any time in our discretion. There is no limitation on our right to change the Services and Products, other products, or other services we require you to offer and sell. You may sell Services and Products, other products, and other services we require to any customer provided you do so exclusively from your Club Location in compliance with the System standards.

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ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
(a) Length of Franchise Term	Section 11.	Ten years from the date you open your Portal Club to the public.
(b) Renewal or Extension of the Term	Section 11.	Two additional five-year terms.
(c) Requirements for Franchisee to Renew or Extend	Section 11.	(i) You give us written notice exercising your renewal right during the 60-day period immediately preceding your then-current term's expiration, (ii) you have substantially observed and performed all of the terms, covenants, conditions of your Franchise Agreement during the then-current term and are in full compliance with your Franchise Agreement and all other agreements with us, (iii) you have satisfied all monetary obligations owed to us under your Franchise Agreement and all other agreements during the then-current term in a timely manner, (iv) you enter into our then-current form of Franchise Agreement which may differ substantially from your Franchise Agreement and will supersede your Franchise Agreement, (v) you pay a renewal fee equal to $10,000.00 plus legal fees and disbursements we incur, (vi) you complete any additional or remedial training to our reasonable satisfaction that we require, (vii) you execute and deliver a release of us, our affiliates, and their respective officers, directors, agents, and employees of all claims to the extent permitted by law, (viii) you complete all renovations, refurbishment, or repairs of your Portal Club as we reasonably require, (ix) you provide us with a complete set of financial

Provision	Section in Franchise Agreement	Summary
		statements and reports for your Portal Club for the last two fiscal years immediately preceding the date of renewal, (x) the lease for your Club Location contemplates a renewal term and the landlord of your Club Location consents to a renewal term, and (xi) you are otherwise able to maintain possession of your Club Location pursuant to a lease directly with the landlord or a sublease from us or our affiliate in our then-current standard form.
(d) Termination by Franchisee	None.	Not applicable.
(e) Termination by Franchisor Without Cause	None.	Not applicable.
(f) Termination by Franchisor with Cause	Section 12.	Each of your obligations under your Franchise Agreement is a material and essential obligation, the breach of which may result in a termination.
(g) "Cause" Defined – Curable Defaults	Section 12.	Your failure to (i) promptly remove any involuntary lien upon any of your business assets or property, (ii) transfer or attempt to transfer any of your rights or obligations under your Franchise Agreement in accordance with the terms and conditions of your Franchise Agreement or to obtain our prior written consent prior to any purported transfer, (iii) comply with your Franchise Agreement's requirements upon your death or permanent disability of the death or disability of your controlling interest holder if you are a business entity, (iv) secure and maintain required insurance after three days' written notice requiring the deficiency to be cured, (v) supply us with reports regarding Gross Revenues receipts and business activities or other financial or other information required by your Franchise Agreement, (vi) accurately report your Gross Revenues so that they have been understated in any report

Provision	Section in Franchise Agreement	Summary
		delivered by you to us by more than 5%, (vii) use the techniques, training, and methods promulgated by the Operations Manual, (viii) apply your full efforts to the performance of your duties under your Franchise Agreement, (ix) keep true and accurate business records and books in accordance with our procedures or to make available those items deemed necessary for our inspection, (x) maintain the standards of good conduct and appearance we designate by Portal, (xi) complete our initial training program on the earlier of (i) 30 days prior to opening or (ii) 180 days after the date of your Franchise Agreement, (xii) comply with the restrictions against competition or solicitation set out in your Franchise Agreement, (xiii) obtain and maintain all required licenses or governmental approvals and to cure the default within five days following written notice from us or any governmental authority, (xiv) comply with any law or regulation applicable to the operation of your Portal Club and to observe the requirements within five days of written notice from us or any governmental authority without respect to the standard 30-day cure period, (xv) renovate or refurbish your Portal Club in accordance with our standards and specifications, and (xvi) comply with any requirement imposed by your Franchise Agreement or to carry out the terms of your Franchise Agreement in good faith except as otherwise provided in Section 12.2 of your Franchise Agreement.
(h) "Cause" Defined – Non-Curable Defaults	Section 12.	(i) You fail to make timely payment to us of any sums payable to us pursuant to your Franchise Agreement or any other agreement between you and us after five days' written notice to you of the failure to

Provision	Section in Franchise Agreement	Summary
		pay, (ii) you fail to cure a default under your Franchise Agreement within ten business days after receipt of notice that materially impairs the System's goodwill, (iii) you or your Portal Club are declared or judicially determined to be insolvent, you commit an act of bankruptcy, all or a substantial part of your assets or the assets of your Portal Club are assigned to or for the benefit of any creditor, you admit your inability to pay your debts as they become due, or a liquidator, trustee in bankruptcy, custodian, receiver, receiver, manager, sheriff, constable, or any other officer with similar powers is temporarily or permanently appointed by a court of competent jurisdiction with authority over your Portal Club's operations, (iv) your Portal Club is seized, taken over, or foreclosed upon by a governmental official in the exercise of its duties, or seized, taken over, or foreclosed upon by a creditor, lien holder, or lessor, a final judgment against you remains unsatisfied for 30 days, or a levy of execution is made upon your Portal Club or upon any property used in your Portal Club that is not discharged within five days of the levy, (v) a bankruptcy order is made against you by a court of competent jurisdiction, (vi) you abandon your Portal Club by failing to operate your Portal Club for three consecutive business days during a time you are required to operate your Portal Club under the terms of your Franchise Agreement or any shorter period after which it is not unreasonable to conclude that you do not intend to continue to operate your Portal Club unless the failure is due to a fire, flood, earthquake, or other similar causes beyond your control, (vii) you make any material misrepresentation relating to the acquisition or

Provision	Section in Franchise Agreement	Summary
		operation of your Portal Club, (viii) you engage in conduct that reflects materially and unfavorably upon the Trademarks, your Portal Club, or the operation and reputation of the System, (ix) after curing any default in accordance with your Franchise Agreement, you engage in the same conduct or noncompliance whether or not the conduct or noncompliance is corrected, (x) you commit on three occasions a breach or default of one or more requirements of your Franchise Agreement within any consecutive twelve-month period whether or not the breach or default is of the same or different nature and whether or not the breach or default has been corrected, (xi) your or any of your principals, directors, owners, or managers are convicted of a criminal offense that we reasonably believe is likely to have an adverse effect on the System, the Trademarks, the System's goodwill, or the System's reputation, (xii) we make a reasonable determination that your continued operation of your Portal Club will result in an imminent danger to public health or safety, (xiii) you or any of your principals, directors, owners, or managers commits fraud in connection with the operation of your Portal Club, (xiv) you purchase (y) unapproved products or (z) approved products from suppliers not approved by us, (xv) you offer or sell as a part of your Portal Club's operations any unapproved service or product, or you cease to offer or sell any of the Services and Products we require, (xvi) you give any security interest in any of your property or the assets of or your Portal Club, or you sell any property or assets without first receiving our prior written consent so that the foregoing materially impairs

Provision	Section in Franchise Agreement	Summary
		the operations of your Portal Club or any security interest that we may have in your Franchise Agreement, (xvii) you fail to timely pay any vendors, suppliers, or landlord more than two times, (xviii) you fail to open your Portal Club for business within 240 days of the effective date of your Franchise Agreement except where the failure is due solely to an unavoidable delay, (xix) you interfere or attempt to interfere with our ability or right to franchise or license others to use and employ the Trademarks or the System, (xx) you interfere or attempts to interfere with our contractual relations with other franchisees, customers, employees, advertising agencies, or any third parties, (xxi) you fail to maintain the confidentiality of any information we designate as confidential, (xxii) you or your employees' conduct materially and adversely affects the System, the Trademarks, our goodwill, or our reputation, (xxiii) you or your employees knowingly maintain false books or records or submit any false reports to us, (xxiv) you fail to execute and deliver back to us your lease or our Addendum to Lease on the earlier of our execution of the Addendum to Lease or 210 days following the effective date of your Franchise Agreement, and (xxv) your lease is terminated for any reason or you otherwise lose the right of possession of your Club Location.
(i) Franchisee's Obligations on Termination/Non-Renewal	Sections 12 and 15.	(i) Cease operating your Portal Club, (ii) cease using all of the Trademarks, the System, the Operations Manual, your telephone number, and any other property connected with your Portal Club, (iii) transfer any ownership rights that you or your employees, agents, or contractors may have developed in relation to the System and your

Provision	Section in Franchise Agreement	Summary
		Portal Club, (iv) return the Operations Manual and all other confidential or proprietary material to us, pay us the greater of (y) any amounts due or owing to us or our affiliates by you or (z) liquidated damages, (v) assign all right, title, and interest to all of your Portal Club's business telephone numbers, (vi) acknowledge that you have no interest in your Portal Club and that all of your rights and privileges under your Franchise Agreement are terminated, (vii) remove all identification of the System from your Club Location and make any other modifications we specify at your sole expense, (viii) cancel any business names, trade names, or any other similar registrations that contain any of the Trademarks and provide us with evidence of cancellation, (ix) dismantle any social media site, blog, or similar Internet webpage you control that contains any of the Trademarks, (x) assign your remaining interest in any lease then in effect for your Club Location (although we will not assume any past due obligations) to us or our assignee upon demand, and (xi) lose all of your rights to use of the Trademarks and all other rights and licenses granted in your Franchise Agreement.
(j) Assignment of Contract by Franchisor	Section 13.	No restrictions.
(k) "Transfer" by Franchisee – Defined	Section 1.	Any (i) sale, transfer, assignment, pledge, mortgage, encumbrance, or other conveyance of any part of your interest in your Franchise Agreement or the assets of your Portal Club (including by operation of law), (ii) sale, transfer, assignment, pledge, mortgage, encumbrance, or other conveyance of any interest in you, or (iii) change in the composition of your Owners whether by operation of

Provision	Section in Franchise Agreement	Summary
		law or otherwise, or any amalgamation that results or could result in a change of control of you.
(l) Franchisor's Approval of Transfer by Franchisee	Section 13.	We must approve all transfers.
(m) Conditions for Franchisor's Approval of Transfer	Section 13.	(i) The transferee is of good moral character and reputation, has adequate financial strength, and possesses appropriate business and other qualifications required for franchisees joining the System at that time and you provide us with any information we reasonably request to make a determination, (ii) the transfer will provide the proposed transferee with an economically viable business opportunity, the transferee otherwise meets Portal's then-current criteria for a franchisee of the System, (iii) the transferee enters into our then-current form of Franchise Agreement as the franchisee, (iv) if the transferee is a business entity, the transferee's owners jointly and severally guarantee the transferee's obligations by entering into a guarantee in a form satisfactory to us, (v) you pay us a non-refundable transfer fee equal to $10,000.00 plus legal fees and disbursements, (vi) the transferee does not have debt of more than 40% of the purchase price and is not otherwise undercapitalized in our reasonable opinion, (vii) if you or any Owner finances any portion of the sale price, then all of the transferee's obligations under promissory notes, agreements, or security interests reserved in your Portal Club are subordinate to the transferee's obligations to pay royalties, Growth System Contributions, and all other amounts owing to us, our affiliates, or third party vendors, (viii) the transferee's key personnel successfully complete a training program we determine,

Provision	Section in Franchise Agreement	Summary
		(ix) you and each of your Owners enter into a release in a form permitted by law of all claims against us, our affiliates, our franchisees, and our and their respective officers, directors, shareholders, and employees, (x) the transferee agrees to bring its operations and your Portal Club into full compliance with the specifications and standards then applicable for new or renewing franchisees including, without limitation, new signage, computer hardware and software, and methods of operation and to make all capital expenditures we request to modernize your Portal Club to reflect our then-current standards and image at your or the transferee's sole expense within a reasonable timeframe we establish, (xi) in the case of an asset sale, the transferee purchases all of your assets used in your Portal Club in accordance with all applicable bulk sales legislation and assumes all of your business liabilities including all tax liabilities, (xii) the transferee expressly assumes all of your obligations to us and our affiliates, (xiii) you submit all required reports, financial statements, and other documents due to us under your Franchise Agreement up to the effective date of the transfer, (xiv) we do not reasonably determine, by written notice to you identifying the specific available Portal Club location delivered within 10 business days of our receipt of your transfer application, that there is a substantially similar Portal Club available for purchase from us within the same metropolitan statistical area as your Club Location, (xv) there are at least twelve months remaining in the then-current term of your Franchise Agreement, (xvi) you remain liable for all of your

Provision	Section in Franchise Agreement	Summary
		obligations to us and our affiliates in connection with the operation of your Portal Club prior to, through, and after the effective date of the transfer and you execute any instruments reasonably required by us to evidence liability, (xvii) you return the Operations Manual and all confidential or proprietary material to us within 24 hours of the transfer, (xviii) you provide us with a copy of the agreement of purchase and sale between you and the transferee, and (xix) there are no other reasonable grounds for us to withhold our consent.
(n) Franchisor's Right of First Refusal to Acquire Franchisee's Business	Section 13.	We can match any offer.
(o) Franchisor's Option to Purchase Franchisee's Business	None.	Not applicable.
(p) Death or Disability of Franchisee	Section 14.	Your Franchise Agreement must be transferred to a third party we approve within 180 days.
(q) Non-Competition Covenants During the Term of the Franchise	Section 15.	You will not (i) be a member of or otherwise be associated with any organization directly or indirectly engaged in the purchase or arranging for the purchase of a competitive business, (ii) directly or indirectly maintain any ownership or leasehold interest in or business affiliation with any franchised system other than a franchise operated under a direct agreement with us, (iii) authorize or allow independent contractors or any third party with whom you transacts business to use or have access to our Confidential Information and Trade Secrets, (iv) carry on, be engaged in, be concerned with, be interested in, or advise, lend money to, guarantee the debts or obligations of, or permit any part of your name to be used or employed in a competitive business individually, in partnership, jointly, or in conjunction with any related party or person, firm, association,

Provision	Section in Franchise Agreement	Summary
		syndicate, or corporation, as principal, agent, shareholder, advisor, consultant, or in any manner whatsoever, or (v) directly or indirectly engage in any activities that would be detrimental to or interfere with our operation, reputation, or goodwill or that of your Portal Club or the System.
(r) Non-Competition Covenants After the Franchise is Terminated or Expires	Section 15.	(i) You, your guarantors, and each of your respective related parties, officers, directors, shareholders, partners, employees, consultants, distributors, agents, or the members of your or their immediate families or households who have access to or knowledge of the System or the Operations Manual will not have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative, adviser or agent in a competitive business within ten miles of your Club Location or the Club Location of any other Portal Club, and (ii) you will not on your own behalf or on behalf of or in connection with any person or entity directly or indirectly interfere or attempt to interfere with the System or persuade or induce or attempt to persuade or induce any of our or our affiliates' franchisees, prospective franchisees, customers, prospective customers, employees, or suppliers to discontinue or alter such person's relationship with us or otherwise denigrate our reputation or undermine our goodwill or the Trademarks in any manner whatsoever.
(s) Modification of the Agreement	Section 18.	No modifications generally, but the Operations Manual may change.
(t) Integration/Merger Clause	Section 18.	Any representations made outside of the Franchise Disclosure Document or your Franchise Agreement may not be enforceable. Only the terms of your Franchise Agreement are

Provision	Section in Franchise Agreement	Summary
		binding (subject to applicable state law).
(u) Dispute Resolution by Arbitration or Mediation	Section 18.	Except for actions brought for injunctive or extraordinary relief, the following actions are subject to arbitration: actions involving (i) the Trademarks or other intellectual property, (ii) violations of the noncompete and confidentiality requirements, or (iii) actions solely relating to monetary obligations.
(v) Choice of Forum	Section 18.	Colorado (subject to applicable state law).
(w) Choice of Law	Section 18.	Colorado (subject to applicable state law).

If a state regulator requires us to make additional disclosures related to the information contained in this Franchise Disclosure Document, these additional disclosures are contained in the State Law Addenda and Amendments included in this Franchise Disclosure Document as Exhibit G.

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote our franchises.

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 Franchise Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if (i) a franchisor provides the actual records of an existing outlet you are considering buying, or (ii) a 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.

The following chart discloses the Gross Revenues, operating expenses, and Unit EBITDA of our company-owned Outpost (Modified, Fully Loaded) from January 2024 through January 2025.

Boulder, Colorado - Outpost (Modified, Fully Loaded)	
Gross Revenue	$860,252.00
Total Operating Expenses	($300,973.00)
Unit EBITDA	**$559,279.00**
Imputed Franchise Fee Schedule	
Imputed Royalty Fee	($0.00)
Technology Fee	($6,000.00)
Estimated Net After Fees	**$553,279.00**

The following chart discloses the Gross Revenues, operating expenses, and Unit EBITDA of our company-owned Outpost (Modified, Fully Loaded) from February 2025, through February 2026.

Denver, Colorado - Outpost (Modified, Fully Loaded)	
Gross Revenue	$956,657.00
Total Operating Expenses	($535,371.00)
Unit EBITDA	**$421,286.00**
Imputed Franchise Fee Schedule	
Imputed Royalty Fee	($0.00)
Technology Fee	($6,000.00)
Estimated Net After Fees	**$415,286.00**

The following chart discloses the Gross Revenues, operating expenses, and Unit EBITDA of our company-owned Brick & Mortar from May 2025, through May 2026.

Minneapolis, Minnesota – Brick & Mortar	
Gross Revenue	$1,376,335.00
Total Operating Expenses	($822,000.00)
Unit EBITDA	**$554,335.00**
Imputed Franchise Fee Schedule	
Imputed Royalty Fee	($0.00)
Technology Fee	($6,000.00)
Estimated Net After Fees	**$548,335.00**

Notes:

1. The foregoing information shows historical financial performance and is not a projection of future performance.

2. All financial figures presented in this Item 19 have been rounded to the nearest dollar. Rounding differences are not material and do not affect the representativeness of the data presented.

3. The units disclosed above were owned and operated by Portal One. This Item 19 reflects the specific reporting period for each unit and may not be representative of results over a full calendar year or a stabilized operating period.

4. "Gross Revenue" means all amounts generated by the unit whether for cash, check, credit, gift cards, barter, or any other means of exchange. Gross Revenue does not include *bona fide* refunds to customers, sales taxes collected, proceeds from the sale of used equipment not in the ordinary course of business, or sales of prepaid gift cards or similar products.

5. "Total Operating Expenses" means all operating expenses associated with operating and managing the day-to-day business of the unit, including payroll and payroll taxes, occupancy, local marketing, insurance, supplies and maintenance, and administrative and software costs. Total operating expenses exclude franchise fees, corporate overhead, interest, depreciation, amortization, taxes, and owner or operator compensation.

6. "Unit EBITDA" means Gross Revenue less Total Operating Expenses without regard to amounts that would otherwise have been due to us if the unit had been operated as a franchised location.

7. "Imputed Royalty Fee" means the royalty fee the unit would have paid if it had been operated as a franchised Portal Club. The company-owned units presented in this Item 19 were operated as purchase-path equivalents and are therefore imputed at the standard royalty rate of 5% of Gross Revenues. Under the royalty structure described in Item 6, the Royalty Fee is waived for the first twelve months of operation. Accordingly, no Imputed Royalty Fee has been applied for any unit, as each unit's reporting period falls within the first twelve months of operation, during which the Royalty Fee is waived.

8. "Technology Fee" means the fixed monthly fee of $500.00 applicable to all Portal Clubs.

9. The Growth System Contribution is reflected within Total Operating Expenses for all of the units based on actual amounts paid by Portal One during each reporting period at an average of $5,000.00 per month. The total Growth System Contribution reflected in Total Operating Expenses is $60,000.00 for each of the Boulder, Denver, and Minneapolis units over each unit's twelve-month reporting period. For franchisees, marketing and software costs are provided through the Growth System Contribution and Technology Fee.

10. All figures are presented on a cash basis and have not been audited. Results may differ from those prepared in accordance with GAAP.

11. The units presented reflect multiple operating Portal Club formats and geographic markets and are intended to demonstrate historical performance across the affiliate-operated platform rather than the performance of any single standardized Portal Club format.

12. No adjustments have been made for owner or operator compensation. Franchisees who elect to manage their own locations should account for the economic value of their labor. The unit financials presented reflect a staffing level of two to five full-time employees depending on the Portal Club format and operating model.

13. The Boulder, Colorado Outpost (Modified, Fully Loaded) location operated by Portal One was a pilot pop-up location operated on a temporary basis to test the Outpost format and ceased operations on January 1, 2025. Accordingly, no financial performance data is available for this location beyond December 31, 2024. The 2024 figures presented above reflect the unit's full period of operation. This unit is reflected as a closed outlet in Item 20, Table 4.

Some outlets have sold these amounts. Your individual results may differ. There is no assurance that you'll sell as much.

Written substantiation of the information contained in this Item 19 will be made available to prospective franchisees upon reasonable request.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make 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 Will Drescher, 4949 Broadway Street, Suite 113, Boulder, Colorado 80304, (920) 858-1090, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
System-Wide Outlet Summary
For Years 2023 to 2025

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned	2023	0	0	0
	2024	0	1	+1
	2025	1	3	+2
Total Outlets	2023	0	0	0
	2024	0	1	+1
	2025	1	3	+2

Table 2
Transfers of Outlets From Franchisees to New Owners (Other Than the Franchisor)
For Years 2023 to 2025

State	Year	Number of Transfers
Total	2023	0
	2024	0
	2025	0

Table 3
Status of Franchised Outlets
For Years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Termina -tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
N/A	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Total	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

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Table 4
Status of Company-Owned Outlets
For Years 2023 to 2025

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Colorado	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	2	0	1	0	2
Minnesota	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	1	0	0	0	1
Total	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	3	0	1	0	3

Table 5
Projected Openings as of December 31, 2025

State	Franchise Agreements Signed, But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Colorado	0	0	0
Montana[1]	0	1	0
Total	0	1	0

Notes:

1. Subsequent Events. We entered into one Franchise Agreement with a franchisee in Montana after December 31, 2025, and prior to the issuance date of this Franchise Disclosure Document. This franchisee had previously been engaged with our affiliate Portal One in a joint venture capacity during 2025 in connection with the development of their location. That arrangement was terminated and replaced with a Franchise Agreement in early 2026. This location opened to the public on March 17, 2026.

The names of all franchisees and the addresses and telephone numbers of their Portal Clubs as of the date of this Franchise Disclosure Document are listed in Exhibit E. The names, addresses, and telephone numbers or last-known home telephone numbers of all franchisees who have had a Portal Club terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business as of the date of this Franchise Disclosure Document or who have not communicated with us within ten weeks of the date of this Franchise Disclosure Document are listed in Exhibit E.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. No franchisees have signed confidentiality clauses during the last three fiscal years. We do not know of any trademark-specific franchisee organization associated with the System.

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ITEM 21
FINANCIAL STATEMENTS

We have not been in business for three years or more and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Exhibit F contains our audited financial statements as of January 15, 2026. Our fiscal year end is December 31.

ITEM 22
CONTRACTS

Attached to this Franchise Disclosure Document are the following contracts:

Exhibit B	Portal Franchising LLC Franchise Agreement
Exhibit C	Portal Franchising LLC Multi-Unit Development Agreement
Exhibit G	State Law Addenda and Amendments

ITEM 23
RECEIPT

On the last two pages of this Franchise Disclosure Document (Exhibit H), you will find two copies of the Receipt page. You must sign, date, and deliver the copy of the Receipt page labeled "Return This Copy To Us" to us for our records.

EXHIBIT A

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

State Administrator and Agent for Service of Process:

Commissioner
Department of Financial Protection and Innovation
320 West Fourth Street, Suite 750
Los Angeles, CA 90013
(213) 576-7500
(866) 275-2677

HAWAII

Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Agent for Service of Process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
Chief, Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA

Secretary of State
Securities Division
Room E-018
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

MARYLAND

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202
(410) 576-6360

Agent for Service of Process:

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202-2020

MICHIGAN

Michigan Department of Attorney General
Corporate Oversight Division
Franchise Section
G. Mennen Williams Building
525 West Ottawa Street, Fifth Floor
Lansing, MI 48913
(517) 373-7117

MINNESOTA

Department of Commerce
Commissioner of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101-3165
(651) 539-1600

NEW YORK

Administrator:

New York State Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8285

Agent for Service of Process:

Secretary of State
99 Washington Avenue
Albany, NY 12231

NORTH DAKOTA

North Dakota Securities Department
State Capitol, Fifth Floor, Department 414
600 East Boulevard Avenue
Bismarck, ND 58505-0510
(701) 328-4712

RHODE ISLAND

Department of Business Regulation
1511 Pontiac Avenue, Building 68-2
Cranston, RI 02920
(401) 462-9527

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, Ninth Floor
Richmond, VA 23219

Agent for Service of Process:

Clerk of the State Corporation Commission
1300 East Main Street, First Floor
Richmond, VA 23219

WASHINGTON

State Administrator:

Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, WA 98504-1200
(360) 902-8760

Agent for Service for Process:

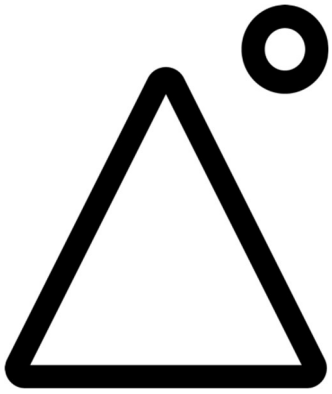
Director of Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501

WISCONSIN

Department of Financial Institutions
Division of Securities
201 West Washington Avenue
Madison, WI 53703
(608) 266-3364

EXHIBIT B

PORTAL FRANCHISING LLC
FRANCHISE AGREEMENT



PORTAL FRANCHISING LLC
FRANCHISE AGREEMENT

Summary

Franchisee (see Preamble): _____, a[n] [jurisdiction] [entity form]

Premises (see Section 1.1): _____

Territory (see Section 1.1): _____

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Schedule A: Guarantee
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Schedule C: Auto-Debit Authorization Agreement
Schedule D: Holders of Legal or Beneficial Interest, Officers, and Directors
Schedule E: General Security Agreement
Schedule F: Addendum to Lease
Schedule G: Listing Assignment Agreement

PORTAL FRANCHISING LLC
FRANCHISE AGREEMENT

This PORTAL FRANCHISING LLC FRANCHISE AGREEMENT (the "**Agreement**") is entered into effective as of _____ (the "**Effective Date**"), by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**"). Portal and Franchisee will sometimes be referred to individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, all capitalized terms contained in the Agreement have the meanings ascribed to the terms on the Summary or at Section 1 below unless defined elsewhere in the Agreement;

WHEREAS, Portal has developed a distinctive and proprietary system (the "**System**") for the establishment and operation of a four-wall, service-based wellness business providing sauna services, cold plunge services, other wellness offerings, and related amenities and products (each, a "**Portal Club**") using Portal's proprietary methodology under certain trademarks (the "**Trademarks**").

WHEREAS, Portal has developed a program for licensing the use of the System and Trademarks to selected entities that will comply with Portal's standards, specifications, and requirements in conjunction with the operation of a Portal Club;

WHEREAS, Franchisee desires to obtain the right to use the System and the Trademarks to operate a Portal Club and benefit from Portal's experience and know-how with respect to the operation of Portal Clubs;

WHEREAS, Portal is willing to grant Franchisee the right to operate a Portal Club on the terms and conditions and subject to the limitations and exclusions set out in the Agreement and any other agreements between Franchisee and Portal; and

WHEREAS, Franchisee acknowledges that Franchisee has fully reviewed the Agreement and obtained advice and counsel from Franchisee's professional advisors prior to executing the Agreement.

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION of the foregoing recitals and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SECTION 1
DEFINITIONS AND CONSTRUCTION OF AGREEMENT

1.1 Definitions. Where used in the Agreement or in any schedules or amendments to the Agreement, the following terms have the following meanings:

"**Acknowledgment**" means the acknowledgment in the form attached as Schedule B.

"Activation Fee" means a fee paid by Franchisee for the services provided by Portal before Franchisee's Portal Club opens for business that are not related to the construction or delivery of Franchisee's Portal Club. The Activation Fee is $10,000.00 for an Outpost and $30,000.00 for a Clubhouse and Brick & Mortar.

"**Addendum to Lease**" means the addendum to lease in the form attached as Schedule F.

"**Additional Services**" means additional services in addition to the services approved by Portal from time to time.

"**Affiliate**" means individually or collectively any entities or individuals controlling, controlled by, or under common ownership with Portal including, without limitation, Portal Thermaculture LLC, Portal Consulting LLC, Portal Denver LLC, Portal Dry Goods LLC, Portal Emerald City LLC, Portal Events LLC, Portal Insight LLC, Portal Minnesota LLC, Portal Mobile Clubhouse LLC, Portal Plunge LLC, Portal Real Estate LLC, and Portal Saunas LLC.

"**Agreement**" means this Portal Franchising LLC Franchise Agreement.

"**Applicable Laws**" means all applicable local, municipal, state, or federal laws, regulations, by-laws, codes, orders, rulings, ordinances, and permits governing the establishment and operation of Franchisee's Portal Club including, without limitation, all laws existing as of the Effective Date as amended from time to time or similar laws enacted in the future.

"**Auto-Debit Authorization Agreement**" means the agreement in the form attached as Schedule C.

"***Bona Fide* Offer**" means an offer in writing from a third party to purchase Franchisee's Portal Club pursuant to which:

(i) Transferee accepts a transfer or assignment of all or substantially all of the assets then used in connection with Franchisee's Portal Club and receives an assignment of Franchisee's rights under the Agreement, any leases of equipment used in connection with Franchisee's Portal Club, or any ownership interests in Franchisee's Portal Club;

(ii) The Purchase Price is expressed solely as a monetary sum payable in cash, certified check, or wire transfer;

(iii) Not less than 60% of the Purchase Price is payable at closing and any remainder is paid in equal periodic installments over the lesser of three years or the remaining Term;

(iv) The sole security for payment of the Purchase Price is a purchase money security interest in the tangible assets being purchased and sold or a pledge of ownership interests by Transferee in Franchisee's favor; provided, however, that Franchisee does not directly, indirectly, voluntarily, involuntarily, by operation of law, or otherwise sell, assign, transfer, donate, pledge, mortgage, or otherwise encumber any such assets or ownership interests or offer or attempt to do so or permit the same to be done without first obtaining Portal's prior written consent;

(v) The underlying terms and conditions are *bona fide* and not so unique or unusual as to render it impossible for Portal to perform and observe them on a commercially reasonable basis; and

(vii) Transferee agrees in writing to pay all applicable taxes with respect to the *Bona Fide* Offer.

"**Brick & Mortar**" means a Portal Club that is a permanent land-based traditional structure.

"**Clubhouse**" means a Portal Club that is a semi-permanent land-based structure consisting of multi-unit modular containers.

"**Competitive Business**" means any business that (i) is engaged or will be engaged in the offer or sale of Services or Products or similar services or products, or (ii) directly or indirectly competes with Franchisee's Portal Club.

"**Conference**" means Portal's annual or regional conference if Portal conducts a conference.

"**Confidential Information**" means any confidential information, knowledge, know-how, or trade secrets utilized by or incorporated into the System or concerning the methods of operation of Franchisee's Portal Club including, without limitation, (i) all elements of the System and the System's products, programs, services, and practices, (ii) the Manual, (iii) specifications for and suppliers of certain goods, services, equipment, materials, supplies, product costs, and accounting methods including, without limitation, paper and electronic spreadsheets, (iv) the operating results and financial performance of Portal Clubs including Franchisee's Portal Club, (v) Franchisee's customer lists, customer accounts, and customer information whether developed or maintained by Franchisee, Portal, or with Portal's assistance, (vi) any management tools or advertising that may be communicated to Franchisee or of which Franchisee may be apprised of by virtue of Franchisee's operation of Franchisee's Portal Club, (vii) all procedures, systems, techniques, and activities employed by Portal or Franchisee in connection with the offer and sale of Services and Products at or from Franchisee's Portal Club, (viii) Portal's specifications for the build-out of the Premises, (ix) additions to, deletions from, modifications to, and variations of the components of the System and the other systems and methods of operations which Portal employs now or in the future, (x) all other information, knowledge, and know-how concerning the past, present, and contemplated services and procedures relating to Franchisee's Portal Club including, without limitation, intellectual property and any customer, supplier, financial, or marketing information pertaining to the System, and (xi) all other information, knowledge, and know-how that Portal or Affiliates reasonably designates as confidential.

"**Corporate Office**" means Portal's corporate office located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 or any other location Portal designates. "Container Asset Trust Agreement" means the written agreement between Portal Franchising LLC and Portal Mobile Clubhouse LLC pursuant to which Container Purchase Fee funds are deposited into a segregated bank account maintained at JPMorgan Chase Bank, N.A. and held pending commencement of construction of Franchisee's container asset. "Container Purchase Fee" means a non-refundable fee paid by an Outpost or Clubhouse franchisee to Portal Mobile Clubhouse LLC for the purchase of the container asset associated with Franchisee's Portal Club. For an Outpost, the Container Purchase Fee ranges from $100,000.00 to $280,000.00. For a Clubhouse, the Container Purchase Fee is $750,000.00 paid to Portal Mobile Clubhouse LLC and applied toward either (i) a purpose-built, turn-key container asset delivered to the Club Location, or (ii) the design-build budget for a ground-up Clubhouse constructed on a vacant lot, with Portal Mobile Clubhouse LLC serving as design-build manager. The Container Asset Trust Agreement governs disbursement of the Container Purchase Fee.

"**Disclosure Document**" means Portal's franchise disclosure document that was provided to Franchisee.

"**Effective Date**" means the date the Agreement becomes effective as described in the Preamble.

"**Evaluation**" means the photographing or videoing of the interior and exterior of the Premises and any portion of the Premises for any purpose.

"**Franchise Assets**" means all improvements, furniture, inventory, fixtures, and equipment of Franchisee's Portal Club and all of Franchisee's accounts, contract rights, customer information, vendor lists, works-in-progress, and other business assets.

"**Franchisee**" means _____.

"**General Security Agreement**" means a general security agreement in the form attached as Schedule E.

"**Gross Revenues**" means all gross sums collected or billed by Portal or Franchisee for all goods and services sold in connection with Franchisee's Portal Club and any other revenue related to or derived from the provision of the Services and Products or the sale of any services or products in connection with the conduct and operation of Franchisee's Portal Club whether for cash, check, credit, gift certificates, coupons, barter, or any other means of exchange. Gross Revenues do not include any sales, use, excise, license, or similar taxes separately billed, charged, and collected by Franchisee for remittance to the appropriate governmental authorities, proceeds from any business interruption insurance policy, or revenues derived from the subletting of any portion of Franchisee's Premises. Any installment or credit sale will be treated as a cash sale for the full price in the month during which the sale is made regardless of the time payment is received.

"**Guarantee**" means a guarantee agreement in the form attached as Schedule A.

"**Guarantor**" means Franchisee's guarantor if Franchisee is a business entity.

"Initial Franchise Fee" means a fee paid by Franchisee for the right to operate Franchisee's Portal Club. The Initial Franchise Fee is $25,000.00 for an Outpost and $45,000.00 for a Clubhouse and Brick & Mortar.

"**Insufficient Funds Fee**" means a $100.00 fee paid by Franchisee if any payment to Portal is returned for insufficient funds.

"**Interim Operation**" means the use of one or more of Portal's employees, contractors, or agents to operate Franchisee's Portal Club on Franchisee's behalf if Franchisee is in default of (i) Section 12.1 and Franchisee has failed to cure the default within the applicable time period, or (ii) Section 12.2.

"**Interim Period**" means any period following expiration of the Term or any renewal term during which Franchisee continues to operate Franchisee's Portal Club until one Party provides the other Party with written notice of intent to terminate the Interim Period in which case the Interim Period will terminate 30 days after the non-terminating Party's receipt of notice.

"**Key Persons**" means Franchisee's key personnel including, without limitation, Franchisee's Portal Club's managers and Managing Party.

"**Lease**" means the lease for the Premises.

"**Listing Assignment Agreement**" means the agreement in the form attached as Schedule G.

"**Logistics Fee**" means a fee paid by Franchisee for the services provided by Portal before Franchisee's Portal Club opens for business that are related to the construction or delivery of Franchisee's Portal Club. The Logistics Fee is $15,000.00 for an Outpost, $70,000.00 for a Clubhouse, and $80,000.00 for a Brick & Mortar.

"**Manual**" means Portal's operations manual and any other written materials or directions provided to Franchisee containing mandatory specifications, standards, or procedures applicable to the System whether in hard copy or electronic format as Portal may develop, revise, withdraw, or replace them.

"**Marketing Campaigns**" means marketing programs, advertising programs, promotional programs, consumer relations programs, general publicity programs, and any other similar programs determined by Portal.

"**Growth System Contribution**" means the continuing monthly contribution Franchisee makes to the Growth System Fund. The Growth System Contribution is the greater of (i) 5% of Gross Revenues for the preceding month or (ii) $4,500.00 per month for a Clubhouse and a Brick & Mortar. The Growth System Contribution is optional for Outpost franchisees.

"**Growth System Fund**" means a fund maintained and administered by Portal where all Growth System Contributions are deposited for the benefit of the System.

"**Managing Party**" means the natural person designated by Franchisee to provide binding, formal communications to Portal. "Management Fee" means a monthly fee equal to 2.5% of Gross Revenues payable by Franchisee to Portal if Franchisee elects to engage Portal or an Affiliate to manage the day-to-day operations of Franchisee's Portal Club. For the first 6 months of operation of Franchisee's Portal Club, the Management Fee applies only to Gross Revenues exceeding $60,000.00 per month.

"**Note**" means any promissory note or similar instrument issued to and in favor of Portal or Affiliates.

"**Notice of Intent**" means a notification of Portal's intention to exercise its rights to purchase the Franchise Assets pursuant to Section 12.7.

"**Opening Date**" means the date Franchisee opens Franchisee's Portal Club for business to the general public.

"**Option Period**" means the 60-day period following an event described in Section 12.7(a) during which Portal may provide Franchisee with a Notice of Intent.

"**Other Channels**" means the sale of Services or Products anywhere in the world by or through other channels of trade including, without limitation, electronic, computerized, or other remote entry ordering systems like the Internet, direct mail, mail order catalogs, telemarketing, infomercials, airports, bus and railroad terminals, shopping malls, hotels, hospitals, universities, schools, convention centers, casinos, military bases, office buildings, business complexes, apartment buildings, condominiums, dormitories, other high density locations and similar locations, sales to wholesalers, distributors, or retailers for resale in locations such as supermarkets, convenience stores, department stores or other retail stores, co-branding relationships, and any similar outlets or distribution methods determined by Portal, and sales of the Services or Products to customers when the customers specifically request that the Services or Products be provided by one of Portal's representatives.

"**Outpost**" means a Portal Club that is a semi-permanent land-based structure consisting of stand-alone modular containers.

"**Permanent Disability**" means any physical, emotional, or mental injury, illness, or incapacity that would prevent a person from performing the obligations set out in the Agreement or in the Guarantee for at least 90 consecutive days and from which condition recovery within 90 days from the date of determination of Permanent Disability is unlikely. Permanent Disability will be determined by a licensed practicing physician Portal selects. If a person refuses to submit to an examination, then the person will automatically be deemed permanently disabled as of the date of refusal for the purpose of Section 14.1.

"**Plans**" means Portal's architectural and design plans and specifications for the construction of a Portal Club.

"**Portal**" means Portal Franchising LLC, a Colorado limited liability company.

"**Portal Club**" means a service-based wellness business providing sauna services, cold plunge services, other wellness offerings, and related amenities and products operated using the System.

"**POS System**" means the point of sale system, credit and debit card processing system, associated software, and related services Portal designates for the operation of Franchisee's Portal Club.

"**Premises**" means the premises upon which Franchisee operates Franchisee's Portal Club identified on the Summary.

"**Prime Rate**" means the then-current prime rate of interest charged by Portal's bank to its most creditworthy commercial customers.

"**Privacy Laws**" means any relevant privacy laws and regulations relating to the operation of Franchisee's Portal Club.

"**Products**" means any products, goods, merchandise, supplies, and other items used or sold by Franchisee's Portal Club including, without limitation, branded products and other promotional items designated and authorized by Portal.

"**Purchase Price**" means the purchase price for the Franchise Assets in connection with the Termination or Transfer of the Agreement or as otherwise described in the Agreement.

"**Rebate**" means a referral payment, benefit, allowance, credit, fee, commission, discount, bonus, or other benefit or consideration received by Portal from product suppliers or service suppliers if Franchisee opts to retain services from the suppliers.

"**Related Party**" means Guarantors and Franchisee's affiliates individually, in partnership, jointly, or in conjunction with any person or entity as principal, agent, shareholder, interest owner, or other similar role.

"**Released Persons**" means Portal, Affiliates, related subsidiaries, and each of their respective officers, directors, shareholders, agents, employees, and any person for whom Portal or Affiliates are legally responsible.

"**Releasors**" means Franchisee, Related Parties, and each of their respective officers, directors, owners, agents, employees, and any person for whom Franchisee or Franchisee's affiliates are legally responsible.

"**Royalty**" means the continuing monthly royalty fee payable by Franchisee pursuant to Section 7.4.

"**Security Interest**" means a share certificate, security interest, chattel mortgage, debenture, mortgage, or similar encumbrance of any nature whatsoever.

"**Services**" means, without limitation, sauna services, cold plunge services, other wellness offerings, and all other related services as Portal designates and authorizes in writing.

"**Sublandlord**" means Portal, Affiliates, or any party Portal grants the ability to enter into a binding sublease under the Lease.

"**Summary**" means the informational summary on the cover page of the Agreement.

"**System**" means Portal's unique and distinctive system relating to the establishment and operation of Portal Clubs including, without limitation, the preparation, merchandising, distribution, or sale of the Services or Products in accordance with a standard, unique, and uniform system involving the use of special methods of achieving quality and quantity controls, confidential training, proprietary instruction materials, and operating manuals as described in the Manual.

"**System Goodwill**" means all goodwill or going concern value created by the Trademarks and the System.

"**Tax Indemnified Parties**" means parties indemnified by Franchisee with respect to claims arising from Franchisee's alleged nonpayment of any applicable taxes including, without limitation, Portal, Affiliates, and Portal's and Affiliates' respective shareholders, owners, managers, directors, officers, agents and employees.

"**Technology Fee**" means a monthly $500.00 fee paid by Franchisee for expenses incurred by Portal to offer Franchisee various technologies including, without limitation, the cost of providing Franchisee with access to Portal's designated customer relationship management software. The Technology Fee may be increased by Portal at Portal's discretion, but in no event will an increase exceed CPI plus 10%.

"**Term**" means the initial term of the Agreement specified in Section 11.1.

"**Termination**" means the Transfer, termination, or expiration of the Agreement for any reason.

"**Territory**" means the territory from which Franchisee operates Franchisee's Portal Club identified on the Summary.

"**Trademarks**" means the trademark "Portal®" and any other trade names, trademarks, insignias, and logos as presently exist or may be determined that Portal authorizes for use in conjunction with the System including, without limitation, any domain names that identify such trademarks.

"**Transfer**" means any (i) sale, Transfer, assignment, pledge, mortgage, encumbrance, or other conveyance of any part of Franchisee's interest in the Agreement or the assets of Franchisee's Portal Club

(including by operation of law), (ii) sale, Transfer, assignment, pledge, mortgage, encumbrance, or other conveyance of any interest in Franchisee, or (iii) change in the composition of Franchisee's owners whether by operation of law or otherwise, or any amalgamation that results or could result in the change of control of Franchisee.

"**Transferee**" means the party receiving assets or interests as part of a Transfer.

1.2 Construction of Agreement. The provisions of the Agreement will be construed as a whole according to their common meaning and not strictly for or against either Party. Except as otherwise expressly provided or unless the context otherwise requires, the following provisions govern the interpretation of the Agreement:

(a) The terms "Agreement," "hereof," "herein," "hereunder," or similar expressions refer to the Agreement as a whole and not to any particular section, paragraph, or clause unless otherwise specified;

(b) All references to sections refer to sections, paragraphs, or clauses of the Agreement unless otherwise specified;

(c) All references to Schedules refer to Schedules to the Agreement unless otherwise specified;

(d) Words and terms denoting inclusiveness including, without limitation, "include," "includes," and "including" are not limited by and do not imply limitation of their context or the words or phrases that precede or succeed them;

(e) The captions, section numbers, article numbers, and the table of contents appearing in the Agreement are inserted only as a matter of convenience and do not affect the interpretation or substance of the Agreement;

(f) All references to time in the Agreement refer to the time in the jurisdiction in which the Premises is located unless otherwise stated;

(g) All dollar amounts in the Agreement are in United States dollar amounts unless otherwise stated and are exclusive of any applicable taxes; and

(h) All references to local, municipal, state, or federal statutes and regulations in the Agreement include amendments, successors, or replacements unless otherwise stated.

SECTION 2
LICENSE OF RIGHTS

2.1 Licensed Rights. Subject to the terms and conditions of the Agreement, Portal hereby grants Franchisee during the currency of the Agreement:

(a) The right to establish and operate Franchisee's Portal Club solely at the Premises; and

(b) A non-exclusive license to use the System and the Trademarks in relation to the operation of Franchisee's Portal Club.

During the Term and any renewal term, as long as Franchisee is not in default under the Agreement, Portal will not directly or indirectly establish, operate, or grant the license or right to any other entity to establish or operate any other franchised business identified with the Trademarks inside of the Territory

except as otherwise provided for pursuant to Section 2.2. Portal's approval of the site of the Premises is not an assurance that Franchisee's Portal Club will achieve a certain sales volume or level of profitability and only indicates that the proposed site meets Portal's minimum site selection criteria. If the site of the Premises or the Territory is not known as of the Effective Date, Franchisee will propose a site for the Premises that meets Portal's site selection criteria, and if Portal approves of the site, Portal will designate the Premises and the Territory on the Summary by providing Franchisee with written notice within 30 days of approval. If Portal does not define the Territory on the Summary within 30 days of approval, the Territory will be a geographic area within a circle having a radius of three miles from the Premises.

2.2 Reserved Rights. Notwithstanding anything in the Agreement to the contrary, Portal and Affiliates expressly reserve the right without compensation to Franchisee to:

(a) Establish, operate, or license to any other franchisee, person, or entity a franchised business identical or similar to Franchisee's Portal Club at any location outside of the Territory;

(b) Develop, use, or license the use of proprietary marks other than the Trademarks in connection with the operation of a program or system that offers services or products that are the same as or similar to those offered by Franchisee's Portal Club that may compete with Franchisee's Portal Club anywhere in the world;

(c) Develop, market, own, operate, or participate in any business other than a franchised business using the Trademarks or any other trademarks anywhere in the world;

(d) Offer, distribute, or sell by Portal or Affiliates or other persons including, without limitation, other franchised businesses, services and products including, without limitation, the Services and Products through Other Channels and any similar outlets or distribution methods Portal determines anywhere in the world regardless of the proximity of the Other Channels to Franchisee's Portal Club;

(e) Acquire the assets or ownership interests of one or more businesses providing Services and Products similar to those provided by Franchisee's Portal Club, and franchise, license, or create similar arrangements with respect to these businesses once acquired wherever these businesses (or the franchisees or licensees of these businesses) are located;

(f) Be acquired in whole or in part by a business providing Services and Products similar to those provided by Franchisee's Portal Club or by another business even if the business operates, franchises, or licenses a business involved in the offer or sale of services or products that are the same as or similar to those offered by Franchisee's Portal Club; and

(g) Transact any business or take any action that the Agreement does not expressly grant to Franchisee on an exclusive basis.

2.3 No Rights or Authority. Franchisee will not acquire any license, rights, or authority under the Agreement to offer or sell the Services or Products at or from any location other than at or from the Premises without first obtaining Portal's written authorization.

2.4 Representation and Warranty. Franchisee represents and warrants as follows:

(a) If Franchisee is a business entity, Franchisee is duly formed and validly existing under the laws of the jurisdiction in which Franchisee was formed;

(b) Franchisee is duly qualified and authorized to conduct business in each jurisdiction in which Franchisee will conduct business activities;

(c) If Franchisee is a business entity, Franchisee's organizational documents, each shareholders' agreement, operating agreement, or similar agreements prohibit the issuance of any additional ownership interests or the Transfer of any issued ownership interests without Portal's consent and provide that each certificate or document issued to evidence any ownership interest contains a legend disclosing the foregoing restriction;

(d) If Franchisee is a business entity, Franchisee's organizational documents, each shareholders' agreement, operating agreement, or similar agreements provide that Franchisee's activities are confined exclusively to the development and operation of Franchisee's Portal Club;

(e) Execution of the Agreement and all transactions contemplated by the Agreement are duly authorized and within Franchisee's power; and

(f) Franchisee will provide a copy of the Agreement to every person identified in Schedule D.

SECTION 3
INDEMNITY AND PERSONAL GUARANTEE

3.1 Indemnity. Franchisee will defend, indemnify, and hold Portal, Affiliates, and their respective directors, officers, employees, shareholders, members, and agents harmless from any fines, taxes, suits, liabilities, proceedings, losses, claims, charges, costs, expenses, demands, actions, and damages of any nature or kind whatsoever including, without limitation, compensatory, special, statutory, or punitive damages and their respective legal fees, and amounts paid in settlement or compromise, accountants' and expert witness fees, costs of investigation and proof of facts, court costs and orders, other litigation expenses, and travel and living expenses directly or indirectly incurred arising from:

(a) The construction, operation, maintenance, or occupancy of the Premises and Franchisee's Portal Club;

(b) Franchisee's breach of or noncompliance with Agreement, the Lease, or any other agreement entered into by Franchisee or any of Franchisee's acts or omissions including, without limitation, Franchisee's alleged noncompliance with Applicable Laws including, without limitation, any allegation that Portal and Franchisee are joint employers;

(c) Franchisee's failure to pay or remit any taxes including, without limitation, any income taxes or value added taxes arising out of Franchisee's operation of Franchisee's Portal Club to the relevant governmental authorities when due and payable;

(d) The operation of Franchisee's Portal Club or the occupancy or use by Franchisee of the Premises or any part of the Premises occasioned wholly or in part by any act, negligence, or omission by Franchisee or Franchisee's agents, contractors, employees, servants, or invitees, or by anyone permitted to be on the Premises by Franchisee, or those for whom Franchisee is legally responsible; or

(e) Franchisee's use of the System or Trademarks in any manner not in accordance with the Agreement.

Portal may take any action Portal deems necessary to protect Portal from indemnified claims and Franchisee will reimburse Portal for all expenses incurred in connection with the defense including, without

limitation, legal fees and disbursements within ten days from the date of an invoice from Portal to Franchisee for the fees and expenses. This indemnity will continue in full force and effect following and notwithstanding Termination.

3.2 Personal Guarantee of Shareholders, Members, and Partners. If Franchisee is a business entity, Franchisee will advise Portal and keep Portal current regarding the names and addresses of Franchisee's officers, directors, shareholders, members, and persons otherwise financially involved with Franchisee. Without limiting the generality of the foregoing, Franchisee will contemporaneously upon the execution of the Agreement cause each Guarantor to execute and deliver to Portal the following documents as appropriate:

(a) Schedule A (Guarantee);

(b) Schedule B (Acknowledgment); and

(c) Schedule D (Holders of Legal or Beneficial Interest, Officers, and Directors).

SECTION 4
TRADEMARKS AND OTHER INTELLECTUAL PROPERTY RIGHTS

4.1 Licenses Subject to the Agreement. Franchisee's right to use the Trademarks is derived solely from the Agreement and limited to the conduct of business by Franchisee pursuant to and in compliance with the Agreement and all applicable standards, specifications, and operating procedures prescribed by Portal and in the Agreement or the Manual. Any unauthorized use of the Trademarks constitutes an infringement of Portal's rights in and to the Trademarks. Franchisee will not question ownership of the Trademarks or Portal's right to license the right to use the Trademarks to Franchisee or other parties. Franchisee will not engage in any direct or indirect conduct that may infringe upon, harm, or contest Portal's rights in any of the Trademarks or the System Goodwill associated with the Trademarks including, without limitation, any use of the Trademarks in a derogatory, negative, offensive, or otherwise inappropriate manner.

4.2 System Goodwill Inures to Portal's Benefit. Any System Goodwill occasioned by of Franchisee's use of the Trademarks or any changes Franchisee makes to the System (which may only occur with Portal's express permission) will inure to Portal's and Affiliates' exclusive benefit. Franchisee irrevocably waives any moral or other rights to the System Goodwill. The Agreement does not confer any interest in the System, Trademarks, or the System Goodwill to Franchisee.

4.3 Identification of Franchisee's Portal Club. Franchisee will use the Trademarks as the sole identification of Franchisee's Portal Club and Premises. Franchisee will identify itself as Portal's franchisee and as the independent owner of Franchisee's Portal Club using any form of notice Portal requires.

4.4 Display of Trademarks. Franchisee will prominently display the Trademarks in connection with Franchisee's Portal Club and in the manner prescribed by Portal from time to time in the Manual or otherwise. Franchisee will use the Trademarks in all signage, point-of-sale advertising, business cards, stationery, promotional materials, Internet, and other advertising only in the form, manner, and extent required or permitted as set out in the Agreement, in the Manual, or by Portal. Portal may introduce services or products under the Trademarks, other trademarks, or labels designated by Portal and Franchisee will sell the services or products in accordance with Portal's standards and specifications.

4.5 Unauthorized Use. Franchisee will not use any of the Trademarks as part of Franchisee's corporate name, but may register a "d/b/a" or a fictitious name certificate in connection with the operation of Franchisee's Portal Club after receiving Portal's written permission. Franchisee will include any notices

Portal may require for purposes of preserving Portal's interest in the Trademarks including trademark and copyright notices. Franchisee will not use any of the Trademarks as part of any Internet website or with any prefix, suffix, or other modifying words, terms, designs, or symbols or in any modified form except as otherwise authorized in the Agreement or as agreed to by Portal. Franchisee will not delegate or sublicense the right to use the Trademarks or to authorize independent contractors or any third party with whom Franchisee transacts business to use the Trademarks.

4.6 Trademark Infringement or Challenges. Franchisee will immediately notify Portal of any apparent infringement of or challenge to Franchisee's use of the Trademarks or any claim by any person of any rights in any of the Trademarks. Franchisee will not communicate with any entity other than Portal in connection with any such infringement, challenge, or claim. Portal may take such action as Portal deems appropriate and exclusively control any litigation or other proceeding arising out of any such infringement, challenge, or claim relating to any of the Trademarks. Portal has the right to take over the defense of any action or proceeding at any time even if Portal initially declines to take over the defense. Franchisee will execute any instruments and documents, render such assistance, and do such acts and things as Portal deems advisable to protect Portal's interest in the Trademarks. If Portal deems it advisable at any time to modify or discontinue the use of any of the Trademarks or to use one or more additional or substitute Trademarks, Franchisee will comply with Portal's directions within a reasonable period of time.

4.7 Termination of License. Immediately upon Termination, Franchisee will cease all use of the Trademarks and any variation or colorable imitation of the Trademarks. Franchisee acknowledges that this covenant is reasonable and necessary to protect the integrity of the Trademarks and is enforceable by interim, interlocutory, or final mandatory, injunctive, or other extraordinary relief, restraining order, decree, declaration, or otherwise by any court of competent jurisdiction.

4.8 Protection of Trademarks. Portal is not required to protect Franchisee against claims of infringement or unfair competition arising from the use of the Trademarks or defend Franchisee in any related legal action. Portal will take any action that Portal deems appropriate under the circumstances provided that Franchisee has promptly notified Portal in writing of the facts of the claims or challenges and has used the Trademarks strictly in accordance with the provisions of the Agreement, the Manual, and all rules, regulations, directives, and procedures prescribed by Portal.

4.9 Proprietary Rights. An Affiliate has a pending patent application that is material to Portal Clubs. Portal or Affiliates presently have proprietary rights in numerous item including, without limitation, the Manual, the System, advertising designs, and the like relating to the operation of Portal Clubs which are suitable for copyright protection. Portal, Affiliates, and Portal's designees reserve all rights which Portal or Affiliates have to these items. Portal may obtain copyright registration for the Manual and any other materials as they presently exist or may exist in the future.

4.10 Acknowledgement. Franchisee acknowledges that (i) Portal or Affiliates own all intellectual property rights in the Manual, (ii) these rights are protected by copyright laws and international treaty provisions, and (iii) Portal or Affiliates retain all rights in the Manual not expressly granted under the Agreement.

4.11 Trade Practices. Portal has the sole rights to certain trade practices pertaining to Portal's business practices and procedures and no goodwill associated with any of the trade practices inures to Franchisee. The items of this trade practice constitute Portal's trade secrets which are revealed to Franchisee in confidence and Franchisee will not at any time attempt to use the trade practices in connection with any other entity or business in which Franchisee has a direct or indirect interest. Franchisee will not disclose, duplicate, reveal, sell, or sublicense any part of the trade practices or any way transfer any rights in the trade practices except as authorized by Portal.

4.12 Improvements. Ownership of all improvements, concepts, materials, ideas, techniques, or information with respect to the System developed by Franchisee or Franchisee's employees, agents, contractors, or affiliates, whether developed separately or with Portal, are deemed to be granted to Portal immediately upon the improvement being made or developed. Franchisee will disclose any System improvements to Portal as soon as they are made or developed. 4.14 Trademark License. The Trademarks are owned by Portal Thermaculture LLC ("Portal One"). Portal One has granted Portal a license to use the Trademarks and to sublicense Portal's franchisees to use the Trademarks (the "Trademark License"). The Trademark License is perpetual and irrevocable except upon the mutual written agreement of both parties and Portal One has no unilateral right to terminate the Trademark License. The Trademark License expressly provides that any sublicense granted by Portal to Franchisee in good standing under the Agreement will survive any expiration or termination of the Trademark License, and that in such event Portal One will either assume Portal's obligations to Franchisee with respect to the Trademarks for the remaining Term or grant Franchisee a direct license to use the Trademarks on substantially the same terms. Franchisee will not question Portal One's ownership of the Trademarks or Portal's right pursuant to the Trademark License to sublicense the Trademarks to Franchisee or other parties.

4.13 Confidential Information.

(a) Franchisee will treat all information Franchisee receives that comprises part of the System as Confidential Information and Franchisee will not use the information in an unauthorized manner or disclose the information to any unauthorized person without first obtaining Portal's written consent. Franchisee acknowledges that (i) the Trademarks and the System have valuable goodwill attached to them, (ii) the protection and maintenance of the Trademarks and the System is essential to Portal, and (iii) any unauthorized use or disclosure of the Trademarks and the System will result in irreparable harm to Portal.

(b) The Confidential Information is a valuable asset of Portal or Affiliates and includes Portal's or Affiliates' trade secrets. The Confidential Information is disclosed to Franchisee on the express condition that Franchisee and Franchisee's officers, directors, shareholders, members, partners, Key Persons, Managing Party, and employees who have access to the Confidential Information irrevocably agree that during and after the Term and any renewal term that Franchisee and they will (i) not use the Confidential Information in any other business or capacity, (ii) maintain the absolute confidentiality of the Confidential Information, (iii) not make unauthorized copies of any portion of the Confidential Information disclosed in written or other tangible form, and (iv) adopt and implement all of Portal's procedures that Portal periodically requires to prevent unauthorized use or disclosure of the Confidential Information including, without limitation, requiring Franchisee's officers, directors, shareholders, members, partners, Key Persons, Managing Party, and employees who have access to the Confidential Information to execute non-disclosure and non-competition agreements as Portal may require and provide Portal with signed copies of each of those agreements.

(c) The restrictions on the disclosure and use of the Confidential Information do not apply to (i) information, methods, procedures, techniques, and knowledge that are or become generally known in the industry of Franchisee's Portal Club other than through disclosure made by Franchisee or those for whom Franchisee is legally responsible (whether deliberate or inadvertent) and (ii) the disclosure of the Confidential Information in judicial or administrative proceedings to the extent that Franchisee is legally compelled to disclose the information if Franchisee has (i) notified Portal before disclosure, (ii) used Franchisee's best efforts to keep the information confidential, (iii) disclosed only to the extent legally required, and (iv) has afforded Portal the opportunity to obtain an appropriate protective order or other assurance satisfactory to Portal of confidential treatment for the information required to be disclosed.

SECTION 5
OPERATIONS MANUAL

5.1 Manual. Portal will loan a copy of the Manual to Franchisee during the Term in electronic form or any other format Portal determines. Franchisee will maintain the necessary equipment at the Premises to access and use in a secure manner the up-to-date Manual at Franchisee's expense. Franchisee will comply with and operate Franchisee's Portal Club strictly in accordance with the specifications, standards, and procedures prescribed by Portal in the Manual or as Portal otherwise communicates to Franchisee in writing. Franchisee acknowledges receipt of a copy of the Manual and:

(a) Will keep Franchisee's copy of the Manual up-to-date with replacement pages, deletions, and insertions as instructed by Portal;

(b) Acknowledges that the Manual contains proprietary information that belongs to Portal. Franchisee will keep the Manual and its contents confidential at all times;

(c) Acknowledges that the Manual remains Portal's exclusive property at all times;

(d) Will promptly return all copies of the Manual to Portal upon request and in any event upon Termination;

(e) Will not copy or duplicate the Manual without Portal's prior written consent;

(f) Acknowledges that the Manual will prevail if a conflict between the specifications, standards, and procedures set out in the Manual and the Agreement arises;

(g) Acknowledges that the master copy of the Manual maintained by Portal is controlling if any dispute relating to the content of the Manual arises;

(h) Will accept transmission of a copy of the Manual and any additions or modifications by e-mail, Internet, intranet, or other electronic means;

(i) Acknowledges that Portal may establish and maintain either a series of "private" pages on Portal's Internet website or an intranet through either of which Portal, Portal's franchisees, and their respective employees may communicate with each other and through which Portal may disseminate the Manual, Manual updates, and other confidential information;

(j) Will require all of Franchisee's employees or independent contractors to strictly abide by any mandatory requirements set out in the Manual. To the extent any of the system standards in the Manual address employment matters, these standards are not mandatory but are merely recommendations, suggestions, or guidelines. System standards do not include any mandatory requirements regarding Franchisee's employees' wages, working conditions, hours, staffing levels, or other terms of employment, but may specify employee appearances to meet brand standards; and

(k) Acknowledges that Portal may add to, modify, withdraw from, or otherwise revise the Manual and systems for all franchisees uniformly and on a non-discriminatory basis whenever Portal considers the additions, modifications, withdrawals, or revisions desirable to improve or maintain the standards of the System, to effectuate the efficient operation, to protect or maintain the System Goodwill, or to meet the demands of competition provided that no revisions unreasonably alter Franchisee's fundamental rights under the Agreement, are made in good faith, and are in accordance with reasonable commercial standards.

SECTION 6
TRAINING

6.1 Initial Training. Portal will provide one Guarantor and up to three of Franchisee's Key Persons with Franchisee's initial training program without charging Franchisee any fee in addition to the Initial Franchise Fee. The initial training program will occur at the Premises, the Corporate Office, at an existing Portal Club location, the operating location of an Affiliate or service provider, or any other location Portal may designate for the periods enumerated in the Manual. Franchisee will bear all costs and daily living expenses including, without limitation, travel costs, accommodation costs, transportation costs, wages, living expenses, and other miscellaneous expenses for the attendees. If Franchisee desires Portal to train more than four persons as noted above or if it becomes necessary to retrain a certain individual, Portal may charge Franchisee a reasonable fee. Franchisee's Key Persons must complete the initial training program to Portal's satisfaction at least 30 days before Franchisee's Portal Club opens to the public. Franchisee's Portal Club must be operated and supervised only by persons who have successfully completed all training as specified by Portal to Portal's reasonable satisfaction.

6.2 Training of New Key Persons. Any new Key Person Franchisee engages must comply with Portal's training requirements within a reasonable time as specified by Portal. Portal may train the new Key Persons at any location Portal designates. Franchisee will not permit the management of the Franchisee's Portal Club's operation by a person who has not successfully completed all applicable training Portal requires to Portal's reasonable satisfaction. Without limiting the generality of the foregoing, Franchisee may send additional managers or employees for initial training or any subsequent mandatory or optional training provided that (i) Portal determines that space is available, (ii) Franchisee pays a reasonable fee, and (iii) Franchisee bears all costs and daily living expenses including, without limitation, travel costs, accommodation costs, transportation costs, wages, living expenses, and other miscellaneous expenses for the attendees.

6.3 Additional Training Upon Default. If Franchisee is given notice of default and the default relates to Franchisee's failure to meet any operational standards, Portal may require as a condition of curing the default that Franchisee and Franchisee's Key Persons comply with any additional training requirements Portal prescribes at Franchisee's expense including, without limitation, payment of a reasonable fee.

6.4 Failure to Complete Initial Training or to Commence Operations. If Franchisee or any of Franchisee's Key Persons fails to complete the initial training program to Portal's reasonable satisfaction at least 30 days before Franchisee's Portal Club opens to the public, Portal may require Franchisee to substitute any of Franchisee's Key Persons with another person and arrange for the substitute Key Person to complete the initial training to Portal's reasonable satisfaction or terminate the Agreement upon written notice to Franchisee. If Franchisee's Portal Club fails to commence operations within 240 days after the Effective Date, Portal may terminate the Agreement upon written notice to Franchisee.

6.5 Conferences. Portal may host a Conference from time to time and Franchisee will attend the Conference at a location determined by Portal. Portal may charge a fee for any Conference at Portal's discretion. Franchisee will be responsible for all associated travel, accommodation, transportation, living, salary, and miscellaneous expenses.

6.6 Additional, Supplementary, and Special Training. Portal or Franchisee may determine that any of Franchisee's Key Persons or other personnel are required to undergo additional, supplementary, or special training at any time during the Term or renewal term. If a determination is made, Portal may charge Franchisee a reasonable fee and require Franchisee to reimburse Portal for Portal's associated travel, food, and lodging expenses.

6.7 Franchisee's Expenses. Franchisee will pay for related expenses incurred by Franchisee, Franchisee's Key Persons, and other personnel in connection with all training programs including, without limitation, travel, accommodation, entertainment, meal, and wage expenses associated with any training.

6.8 Language. All assistance and training provided by Portal will be conducted in English.

SECTION 7
INITIAL FRANCHISE FEE, OTHER PAYMENTS, AND REPORTING

7.1 Initial Franchise Fee. As consideration for Portal's grant of a license for the operation of Franchisee's Portal Club to Franchisee, Franchisee will pay Portal the Initial Franchise Fee by electronic funds transfer, bank draft, or certified check upon execution of the Agreement. The Initial Franchise Fee is fully earned upon receipt and non-refundable in whole or in part.

7.2 Activation Fee. Franchisee will pay Portal the Activation Fee by electronic funds transfer, bank draft, or certified check upon execution of the Agreement. The Activation Fee is fully earned upon receipt and non-refundable in whole or in part.

7.3 Logistics Fee. Franchisee will pay Portal the Logistics Fee by electronic funds transfer, bank draft, or certified check upon execution of the Agreement. The Logistics Fee is fully earned upon receipt and non-refundable in whole or in part.

7.4 Royalty. Franchisee will pay Portal the Royalty by electronic funds transfer, bank draft, or certified check in an amount equal to 5% of Gross Revenues from the preceding calendar month during the Term. The Royalty Fee is waived for the first 12 months of operation of Franchisee's Portal Club. Beginning with the 13th month of operation, the Royalty rate of 5% applies to all Gross Revenues. Royalties are due and payable monthly and based on Gross Revenues of the preceding calendar month. Royalties are non-refundable. If Franchisee's records and procedures are insufficient to substantiate Franchisee's Gross Revenues to Portal, Portal may estimate Franchisee's Gross Revenues for the applicable period pursuant to Section 7.16 and Franchisee will immediately pay Portal in accordance with that section any amount Portal determines to be owing by Franchisee for any Royalties due to Portal from Franchisee's understatement of Gross Revenues.

7.5 Growth System Contribution. Franchisee will pay a Growth System Contribution each month. Growth System Contributions are payable by the seventh calendar day after the end of the previous month. Growth System Contributions are non-refundable. In addition to any Growth System Contributions that Franchisee makes, Franchisee will use Franchisee's best efforts to promote and advertise Franchisee's Portal Club and conduct any local marketing, advertising, and promotional programs as Portal determines.

7.6 Management Fee. If Franchisee elects to engage Portal or an Affiliate to manage the day-to-day operations of Franchisee's Portal Club, Franchisee will pay Portal the Management Fee by electronic funds transfer, bank draft, or certified check monthly based on Gross Revenues from the preceding calendar month. For the first 6 months of operation of Franchisee's Portal Club, the Management Fee applies only to Gross Revenues exceeding $60,000.00 per month. During this ramp period, no Management Fee is due in any month when Gross Revenues do not exceed $60,000.00. Franchisee's election to engage management services is optional and subject to the terms and conditions Portal establishes. The Management Fee is non-refundable.

7.7 Container Purchase Fee. If Franchisee operates an Outpost or a Clubhouse, Franchisee will pay Portal Mobile Clubhouse LLC the Container Purchase Fee by electronic funds transfer, bank draft, or

certified check upon execution of this Agreement. The Container Purchase Fee is deposited into a segregated bank account maintained at JPMorgan Chase Bank, N.A. and held pursuant to the Container Asset Trust Agreement. The Container Purchase Fee will not be commingled with Portal Mobile Clubhouse LLC's other funds and may be used solely for the acquisition, construction, and delivery of Franchisee's container asset. Portal Mobile Clubhouse LLC serves as trustee and Portal serves as trust administrator under the Container Asset Trust Agreement. Funds will be released to Portal Mobile Clubhouse LLC upon commencement of construction of Franchisee's container asset. If Portal Mobile Clubhouse LLC is unable to deliver Franchisee's container asset, the Container Purchase Fee will be refunded to Franchisee in full within 30 days of written notice of non-delivery. If Portal Mobile Clubhouse LLC becomes insolvent, any funds then held in the segregated account will not constitute property of Portal Mobile Clubhouse LLC's estate and will be refunded to Franchisee. A copy of the Container Asset Trust Agreement is available for Franchisee's review upon request. The Container Purchase Fee is fully earned upon receipt and non-refundable except as provided in this section.

7.8 Setoff and Deduction. All the foregoing payments payable to Portal or Affiliates will be paid to Portal or Affiliates without any prior demand, setoff, compensation, or deduction whatsoever.

7.9 Telephone Equipment, Internet Access, and Appearance. Franchisee will pay for all associated costs for the set up, maintenance and ongoing use of Franchisee's telephone equipment and Internet access. While working in Franchisee's Portal Club, all of Franchisee's employees will be neat and clean in appearance and wear clothing that meets the specifications laid out in the Manual for the purpose of presenting a uniform image.

7.10 Transfer Fee. Franchisee will pay Portal a non-refundable transfer fee in accordance with Section 13.3(f).

7.11 Renewal Fee. Franchisee will pay Portal a non-refundable renewal fee in accordance with Section 11.2(e).

7.12 Technology Fee. Franchisee will pay the Technology Fee every month during the Term or any renewal term after Franchisee's Portal Club is open for business. The Technology Fee is due and payable on the seventh day of the month immediately following the Effective Date and on the seventh day of each month thereafter. The Technology Fee is non-refundable. Portal may increase the Technology Fee upon giving Franchisee 30 days' advance written notice, but in no event will any increase exceed CPI plus 10% per year. Routine technological support neither include support for any hardware or software obtained by Franchisee from third party suppliers (whether or not required for use in Franchisee's Portal Club) nor the replacement or upgrading of Franchisee's computer hardware or software.

7.13 Insufficient Funds Fee. Portal may charge Franchisee the lesser of (i) $100.00 or (ii) the maximum amount allowed by law for any payment returned for insufficient funds.

7.14 Electronic Withdrawals and POS System. Franchisee will:

(a) Pay all fees Franchisee owes pursuant to the Agreement in the manner Portal determines including, without limitation, payment by bank draft, certified check, credit card, automatic electronic bank account withdrawal (otherwise known as electronic funds transfer or EFT), or as Portal may otherwise direct in writing. Franchisee will execute all documents and consents including, without limitation, Portal's then-current form of Auto-Debit Authorization Agreement for payments to be made by electronic funds transfer to enable Portal to automatically withdraw money from Franchisee's bank account to remit any amounts Franchisee owes to Portal pursuant to the Agreement or any other agreement. A copy of the current form is attached as Schedule C;

(b) Participate in any other preauthorized payment plans, computerized point of sale systems, credit verification systems, electronic funds transfer systems, automatic banking systems, or other similar plans or systems as Portal may from time to time require to facilitate Franchisee's payment of all amounts owing to Portal pursuant to the Agreement by automatic bank transfer or similar process or procedure. In order to participate in these plans or systems, Franchisee will take any action necessary to implement and maintain the plans or systems at Franchisee's sole expense; and

(c) Install and maintain the POS System at Franchisee's sole expense. Franchisee will pay any amounts to Portal or third parties reasonably required to maintain the POS System and any associated administrative costs not otherwise included as part of the Technology Fee. Franchisee will purchase, install, maintain, and keep in continuous operation at Franchisee's sole expense any telephone, Internet, or other connections and communications devices Portal designates to permit the POS System to operate and allow Portal to monitor sales and other activities at the Premises. Franchisee will upgrade and update the POS System at Franchisee's sole expense to remain in compliance with Portal's specifications. Portal will have the right to engage in any electronic or manual monitoring and related activities to ensure that Franchisee is in conformance with Portal's requirements and the requirements of the Agreement. Franchisee will comply with all relevant privacy laws including, without limitation, by obtaining all required consents from Franchisee's customers to allow Franchisee to transmit or otherwise share personal information obtained from the customers with Portal.

7.15 Financial Statements and Reports. Franchisee will keep all books and records and submit all statements and reports to Portal as specified in the Agreement or as Portal otherwise requires. Any statements and reports will be prepared in the form Portal designates. Without limiting the generality of the foregoing, Franchisee will submit to Portal by electronic or other means:

(a) A written report of the Gross Revenues for each calendar month within five days of the end of the calendar month;

(b) A written report of profit and loss for each calendar quarter within 15 days of the end of the calendar quarter;

(c) A financial statement for each fiscal year that includes, without limitation, a detailed balance sheet, a statement of profit and loss, and a statement of cash flows showing the results of Franchisee's Portal Club's operations during the fiscal year within 90 days of the end of the fiscal year. Franchisee will certify to Portal that all such submitted information is true and accurate;

(d) A copy of all financial and other reports and statements required to be provided under the Lease including, without limitation, a copy of all rental statements and related communications received by Franchisee from the landlord upon Portal's written request;

(e) Such other forms, reports, records, information, or data as Portal reasonably requires including, without limitation, completed labor schedules, payroll records, and inventory purchase invoices upon Portal's written request;

(f) Any information Portal requests in order to prepare a financial performance representation for Portal's franchise disclosure document; and

(g) A report detailing Franchisee's investment costs to develop and open Franchisee's Portal Club within 120 days following the opening of Franchisee's Portal Club with costs allocated to the categories Portal directs and any other information Portal requests.

Notwithstanding the foregoing, Portal has the right to change the reporting periods or the times within which Franchisee must submit the required financial information statements and records as specified above. The reports and information described above are only for Portal's information and Portal has no obligation to review them or to report back to Franchisee.

7.16 Failure to Report Gross Revenues. If Franchisee fails to report Franchisee's previous month's Gross Revenues, Franchisee authorizes Portal to estimate the Gross Revenues and deduct an amount from Franchisee's bank account for the relevant month together with applicable taxes. The estimated Gross Revenues for any particular month will be equal to the previous month's Gross Revenues as reported or estimated plus 10%. If the actual Gross Revenues for any month differ from the estimated Gross Revenues, the correct fees based on actual Gross Revenues will be adjusted as soon as the actual Gross Revenues are known. If the amount paid is less than the amount owing, Portal may withdraw the difference with interest from the due date from Franchisee's bank account. If the amount paid exceeds the amount owing, the difference without any interest will be credited to the amount owing by Franchisee for fees for the following month. If Franchisee fails to report actual Gross Revenues for the first month in which Franchisee conducts business at the Premises, the estimated Gross Revenues for the month will be an amount Portal reasonably determines.

Portal may levy a reasonable administrative fee upon Franchisee if Franchisee does not provide Portal with all required financial and other reports set out in this Section 7.16 including, without limitation, the financial statements and reports referred to in Section 7.15, and all information regarding the Royalties, Growth System Contributions and local marketing and advertising with the fee to be paid via electronic withdrawal as set out in Section 7.14. If any of the reports or other information required to be given to Portal or Affiliates in accordance with the Agreement or any other agreement between Portal, Affiliates, and Franchisee are not received by Portal or Affiliates by the required deadline, Portal may charge Franchisee a $250.00 late submission fee per occurrence for Portal's administrative cost and not as a penalty.

Notwithstanding the payment of Royalties and Growth System Contributions, Franchisee's failure to report Gross Revenues in accordance with the Agreement or to provide the financial statements or reports referred to in Section 7.16 will constitute a default under the Agreement entitling Portal to take any action under Section 12 or otherwise as Portal deems appropriate. The remedies contained in this Section 7.16 will be in addition to any other remedies Portal or Affiliates may have at law or in equity.

7.17 Fiscal Year End. Franchisee's fiscal year end will fall on December 31 of each calendar year. If requested by Portal at any time during the Term or any renewal term, Franchisee will take any action as may be necessary to change Franchisee's fiscal year end to the year end Portal specifies.

7.18 Maintenance of Financial Records and Record Keeping Systems. Franchisee will maintain and keep at the Premises all books and records for Franchisee's Portal Club for at least six years following the end of the fiscal year to which the books and records relate. Franchisee will use accounting, recordkeeping, and reporting systems with any computer or communications equipment and software Portal specifies at Franchisee's sole expense. Franchisee acknowledges that these systems may permit Portal to directly access Franchisee's accounting and reporting data and any other related information.

7.19 Examination of Records. Portal or Portal's authorized representatives may examine, audit, and make copies of all financial books, records, statements, accounts, documents, and other material maintained by Franchisee in connection with Franchisee's Portal Club at Portal's cost and expense. Portal may enter the Premises or any other premises where such records are kept without notice to Franchisee. Notwithstanding the foregoing, if any such examination or audit discloses that:

(a) Gross Revenues have been understated in any report delivered by Franchisee to Portal by more than 3% or if an examination or audit determine that Franchisee's accounts and records are not in compliance with the terms of the Agreement, then Franchisee will bear all of the costs of such examination or audit. Upon notification of the Royalties and Growth System Contributions owing as determined on the basis of the examination or audit, Franchisee will pay to Portal an amount equal to any deficiency in the Royalties and Growth System Contributions actually paid to Portal with any interest due and payable to Portal; or

(b) Any other accounts have been misstated by more than 3% in any report delivered by Franchisee to Portal, then Franchisee may be required to conduct a review or audit of the financial statements for Franchisee's Portal Club by a firm of independent chartered professional accountants (or their equivalent) at Portal's discretion and Franchisee's expense.

7.20 Delinquent Payments and Fees. Franchisee will pay all fees payable to Portal or Affiliates in a timely manner. Any payment or fee not received on time will bear interest at a rate equal to 10% per annum from the due date until the date received by Portal or Affiliates.

7.21 Cost of Accounting and Bookkeeping Services. The cost of accounting and bookkeeping services required for Franchisee's Portal Club is Franchisee's responsibility and may vary substantially depending upon various factors including, without limitation, Franchisee's need for the services.

7.22 Use of Franchisee's Financial Statements and Records. Notwithstanding anything to the contrary in the Agreement, Franchisee irrevocably authorizes Portal to use any information, statement, report, or other material provided by Franchisee to Portal pursuant to the Agreement or otherwise obtained by Portal regarding Franchisee's Portal Club for any purposes Portal may reasonably require including, without limitation, the disclosure of the information to governmental authorities to satisfy the statutory disclosure requirements of any jurisdiction and to other franchisees and prospective franchisees of the System.

7.23 Taxes. Prior to opening Franchisee's Portal Club to the public, Franchisee will obtain all required federal, state, municipal, and other required government certifications, permits, and licenses, and furnish to Portal copies of any required permits and licenses with evidence of registration for applicable taxes. Any amounts expressed as being payable by Franchisee pursuant to the Agreement are exclusive of any applicable taxes. Franchisee will promptly pay and remit to Portal when due all taxes levied or assessed by reason of Franchisee's operation and performance under the Agreement or that may now or hereafter be payable in connection with the Initial Franchise Fee, Activation Fee, Logistics Fee, Royalties, Growth System Contributions, or any other payment required by the Agreement. The term "taxes" in this Section 7.23 means any present or future taxes, levies, imposts, duties, or other charges of whatever nature including any value-added, sales, goods and services tax, state sales tax, harmonized sales tax, any other tax required by law, and all other taxes and expenses of operating Franchisee's Portal Club and any interest or penalties thereon imposed by any government or political subdivision of such government on or relating to the operation of Franchisee's Portal Club, the payment of monies, or the exercise of rights granted pursuant to the Agreement.

The Parties will use their mutual best efforts to secure any exemption from or reduced rate of withholding or other tax (whether available under a tax treaty, statute, or regulation) with respect to any payments to Portal or Affiliates and to provide the other Party or governmental authority any information on tax forms or other filings required to secure any exemption or reduced rate of withholding tax. If any withholding or other Tax is applicable and lawfully imposed by any governmental authority, Franchisee will timely (i) pay the applicable withholding or other taxes on the fees on Portal's behalf in a timely manner, (ii) file the required tax reporting forms and returns, (iii) provide Portal with tax receipts for the

tax payments and true copies of the forms filed, and (iv) and remit the net amount of the fees to Portal or Affiliates as appropriate.

Franchisee is responsible for and will indemnify, defend, and hold the Tax Indemnified Parties harmless from and against any penalties, interest, costs, and expenses (including reasonable legal fees) incurred by or assessed against the Tax Indemnified Parties as a result of any failure or breach of Franchisee's obligations under this Section 7.23. Franchisee will fully and promptly cooperate with Portal to provide any information or records any Tax Indemnified Party requests in connection with any application or filing by any Tax Indemnified Party to any governmental authority or any information request, inquiry, or tax audit from a governmental authority with respect to the Agreement or the relationship between Franchisee and the Tax Indemnified Parties.

7.24 Withholding Payment and Set Off. Franchisee will not withhold payment of any amount due to Portal or Affiliates whatsoever on the grounds of alleged non-performance on Portal's part of any of Portal's obligations or any other reason. No endorsement or statement on any check or payment of any sum less than the full sum due to Portal will be construed as an acknowledgment of payment in full or an accord and satisfaction and Portal may accept and negotiate any check or payment without prejudice to Portal's right to recover the balance due or pursue any other remedy provided in the Agreement or by law. Portal has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Portal deems appropriate. Portal may set off against any of Franchisee's outstanding debts any payment due to Franchisee hereunder and may pay Franchisee's trade creditors out of any sum otherwise due to Franchisee at Portal's discretion.

7.25 Legal Fees. If Portal is required to enforce any provision of the Agreement against Franchisee at any time or if any amounts due from Franchisee to Portal or Affiliates are at any time collected by or through legal action, Franchisee will be liable to Portal for all associated costs and expenses of enforcement and collection including, without limitation, court costs, legal fees, and disbursements. If Portal or Affiliates are made a party to any litigation commenced by or against Franchisee, Franchisee will indemnify and hold Portal and Affiliates harmless against any related losses, damages, or claims and pay all associated costs and expenses including, without limitation, court costs, legal fees and disbursements, accountant and expert witness fees, costs of investigation, and travel and living expenses incurred or paid by Portal in connection with the litigation.

7.26 Privacy Laws. Franchisee will comply with all Privacy Laws by:

(a) Obtaining all required consents from Franchisee's customers to allow Franchisee to transmit and share personal information obtained from the customers with Portal;

(b) Cooperating with Portal to ensure Portal's access to this information as Portal may request;

(c) Complying with all of Portal's requirements regarding Privacy Laws as required by the Manual;

(d) Refraining from putting Portal or Affiliates in breach of any of the Privacy Laws;

(e) Doing and executing any act, document, or thing necessary or desirable to keep Portal and Affiliates in compliance with any of the Privacy Laws; and

(f) Permitting Portal and Affiliates to use any data or other information in compliance with the Privacy Laws gathered concerning Franchisee and Franchisee's affiliates in connection with the establishment and operation of Franchisee's Portal Club.

SECTION 8
SITE SELECTION, CONSTRUCTION, AND LEASING

8.1 Use of Premises. Franchisee will operate Franchisee's Portal Club only from the Premises. Franchisee will not use the Premises for any other purpose than those expressly permitted by the Agreement.

8.2 Site Selection and Approval. Franchisee assumes all cost, liability, expense, and sole responsibility for locating, securing, developing, constructing, and equipping a site for the Premises unless Portal otherwise directs in writing. Franchisee's proposed site for the Premises must meet Portal's specifications and then-current site selection criteria. If the Parties agree upon the location of the Premises or Territory on or before the Effective Date, the location will be described on the Summary. If the location of the Premises is not determined on or before the Effective Date, Franchisee must obtain Portal's approval of the proposed site within 180 days of the Effective Date. Franchisee acknowledges that:

(a) Franchisee will not make any binding commitment to a prospective landlord with respect to a site for the Premises unless (i) the site is approved by Portal in writing as set forth below, and (ii) any offer to lease or any renewal or amendment to any existing Lease has been submitted to and approved in writing by Portal;

(b) The location, selection, procurement, and development of a site for the Premises is Franchisee's responsibility. Franchisee will consult with real estate and other professionals of Franchisee's choosing;

(c) If a site for the Premises has not been found by Franchisee or Portal has not approved a location proposed by Franchise when the Agreement is executed, Portal may assist Franchisee with Franchisee's search for a suitable location for the Premises; and

(e) Franchisee may not relocate the Premises outside of the Territory. Should Franchisee desire to relocate the Premises within the Territory, Franchisee may only do so with Portal's prior written approval. Franchisee will reimburse Portal for any expenses incurred by Portal in connection with any relocation of the Premises.

8.3 Lease of the Premises and Addendum to Lease. Portal has the exclusive right to:

(a) Negotiate for possession of the Premises and enter into a Lease for the Premises at Portal's discretion. If a Sublandlord exercises its option to enter into a binding lease, then Franchisee will enter into a sublease for the Premises with the Sublandlord within seven business days of receipt of notice from Portal. Guarantors will indemnify the Sublandlord and the landlord against any default on Franchisee's part under the sublease. If Franchisee fails to execute and deliver an executed copy of the sublease back to the Sublandlord within the seven-day period, then Portal may terminate the Agreement by written notice to Franchisee. If requested to do so either by the Sublandlord or any landlord of the Premises, Franchisee will execute a covenant or agreement directly in favor of the landlord covenanting and agreeing to be bound by, perform, and observe all of the terms and conditions of the binding agreement to lease or any other instruments under which the right to occupy the Premises has been obtained. While the Sublandlord will attempt to secure a fair rent and lease for the Premises, under no circumstances does the Sublandlord represent or warrant that it will be the most favorable available rent and lease terms in the Territory; or

(b) Require Franchisee to enter into the Lease directly with the landlord of the Premises in a form and upon terms acceptable to Portal. Without limitation, Franchisee will ensure that the Lease entered includes the Addendum to Lease and any other terms and conditions that Portal may instruct Franchisee to

include. Franchisee will comply with the obligations and restrictions contained in the Addendum to Lease. Franchisee will submit a copy of the Lease to Portal prior to agreeing to the terms of Lease with the landlord or execution of the Lease. Franchisee will provide Portal with a fully-executed copy of the Lease and any lease renewal or extension agreement upon renewal or extension of the Lease. Franchisee will not terminate or in any way alter or amend the Lease during the Term or any renewal term without Portal's prior written approval. Any attempt to terminate, alter, or amend the Lease is null and void and has no effect on Portal's interests under the Lease and provisions to this effect must be included in the Lease. Franchisee will notify Portal in writing at least two years in advance of the expiry date of the Lease and will not renew the Lease without Portal's prior written approval which approval will not be unreasonably withheld.

8.4 No Warranty of Location or Lease and Risk Factors. Franchisee assumes ultimate and sole responsibility for selecting and accepting the location of the Premises and all terms and economics of the Lease, investigating the demographics, competitive factors, and other factors associated with the site, conducting due diligence on the Lease terms, and ultimately accepting the Lease terms. Any acceptance by Portal of a location for the Premises or Lease does not constitute an express or implied warranty of any kind regarding (i) the suitability of that location for the Premises, (ii) the potential success of Franchisee's Portal Club in that location, or (iii) the Lease terms being reasonable and standard for the area in which the Premises is located. Franchisee will not make a claim against Portal regarding the location of the Premises or any other matter relating to the Lease.

Franchisee acknowledges the following:

(a) The success of the business venture contemplated by the Agreement involves substantial risk and depends primarily upon Franchisee's ability to maintain an orderly and efficient operation offering high-quality, consistent products and services, Franchisee's engagement of a well-trained staff, and Franchisee's marketing activities and efforts. Franchisee's success may depend on other competitive factors beyond the Parties' control and the continued viability of the location of the Premises.

(b) No guarantee, warranty, or any other express or implied written or oral assurance has been given to Franchisee. Franchisee has neither received such representations from Portal nor considered any similar representations regarding the potential success of the business venture or the volume, Gross Revenues, growth rate, or profits likely to be achieved by the business venture.

(c) Selecting the location for the Premises is critical to the success of the business venture and Franchisee's sole responsibility.

(d) Despite any recommendations, advice, or direct negotiating with the landlord by Portal regarding the terms and economics of the Lease, Franchisee is ultimately and solely responsible for the terms and economic obligations of the Lease.

(e) Overall development costs may vary from Portal's estimates and increase because of local codes and regulations, permitting issues, unexpected cost increases, requirements to use more expensive union labor, regional differences in construction costs, changing market conditions for materials, equipment, labor cost, delivery charges, delays, mistakes made by suppliers, landlord requirements, or other factors. Franchisee will not hold Portal responsible for any cost variances or increases.

(f) The risk factors, representations, and acknowledgments made in this Section 8.4 are made without duress of any kind after Franchisee has fully read the Agreement and the accompanying franchise disclosure document and had the full opportunity to consult with legal counsel of Franchisee's choice.

8.5 Failure to Obtain Lease. Portal may terminate the Agreement effective upon delivery of written notice of termination to the Franchisee if (i) Franchisee fails to obtain a fully-executed Lease in a form that Portal has previously approved and a fully-executed Addendum to Lease, or (ii) Franchisee is unable to obtain the written consent of the landlord of the Premises to permit Franchisee's Portal Club to operate within 210 days after the Effective Date. Franchisee will not be entitled to any refund of fees previously paid. Portal is not responsible for any losses, costs, or expenses whatsoever incurred by Franchisee resulting from Franchisee's inability to obtain the Lease, the Addendum to Lease, or the landlord's consent.

8.6 Construction of the Premises.

(a) Franchisee will design, construct, equip, and fixture the Premises within the timetable specified by the Agreement in conformity with the Plans and in accordance with Portal's then-current System requirements at Franchisee's sole expense. Without limiting the generality of the foregoing, Franchisee will design, construct, equip, fixture, and otherwise complete the Premises (including, without limitation, by making and installing all leasehold improvements, additions, alterations, signage, fixtures, equipment, and furnishings required under the System) in order to allow Franchisee to operate Franchisee's Portal Club. Franchisee will retain and contract only with the design, engineering, and construction companies authorized by Portal to design, construct, and equip the Premises in conformity with the Plans and Portal's then-current System specifications and requirements. Portal may inspect the design, construction, and development of the Premises at all reasonable times. If Portal identifies instances where Franchisee's design, construction, development, or remodelling of the Premises is inconsistent with or does not comply with the Plans or System requirements, Portal will notify Franchisee in writing of the deficiencies and Franchisee will correct the deficiencies promptly and before opening Franchisee's Portal Club for business. Franchisee will exclusively bear all costs and expenses pertaining to the design, engineering, construction and equipping of the Premises. Portal may provide such advice and assistance to Franchisee with designing, constructing, and equipping the Premises as Portal deems advisable. Franchisee will not open Franchisee's Portal Club for business without Portal's prior written authorization that Portal may condition upon Franchisee's strict compliance with the Agreement.

Without limiting the generality of the foregoing, Franchisee will do the following at Franchisee's sole cost and expense promptly after taking possession of the Premises:

(i) Prepare and submit to Portal any proposed modifications to the Plans for Portal's review. Franchisee will not construct, equip, and fixture the Premises without first receiving Portal's written approval of any changes to the Plans;

(ii) Ensure that all applicable by-laws, building codes, permit requirements and Lease requirements and restrictions are complied with in connection with such construction;

(iii) Obtain all required building, utility, sign, health, sanitation, and business permits and licenses and any other required permits licenses and authorizations;

(iv) Purchase or lease and install all fixtures, furniture, equipment, computer hardware and software, and signage required by Portal either from Portal or Portal's designated approved suppliers and decorate the Premises in compliance with the Plans, the System and all Applicable Laws. Franchisee must only use equipment, fixtures, leasehold improvements, machinery, and signage approved by Portal in writing;

(v) Ensure that Portal's requirements regarding insurance coverage are complied with in connection with the construction and development of the Premises;

(vi) Establish computerized and manual filing, accounting, and inventory control systems conforming to requirements prescribed by Portal; and

(vii) Purchase an opening inventory of Products and supplies required for the operation of Franchisee's Portal Club in accordance with Portal's specifications and requirements.

Franchisee acknowledges that:

(i) Portal's review or inspection of Franchisee's design, construction, and development of the Premises is only for the purposes of determining compliance with System standards and does not constitute an express or implied representation, warranty, or guarantee that Franchisee's design, construction, and development of the Premises are accurate or free of error concerning their structural application or are in compliance with Applicable Laws; and

(ii) Portal may receive a Rebate if Franchisee opts to retain services from contractors and construction service providers that Portal approves or recommends.

(b) Project Management Services Offered by Portal. Notwithstanding the foregoing, if Franchisee does not use construction suppliers previously approved by Portal prior to the Effective Date and submits alternative construction suppliers for Portal's approval, Portal or Affiliates may manage and supervise the partial or full development of the Premises including any part of the design, construction, fixturing, and equipping of the Premises in conformity with System requirements at Franchisee's expense on Franchisee's behalf on an independent consultant basis. Project management services provided by Portal or Affiliates may include, without limitation, (i) space evaluation, (ii) design and package layout, (iii) interior design, (iv) telephone support, (v) project management and value engineering, (vi) recommendations for architectural services, (vii) floor plan and rough sketch-ins, and (viii) layouts for the POS System and audio systems. If Portal or Affiliates manages and supervises on Franchisee's behalf:

(i) Franchisee authorizes and directs Portal to act as Franchisee's project manager and supervisor and liaise with all design, engineering, construction, or similar firms with respect to the development of any part of the Premises and act in any manner necessary to manage and supervise the construction process on Franchisee's behalf. Portal will engage with these firms to ensure compliance with Portal's mandatory and suggested specifications for a Portal Club including Portal's requirements for dimensions, designs, image, interior layout, décor, fixtures, equipment, signage, furnishings, and the like. Franchisee will follow Portal's then-current Portal Club development protocol. Portal may require Franchisee to obtain bids from designated consultants, contractors, and vendors in connection with the development of Franchisee's Portal Club; provided, however, that Franchisee:

(y) Will be directly liable to pay all design, engineering, construction, and similar firms and all other entities with whom Franchisee directly contracts for the development of any part of the Premises; and

(z) Will indemnify and hold harmless Portal, Affiliates, and any of their directors, officers, shareholders, agents, and representatives who may perform any of the management and supervisory services contemplated in this Section 8.6(b) for any actual or consequential losses, liabilities, taxes, or damages and all costs and expenses of defending any claim brought against them related to the construction of the Premises. This indemnity continues in full force and effect subsequent to and notwithstanding Transfer or Termination for any reason. Any part of management and supervisory services may be performed by any person Portal retains on Franchisee's behalf including, without limitation, persons or entities affiliated with Portal or Affiliates; and

(ii) Portal is not obligated to solicit competitive bids for any work performed or equipment or merchandise supplied in connection with any management and supervisory services performed by Portal.

(c) Equipment Guarantees or Warranties. Any guarantees or warranties regarding the performance and function of any of the equipment selected for use in the Premises are limited to those provided by the manufacturer or supplier of such equipment.

8.7 Condition and Appearance of the Premises. Franchisee will maintain, renovate, and decorate the Premises throughout the Term in accordance with Portal's designs, plans, and specifications as outlined in the Manual or otherwise communicated to Franchisee in writing by Portal at Franchisee's sole expense. Franchisee will not alter the structure, design, layout, colors, wall coverings, or appearance of the Premises without Portal's prior written approval.

8.8 Repair and Refurbishment of Franchisee's Portal Club. Franchisee will carry out any refurbishing and renovation of Franchisee's Portal Club as Portal reasonably requires during the Term or any additional term and as a condition of renewal. Without limiting the generality of the foregoing, Franchisee will:

(a) Maintain the condition and appearance of Franchisee's Portal Club consistent with the then-current image of the System as an attractive, modern, and clean business offering high quality services and products in a prompt, courteous and professional manner;

(b) Effect any maintenance of and repairs to the Premises as is reasonably required on a regular basis and maintain the condition and appearance of the Premises including, without limitation, the signage, interior and exterior decor items, fixtures, furnishings, supplies and other items required for the operation of Franchisee's Portal Club;

(c) Repair worn out or obsolete equipment, refresh and redecorate or repair the Premises in accordance with the then-current image of the System if at any time the general state of repair or the appearance or cleanliness of Franchisee's Portal Club, equipment, or decor do not meet the then-current image of the System or System standards in Portal's reasonable opinion after Portal notifies Franchisee;

(d) Not make any alterations to the interior or exterior of Franchisee's Portal Club to materially alter its appearance or any alterations or replacements of any of the leasehold improvements, fixtures, or equipment of Franchisee's Portal Club without having obtained Portal's written approval; and

(e) Renovate, modernize, refurbish, or otherwise upgrade Franchisee's Portal Club to reflect the then-current image of the System and System standards within 90 days of receiving notice from Portal requiring renovation, modernization, refurbishment, or upgrade in accordance with plans, designs, and specifications approved by and supplied by Portal.

8.9 Failure to Repair or Refurbish. If Franchisee fails or refuses to initiate any required cleaning, maintenance, replacement, redecorating, renovation, or repair within 30 days after receipt of Portal's notice to Franchisee of Franchisee's noncompliance with this Section 8.9 or fails to diligently continue a good faith and continuous effort to complete any cleaning, maintenance, replacement, redecoration, renovation or repair, Portal will have the right, but not the obligation, to enter the Premises and effect the cleaning, maintenance, replacement, redecoration, renovation, or repair on Franchisee's behalf. Franchisee will pay to Portal the cost of the work plus a reasonable fee upon demand.

SECTION 9
OBLIGATIONS OF FRANCHISEE

9.1 Grand Opening. Franchisee will conduct a grand opening advertising, marketing, and promotional program for Franchisee's Portal Club during the period commencing 14 days before and ending 90 days after Franchisee's Portal Club opens. Franchisee will provide Portal with a summary of Franchisee's anticipated grand opening expenditures at least 30 days before Franchisee's Portal Club opens. Franchisee will obtain appropriate third party services and purchase the necessary materials to assist Franchisee in planning and conducting grand opening advertising, publicity, and public relations as Portal designates or approves.

9.2 Services, Products, and Pricing. Recognizing that all the Services and Products to be used and offered by Franchise's Portal Club must conform to Portal's standards and specifications, Franchisee will:

(a) Purchase all Services, Products, and all items required for the operation of Franchisee's Portal Club including, without limitation, fixtures, furnishings, furniture, equipment, signage, lighting, uniforms and other supplies and services only from Portal or from suppliers approved or designated by Portal. The suppliers may include any Affiliate that demonstrates the ability to meet Portal's then-current standards and specifications. Franchisee may only sell the Services and Products according to the standards and specifications set out in the Manual;

(b) Sell or offer for sale all Services and Products that have been approved for sale by Portal in writing. Portal may make any modifications to those items from time to time and Franchisee will immediately comply with the modifications. If Franchisee desires to sell an unauthorized item, Franchisee will not do so until Portal has given Franchisee written authorization to do so. This authorization may be arbitrarily withheld by Portal, withdrawn on 30 days notice, or withdrawn immediately if any health issue relating to the item arises. When authorization is given by Portal offer services other than the Services or to sell products other than the Products, the other services or products will not be used or associated with any Trademarks unless Franchisee obtains specific written authorization to do so in advance from Portal;

(c) Maintain at the Premises at all times a sufficient inventory of all Products to ensure that the Products are available to customers at all times. Franchisee will place all orders for supplies with Portal or suppliers that Portal designates with sufficient time to enable the orders to be filled within a reasonable time without detriment to the operation of Franchisee's Portal Club. Franchisee's orders will be made and filled on the terms including, without limitation, price as Portal or Portal's designated suppliers designate from time to time. Neither Portal nor Portal's designated suppliers will be liable for any delay in or failure to deliver supplies resulting from any cause beyond their reasonable control;

(d) Immediately discontinue selling and offering for sale any Services or Products that Portal may disapprove of at any time;

(e) Not solicit or provide Services or Products to customers outside of the Territory provided that Franchisee may respond to any communications from any prospective customers from outside of the Territory; and

(f) Subject to the requirements of Applicable Laws, sell or offer for sale all Services and Products at the specified retail price or in accordance with the minimum or maximum retail prices established by Portal. Where no retail price or maximum or minimum price has been specified or established by Portal with respect to a particular Service or Product, Franchisee may sell the Service or Product at any reasonable price. Franchisee will offer and participate in any retail program advertised by Portal to the public as available at other Portal Club locations including, without limitation, those retail

programs that specify one or more Services or Products at a particular price. Retail prices and specified maximum or minimum prices for Services or Products may vary from region to region to the extent deemed necessary by Portal in order to reflect differences in costs and other factors applicable to the regions. Notwithstanding the foregoing, any promotional discounts that Franchisee desires to offer must be approved by Portal before being put into effect.

(g) If Franchisee desires to use an alternate supplier that has not been approved for use by Portal, Franchisee will submit a request to use the alternative supplier to Portal. Portal has sole discretion to approve or reject an alternative supplier. Portal may require Franchisee to submit sufficient photographs, drawings, or other information and samples to determine whether the goods, products, services, supplies, inventory, equipment, materials, non-designated manufacturers, suppliers, and distributors meet Portal's general standards. Portal does not currently charge a fee for this review process, but may do so in the future. Portal will provide Franchisee with written notification of approval or disapproval of any proposed alternative supplier within 10 days after Portal's receipt of Franchisee's request. If Portal fails to notify Franchisee of approval within the 10-day period, the proposed alternative supplier will be deemed unapproved. Portal may grant approvals of new suppliers or revoke approvals of current suppliers upon written notice to Franchisee or Manual updates at Portal's discretion.

9.3 Standards of Operation. Franchisee will at Franchisee's sole cost and expense:

(a) Follow only Portal's practices as described in the Manual or as Portal designates;

(b) Meet and observe Portal's quality controls and specifications with respect to the Services and Products and will maintain Portal's standards as required by Portal's operating procedures set out in the Manual or as Portal otherwise directs in writing;

(c) Honor all credit card services that Portal authorizes in the Manual;

(d) Conform to Portal's methods and standards regarding safety, sanitation, maintenance, cleanliness, function, and appearance with respect to the Premises and Franchisee's Portal Club;

(e) Use and retain Portal's standard forms;

(f) Purchase and use illuminations, signage, posters, and displays that comply with Portal's standards and specifications;

(g) Not pledge, mortgage, hypothecate, give, create as security for an obligation, or in any manner encumber the Agreement, Franchisee's assets, or Franchisee's Portal Club except with Portal's express prior written consent; and

(h) Maintain a smoke-free environment within the Premises at all times and display such non-smoking signs in any places Portal designates.

In addition to the standards explicitly referenced above, Franchisee will not deviate from any of Portal's other standards as determined by Portal at Portal's discretion.

9.4 Full Time Effort and Supervision. At least one Guarantor will devote full time, attention, and best efforts to the management and operation of Franchise's Portal Club except to the extent that Portal specifically agrees otherwise in writing or Franchisee has engaged Portal or an Affiliate to perform management services pursuant to Section 7.6. Franchisee may hire a manager from one of Franchisee's Key Persons to assist in managing the day-to-day operations of Franchisee's Portal Club. Any Key Person

or replacement Key Person whom Franchisee hires must be approved by Portal and complete Portal's training as described in Section 6. The use of a manager in no way relieves Franchisee of Franchisee's obligations to comply with the Agreement and ensure that Franchisee's Portal Club is properly operated in accordance with the Agreement. Franchisee may appoint a Managing Party to formally communicate with Portal.

9.5 Hours of Operation. Franchisee will keep Franchisee's Portal Club open for business on the days and during hours that Portal designates in the Manual or otherwise subject to Applicable Laws and provisions of the Lease. Any variation from these days or hours must be approved in advance by Portal in writing.

9.6 Media Communications. Franchisee will not make any television, radio, or other media appearance or make any statement to any media in connection with the System, the Trademarks, or Franchisee's Portal Club, hold itself out to be Portal's representative or agent, or indicate that Franchisee is expressing any views on the behalf of Portal or the System without obtaining Portal's written consent.

9.7 Advertising and Marketing.

(a) Portal may make available to Franchisee all advertising, marketing, signage, and promotional materials for Franchisee's Portal Club that are used by Portal or other franchisees.

(b) Franchisee will use and display in Franchisee's Portal Club all (i) product identification materials, (ii) point-of-purchase promotional materials, (iii) promotional memorabilia, merchandise, and prizes, and (iv) other advertising and marketing materials Portal creates or authorizes for use. If not provided to Franchisee by the Growth System Fund, Franchisee will purchase these materials from Portal or a source designated or approved by Portal.

(c) Franchisee may develop advertising and marketing materials for Franchisee's own use at Franchisee's expense provided that the materials are prepared in accordance with Portal's standards and specifications and that Franchisee obtains Portal's approval of the advertising and marketing materials in writing at least ten days prior to use. Portal will notify Franchisee of Portal's approval or disapproval of such advertising and marketing materials within five working days after submission by Franchisee for Portal's review. If Portal fails to respond to Franchisee within the five-working day period, approval will be deemed to have been withheld.

(d) Franchisee will obtain Portal's prior written approval of all promotions, special events, sales promotion materials, marketing, or advertising used by Franchisee including, without limitation, on-site, Internet, social media, direct mail, newspaper, radio and television advertising, and advertising disseminated by third parties at Franchisee's direction.

(e) Franchisee may be required to purchase certain proprietary marketing, advertising, and promotional materials from Portal from time to time.

(f) Franchisee will actively participate in and cooperate with all of Portal's national, regional and local advertising, marketing, and sales promotion campaigns and, without limiting the generality of the foregoing, will:

(i) Display in Franchisee's Portal Club advertising and marketing material provided to Franchisee by Portal in the manner Portal specifies;

(ii) Conduct any promotions and special events, offer promotional items, and accept any coupons, gift cards, or certificates Portal requires;

(iii) Advertise and display such advertisements and solicitations on Franchisee's vehicles to attract potential franchisees to the System as Portal may require; and

(iv) Not use the name of a public figure or celebrity in Franchisee's promotional efforts or advertising or marketing without Portal's express written approval.

(g) Recognizing the value of uniform advertising, marketing, and promotion to the System Goodwill and public image of the System, Portal has maintains a Growth System Fund. Franchisee acknowledges that:

(i) The Growth System Fund will be used for Marketing Campaigns and other promotional purposes;

(ii) Portal will deposit all Growth System Contributions paid by Franchisee together with amounts contributed by Portal's other franchisees into the Growth System Fund;

(iv) Portal may change the Growth System Contribution in Portal's discretion, but in no event will an increase exceed CPI plus 10%;

(v) Growth System Contributions will be applied for the purpose of advertising, marketing, and promoting Portal's franchised and corporate-owned operations associated with the Trademarks. Portal cannot and does not ensure that any particular franchisee will benefit directly or in proportion to the franchisee's Growth System Contributions;

(vi) Portal may consult with Portal's franchisees from time to time concerning the Marketing Campaigns to be established by Portal and for that purpose may invite Franchisee and other franchisees to participate in an advisory board or association. The cost of establishing and maintaining any advisory board or association may be charged to the Growth System Fund;

(vii) Notwithstanding any consultation with franchisees, Portal may make all decisions concerning the nature and content of Marketing Campaigns as Portal reasonably deems appropriate;

(viii) Portal may determine how and what the Growth System Fund monies will be utilized for including, without limitation, (q) broadcast or print advertising, (r) the creation, development, and production of advertising, marketing, and promotional materials including, without limitation, ad slicks, radio, film, and television commercials, videotapes, direct mail pieces, Internet marketing and promotion, and print advertising, (s) any marketing or related research and development, (t) developing, enhancing, and maintaining Portal's website, intranet, or extranet, (u) vehicle advertising, point-of-sale advertising, retaining public relations firms, and uniform design, (v) advertising and marketing expenses, services provided by advertising agencies, public relations firms, or other marketing, research, or consulting firms or agencies, customer incentive programs, customer satisfaction surveys, sponsorships, marketing meetings, sales incentives, development of the Internet, Internet access provider costs, subscriptions to industry newsletters or magazines, and administrative costs, (w) expenses Portal incurs in connection with the general promotion of the Trademarks and the System, (x) providing Rebates and the like to promote and enhance the Trademarks and customer loyalty, (y) the cost of managing and administering the Growth System Fund including, without limitation, the cost of employing advertising agencies to assist Portal, legal and accounting fees and expenses, and the actual costs of salaries and fringe benefits paid to Portal's employees engaged in managing and administering the Growth System Fund, and (z) the cost of preparing

an unaudited annual statement of funds received by the Growth System Fund and expenditures made from the Growth System Fund;

(ix) Portal is not obligated to expend Portal's own funds or resources for any Marketing Campaign; and

(x) Portal may at any time reorganize the Growth System Fund as a separate non-profit corporation or other entity as Portal deems appropriate and transfer the Growth System Fund's assets to the entity. If Portal establishes a separate entity to administer the Growth System Fund, Portal may require Franchisee to become a member of the entity, sign a participation agreement, or take any other action Portal reasonably requires.

(h) Portal will provide Franchisee with an unaudited annual statement of funds received by the Growth System Fund and expenditures made from the Growth System Fund for the previous fiscal year upon Franchisee's written request. The cost of preparing the statement will be paid by the Growth System Fund. The reporting period used for the purpose of this accounting will coincide with Portal's fiscal year.

(i) Portal has the right, but not the obligation, to use collection agents and institute legal proceedings at the Growth System Fund's expense to collect Growth System Contributions due and payable by Franchisee or other franchisees. Portal may forgive, waive, settle, and compromise all claims by or against the Growth System Fund.

(j) Portal assumes no direct or indirect liability to Franchisee with respect to the maintenance, direction, or administration of Growth System Contributions or the Growth System Fund.

(k) Although Portal intends the Growth System Fund to be of perpetual duration, Portal has the right to terminate the Growth System Fund. Portal will not terminate the Growth System Fund until all monies in the Growth System Fund have been expended for advertising, marketing, and promotional purposes or returned to Franchisee (provided that Franchisee is current in Franchisee's payments to Portal, is otherwise not in breach of the Agreement, and is a current Portal franchisee) and to each other existing franchisee and corporate-owned operation at that time on a *pro rata* basis.

9.8 Employees. Franchisee will use Franchisee's best efforts to procure qualified and competent personnel in accordance with Applicable Laws, the standards established by Portal through the Manual, the Agreement, or as Portal may otherwise direct Franchisee in writing and properly train all personnel. Franchisee will have sole authority and control over the day-to-day operations of Franchisee's Portal Club and Franchisee's employees. Franchisee will be solely responsible for recruiting and hiring Franchisee's employees. Franchisee will be responsible for their training, wages, taxes, benefits, safety, work schedules, work conditions, assignments, discipline, and termination and for compliance with all workplace-related laws. At no time will Franchisee or Franchisee's employees be deemed to be Portal's employees or Portal's affiliates. Portal has no right or obligation to control or direct Franchisee's employees.

(a) Franchisee will ensure that Franchisee and Franchisee's employees comply with the Agreement, the Manual, and Applicable Laws.

(b) Franchisee's employees are not permitted to receive or request payment, monies, or payment in kind directly from customers in their personal capacities.

(c) Franchisee is responsible for:

(i) Obtaining all relevant insurances including, without limitation, liability, employment, automotive, and workers' compensation insurance for all employees in the amounts and coverages specified by Portal in the Manual or otherwise in writing, the Lease for the Premises or as otherwise required by law; and

(ii) Franchisee's employees' strict adherence to the terms and conditions of the Agreement, the standards specified in the Manual, and all other policies and procedures which Portal may specify from time to time.

(d) Franchisee will be solely responsible without limitation for compliance with Applicable Laws governing the employer-employee relationship and all rights and remedies available to employees at law or in equity and any demands, grievances, claims, losses, damages, or injuries directly or indirectly arising from or related to an employee's employment with Franchisee, presence on the Premises, or interaction with a customer or supplier of Franchisee's Portal Club or other third parties howsoever arising and whatever the issue. Franchisee will indemnify and hold Portal harmless against all of the foregoing and will not assert any claim against or seek contribution from Portal on a direct or vicarious liability basis.

9.9 Customer Service Policies and Complaints. Franchisee and Franchisee's employees will:

(a) Provide prompt, courteous, and efficient services to customers;

(b) Ensure that Franchisee's Portal Club is operated in a clean, safe, and high quality manner;

(c) Ensure that all dealings with customers, vendors, suppliers, and the public do not adversely reflect upon the Trademarks, the System, or Portal; and

(d) Conform to Portal's customer service policies as set out in the Manual or Portal otherwise determines.

Franchisee will promptly attend to any complaints from dissatisfied customers and use Franchisee's best efforts to immediately resolve any disputes involving Franchisee's customers. If Franchisee is unable to equitably resolve a complaint or issue within 24 hours after the complaint or issue arises, Franchisee will immediately provide Portal with written notice of the complaint or issue to obtain Portal's assistance. Portal reserves the right to assume carriage of the matter upon providing Franchisee with notice and Franchisee will reimburse Portal for any costs incurred by Portal to resolve the matter.

9.10 Compliance With Applicable Laws. Franchisee will comply with Applicable Laws. Without limitation:

(a) Franchisee will ensure that:

(i) All Services are provided only by qualified, trained personnel;

(ii) The Premises will be constructed and maintained in accordance with all applicable building codes and Applicable Laws;

(iii) All necessary authorizations will be obtained from Franchisee's customers, employees, and other individuals Franchisee engages with in connection with the operation of Franchisee's Portal Club in order to collect, use, or disclose personal information (as defined in Applicable Laws) for Franchisee's own purposes and will transfer or disclose the personal information to Portal or Affiliates for the purposes contemplated by the Agreement; and

(iv) By providing personal services, Franchisee is in compliance with all policies issued by governmental authorities of competent jurisdiction.

(b) There may be Applicable Laws that affect the operation of Franchisee's Portal Club and conflict with Franchisee's obligation to comply with the System standards or negatively impact the financial performance of Franchisee's Portal Club. Franchisee will advise Portal immediately of any such Applicable Laws and maintain the System standards to the fullest possible extent.

(c) It is Franchisee's responsibility to identify, understand, and comply with all Applicable Laws. Portal may communicate information to Franchisee about Applicable Laws of which Portal is aware, but nothing in the Agreement requires Portal to research, identify, or otherwise make available to Franchisee information concerning Applicable Laws or protect Franchisee from the negative impact of any Applicable Laws. Franchisee is not relying in any way upon any express or implied representation or warranty by Portal or anyone associated with Portal that the System complies with Applicable Laws.

9.11 General Security Agreement.

(a) To secure payment and performance of any obligations time owing by Franchisee to Portal, Franchisee will grant Portal upon Portal's request and pursuant to Portal's then-current standard form of agreement or document a security interest in any of the assets used in connection with Franchisee's Portal Club or any other assets as Portal deems advisable to secure payment and performance of any obligations owing by Franchisee to Portal or Affiliates. Without limiting the generality of the foregoing, Franchisee will execute the General Security Agreement attached as Schedule E contemporaneously upon execution of the Agreement. The security interest constituted under the General Security Agreement will be subordinate to any security interest granted by Franchisee in connection with financial institution financing for the opening of Franchisee's Portal Club or the operating line of credit for Franchisee's Portal Club, but may not be subordinate to any security interest granted by Franchisee to any landlord or any other third party and only to the limited extent that the security interest does not entitle or permit the secured party to take possession of or operate Franchisee's Portal Club or transfer Franchisee's interest in the franchise without Portal's consent.

(b) Portal may require Franchisee to grant Portal a purchase money security interest over any of Franchisee's inventory, equipment, or leasehold improvements financed by Portal.

(c) Except as described in Section 9.11(a), Franchisee will not grant any security interest in the Agreement, Franchisee's Portal Club, or any ownership interest in Franchisee without Portal's prior written consent. If Portal consents to the grant of a security interest, Franchisee will obtain the secured party's written agreement that if Franchisee defaults under the security interest, Portal or Portal's designee will be notified of the default and have the right, but not the obligation, to be substituted as an obligor to the secured party or to cure the default. In no event will this requirement be construed to make Portal liable to Franchisee or any secured party.

9.12 Insurance. Franchisee will purchase and continuously maintain at a minimum the following insurance coverage during the Term:

(a) Insurance on Franchisee's inventory, fixtures, furniture, equipment, and wares in an amount equal to no less than the full replacement cost thereof with coverage against all risks on a broad form basis;

(b) Commercial general liability and property damage insurance including personal injury liability, contractual liability, public liability and employer's liability, advertising liability and non-owned auto liability with coverage of not less than $5,000,000.00 for any one occurrence and such greater amount as may be specified from time to time by Portal and tenant's legal liability in an amount acceptable to the landlord of the Premises;

(c) Commercial general liability and comprehensive vehicle insurance coverage on all vehicles used in the operation of Franchisee's Portal Club;

(d) Insurance coverage that meets the levels required by Franchisee's landlord including, without limitation, tenant's legal liability in an amount acceptable to the landlord of the Premises;

(e) Business interruption insurance on a profit basis or actual loss sustained basis for a period of at least nine months;

(f) Commercial builders risk policy, which policy must include liability and be placed before any work commences and must last for the duration of any renovations contemplated by the Agreement. All contractors will be required to provide Franchisee with a certificate of insurance adding both Franchisee and Portal as additional insureds;

(g) Any other insurance coverage required by the jurisdiction in which Franchisee operates or as is reasonably required by Portal or the landlord of Franchisee's Premises in such amounts as required by Portal, the landlord, or Applicable Laws including, without limitation, flood, sewer backup, earthquake, boiler, and machinery insurance;

(h) Workmans' compensation or similar insurance as required by Applicable Laws; and

(i) Any other insurance in the amounts as Portal reasonably requires from time to time or as required by Applicable Laws.

Insurance coverage will be obtained from insurers acceptable to Portal. Franchisee will furnish Portal with certified copies of each of the insurance policies described above within seven days of execution of the Agreement. Each insurance policy must provide that it cannot be cancelled without 15 days prior written notice to Portal. Franchisee will promptly refer all potential claims against Franchisee or Portal to Franchisee's insurer and notify Portal of any potential claims.

Portal may require Franchisee to change Franchisee's insurance amounts from time to time upon Portal's written demand. All insurance policies must be renewed on a timely basis and copies of all insurance policies and certificates together with evidence of payment of premiums must be delivered to Portal at least 30 days prior to the expiration of the insurance policies. Portal reserves the right to add to, change, or otherwise modify the types of coverage or the amounts or minimum amounts of insurance coverage in the Manual or otherwise to reflect industry practices and Portal's experience.

Each insurance policy maintained by Franchisee must (i) name Franchisee as the insured, (ii) name Portal, Affiliates, and their successors, assigns, and directors as additional insureds (Portal will provide Franchisee with a list after Franchisee sign the Agreement), (iii) name the landlord of the Premises and its affiliates as additional insureds, (iv) require the insurer to defend each person or entity if there is a claim, (v) provide that any liability coverage afforded applies separately to each person or entity against which a claim is brought as though a separate policy had been issued to that person or entity, (vi) contain no provision that limits or reduces coverage if there is a claim by one or more additional insured party or by reason of any insurance that may be maintained by Portal except for standard deductibles, and (vii) provide

coverage for Franchisee's indemnification obligations under the Agreement. Coverage for the additional insured parties will apply on a primary basis irrespective of any other insurance whether collectable or not. All insurance policies must be issued by a reputable insurer with an underwriting rating of A- or better and include a waiver of subrogation in Portal's favor.

Notwithstanding anything to the contrary contained in this Section 9.12, Portal neither assumes any obligation for any premium or other insurance costs nor guarantees any losses sustained. It is Franchisee's sole responsibility to determine what insurance coverage is required for Franchisee's purposes for Franchisee's Portal Club, the Premises, or otherwise. Portal makes no representation that Portal's minimum insurance requirements constitute advice or a representation that the insurance coverages are necessary or adequate to protect Franchisee from all losses incurred in connection with Franchisee's Portal Club. Nothing prevents or restricts Franchisee from acquiring or maintaining insurance coverage with higher policy limits or lower deductibles than Portal requires. Failure by Franchisee to maintain insurance coverage will not relieve Franchisee of any contractual responsibility, indemnification obligation, or other liability under the Agreement.

9.13 Modification of System, Portal Club Concept, Trademarks, and the Manual. Portal may replace, change, or modify the System, the Portal Club concept, the Trademarks, or the Manual from time to time for any reason. These reasons include, without limitation, the need to (i) respond to changes in consumer demands or expectations and buying or market trends, economic conditions, technological advances and laws, or for other reasons, (ii) seize efficiencies made possible by growth of the System, (iii) implement efficiencies made possible by technological advances or resulting from Portal's research and development activities, (iv) implement co-branding alliances with other companies, and (v) meet competition and marketing conditions. Without limiting the foregoing, Portal reserves the right to add, modify, replace, terminate, or suspend without Franchisee's approval or consent:

(a) Portal's authorized suppliers and vendors;

(b) Any services or products including, without limitation, the Services or Products used or offered by Franchisee's Portal Club;

(c) Trade dress standards associated with the System;

(d) Standards for customer service; and

(e) The electronic data processing, communications equipment and facilities, computer hardware and software and other equipment, fixtures and merchandising used or offered by Franchisee.

Franchisee will accept, use, and implement any changes and make any related expenditures or modifications as may be required pursuant to this Section 9.13. Portal may grant a variance or exemption from the Manual based on any conditions that Portal deems to be of importance to the operation of a particular Portal Club including the characteristics of a particular location or circumstance, business potential, or relevant laws. Portal will have no obligation to grant the same or similar variance or exemption to another franchisee and Franchisee will have no recourse against Portal for any variance or exemption granted to another franchisee.

9.14 Customer Loyalty, Gift Certificate, Gift Card, and Other Promotional Programs. Franchisee will fully participate in any advertising, sales, and promotional events and marketing programs organized or conducted by Portal, Affiliates, or Portal's authorized suppliers that Portal or they may develop and offer from time to time including, without limitation, by participating in, accepting, and honoring all:

(a) Customer loyalty and reward programs;

(b) Contests, sweepstakes, and other prize promotions;

(c) Warranty programs;

(d) Credit cards, courtesy cards, and other credit devices, programs, and plans as may be issued or approved by Portal from time to time. Any reasonable and customary service charges or discounts from reimbursements charged on these cards or authorizations will be at Franchisee's sole expense;

(e) Promotional materials issued by other franchisees and presented to Franchisee for redemption; and

(f) Coupons or similar promotional materials prescribed by Portal for use in connection with Franchisee's Portal Club.

Portal will communicate to Franchisee in writing the details of any program or promotion. Franchisee will promptly display all point-of-sale advertising, marketing, and promotion-related information at any places Portal designates including any vehicles operated by Franchisee. Franchisee will purchase and distribute all coupons, clothing, and other collateral merchandise designated by Portal for use in connection with any program or promotion.

To the extent that Portal develops or authorizes the sale of gift cards, gift certificates, or stored value cards, Franchisee will acquire and use any computer software and hardware necessary to process their sale and purchases made using them at Franchisee's sole expense. All proceeds from the sale of any gift cards, gift certificates, or stored value cards belong exclusively to Portal and Franchisee will remit the proceeds of the sales to Portal. Portal will reimburse or credit Franchisee the redeemed value of gift cards, gift certificates, or stored value cards accepted by Franchisee as payment for Services or Products sold by Franchisee's Portal Club.

Franchisee will waive all claims and indemnify and hold Portal and Affiliates harmless from any losses resulting from charges incurred by Franchisee as a result of honoring any gift cards, gift certificates, or authorizations for credit and identification purposes.

9.15 Signage. Franchisee will only use signage approved by Portal and only apply Portal's approved decals and logos on Franchisee's equipment, machinery, and vehicles. Franchisee will keep Franchisee's signage clean, legible, and free of tears, paint problems, punctures, cuts, and graffiti.

9.16 Websites and Social Media. Franchisee is not permitted to create or operate Franchisee's own website or webpages. Franchisee will not use, publish, or in any way incorporate any of the Trademarks in any form of social media including, without limitation, Meta, Twitter, MySpace, LinkedIn, Instagram, or YouTube whether or not such social media platform is used for commercial gain. Franchisee has no right, title, or interest to any webpage on any of Franchisee's social networking sites including, without limitation, all "fans," "followers," "friends," and "contacts" associated therewith that mention, use, or refer in any way to Portal's intellectual property even if such webpage is established by Franchisee or otherwise held in Franchisee's name or the name of any of Franchisee's owners. Upon Termination, Franchisee will immediately take whatever steps are necessary to cancel or dismantle any such social networking account or webpage or transfer the account or webpage and all related information to Portal. Portal retains the sole right to advertise on the Internet and create a website using any of the Trademarks or any variation of the Trademarks. Within five days of Portal's request, Franchisee will dismantle any frames and links between Franchisee's web pages and any other websites. Franchisee will comply with any policies related to the

Internet, social media, and the use of the Trademarks in the public domain as Portal establishes in the Manual or otherwise. Portal may establish certain online social media pages for Franchisee's Premises at Franchisee's expense and provide Franchisee with access to these social media pages to post content that complies at all times with any policies related to the Internet, social media, or the use of the Trademarks in the public domain as established by Portal in the Manual or otherwise. Portal will retain all rights in these social media pages and Portal may terminate any social media pages at any time or terminate Franchisee's access to post content to such pages.

9.17 Inspection and Evaluation. Portal, Affiliates, or Portal's or their authorized representatives will have the right during Franchisee's normal business hours to enter the Premises without notice to inspect, evaluate, and determine whether provisions of the Agreement are being observed by Franchisee, Franchisee's Key Persons, and Franchisee's other employees. As part of any inspection, evaluation, or determination, Portal will have the right to:

(a) Inspect, copy, evaluate, test, sample, and observe the Premises, equipment, Services Products, inventory, supplies, receipts, records, statements, Franchisee's employees' procedures, and Franchisee's handling, storage, production, serving, and sanitization procedures;

(b) Interview Franchisee's Key Persons or employees;

(c) Conduct a "secret shopper" program;

(d) Designate and distribute customer response cards in the form that Portal prescribes; and

(e) Conduct an Evaluation.

Franchisee, Franchisee's Key Persons, and Franchisee's employees will cooperate with Portal in relation to any Evaluation. Franchisee will promptly correct any condition noted as an issue during an Evaluation. If Portal determines that any condition in the Premises presents a threat to customers or to the public's health or safety, Portal may take any measures Portal deems necessary including requiring Franchisee to immediately suspend operations or close Franchisee's Portal Club until the issue is remedied to Portal's satisfaction. Any of Portal's findings from an Evaluation may be utilized by Portal as grounds for establishing that Franchisee is in default of the Agreement. Franchisee will follow all of Portal's suggestions to improve the services offered by Franchisee based on the results of any Evaluation.

9.18 Additional Covenants. Franchisee will:

(a) Promptly deposit all monies of Franchisee's Portal Club in a bank account maintained specifically for that purpose;

(b) Pay all taxes, charges, and expenses arising in connection with Franchisee's Portal Club including, without limitation, rent, repair and maintenance charges, insurance premiums, wages and employer levies, business taxes, withholding taxes, utility charges, and accounts for goods and services purchased in connection with the operation of Franchisee's Portal Club. Franchisee will produce receipts showing payment of all such expenses which become due and payable during the one-year period immediately preceding Portal's request upon Portal's request;

(c) Promptly and completely observe and perform all terms, covenants, conditions, and agreements required of Franchisee by any agreement between Franchisee and Portal; and

(d) Participate and assist Portal in any discovery days, franchise shows, and other seminars featuring the System as Portal reasonably requests.

SECTION 10
OBLIGATIONS OF PORTAL

Except as set forth below, Portal need not provide any other assistance to Franchisee.

10.1 Prior to Opening Franchisee's Portal Club. Before Franchisee opens Franchisee's Portal Club, Portal will provide Franchisee with the following assistance:

(a) Evaluate any site for the Premises proposed by Franchisee;

(b) Loaning Franchisee a copy of the Manual;

(c) Providing Franchisee with the initial training described in Section 6;

(d) Providing Franchisee with a list of equipment, supplies, approved suppliers, and all opening inventory necessary to open Franchisee's Portal Club;

(e) Providing Franchisee with assistance and consultation regarding Franchisee's initial marketing efforts and the organization of Franchisee's Grand Opening; and

(f) Providing Franchisee with consultation regarding Franchisee's initial staffing needs and potential employee evaluations. Franchisee will ultimately be responsible for all matters relating to the hiring, performance, qualification, and dismissal of Franchisee's employees.

10.2 During the Operation of Franchisee's Portal Club. During the operation of Franchisee's Portal Club, Portal may:

(a) Develop the System through means Portal determines including, without limitation, advertising and marketing initiatives;

(b) Make a representative reasonably available to Franchisee via the telephone or e-mail during Portal's normal business hours as Portal determines is necessary to discuss Franchisee's Portal Club and offer marketing, strategic, or general advice regarding Franchisee's Portal Club. Franchisee is responsible for any applicable charges that may apply for any additional assistance or resources);

(c) Promote the System at selected industry events and franchise expositions;

(d) Provide Franchisee with advice and direction pertaining to the operation of Franchisee's Portal Club through, without limitation, scheduled consultations and reviews;

(e) Conduct a Conference for the benefit of the System. Franchisee may be required to pay a fee for any Conference whether or not Franchisee attends the Conference;

(f) Provide Franchisee with public relations release formats, local marketing plans, and materials including, without limitation, promotional materials, newspaper advertisements, radio commercials, sales aids, and other marketing materials. Portal may charge Franchisee a reasonable fee for the provision of these materials;

(g) Provide you with additional or remedial training as Franchisee requests or Portal determines is necessary from time to time at our corporate headquarters, other locations, or virtually. Franchisee may be required to pay a fee to participate in any additional or remedial training; and

(h) Develop new services and products that may be used by Franchisee in Franchisee's Portal Club including, without limitation, modifications to the Services and Products.

SECTION 11
TERM AND RENEWAL

11.1 Term. The Term of the Agreement is the lesser of (i) ten years from the Opening Date, or (ii) the term of the Lease (or sublease less one day) and any exercised extensions of the Term thereunder unless terminated sooner in accordance with the terms and conditions of the Agreement.

11.2 Renewal. Subject to Franchisee's compliance with all covenants, obligations, and provisions in the Lease and the Agreement (including, without limitation, this Section 11.2, Franchisee may renew the Term for two additional renewal terms equal to the lesser of (i) a period of five years commencing on the expiration of the initial Term or then-current renewal term or (ii) the term renewal of the Lease (or sublease less one day) and any exercised extensions of the term thereunder. Franchisee may only exercise this renewal right if each of the following conditions are satisfied:

(a) Franchisee gives Portal written notice exercising this renewal right and the notice is given during the 60-day period immediately preceding Term or the then-current term expiration;

(b) Franchisee substantially observed and performed all of the terms, covenants, conditions and agreements on Franchisee's part under the Agreement during the Term or then-current term and is in full compliance with the Agreement and all other agreements between Franchisee, Portal, or Affiliates at the expiration of the Term or then-current term;

(c) Franchisee satisfied all monetary obligations owed to Portal and Affiliates under the Agreement and all other agreements during the Term or then-current term in a timely manner between Franchisee, Portal, or Affiliates;

(d) Franchisee and Guarantors enter into Portal's then-current form of Franchise Agreement (which form of Franchise Agreement may differ substantially from the Agreement and which Franchise Agreement will supersede the Agreement) before the expiration of the Term or then-current term. Franchisee will not be obligated to pay an additional initial franchise fee under this form of Franchise Agreement, but Franchisee will pay to Portal all other amounts provided for in this form of Franchise Agreement including, without limitation, higher Royalties, Growth System Contributions, or other fees required by the form of Franchise Agreement;

(e) Franchisee pays a renewal fee equal to $10,000.00 plus legal fees and disbursements incurred by Portal in connection with the renewal before the expiration of the Term or then-current term;

(f) Franchisee completes any additional or remedial training to Portal's reasonable satisfaction that Portal requires;

(g) Each of Franchisee and Guarantors execute and deliver a release of Portal, Affiliates, and their respective officers, directors, agents, and employees of all claims to the extent permitted by law;

(h) Franchisee completes all renovations, refurbishment, or repairs of Franchisee's Portal Club as Portal reasonably requires to meet Portal's then-current standards and image using providers previously approved by Portal;

(i) Franchisee provides Portal with a complete set of financial statements and reports for Franchisee's Portal Club for the last two fiscal years immediately preceding the date of renewal;

(j) The Lease contemplates a renewal term and the landlord of the Premises consents to a renewal or extension of the Lease if the landlord's consent is required; and

(k) Franchisee is otherwise able to maintain possession of the Premises pursuant to a lease directly with the landlord or a sublease from Portal or Affiliates in Portal's then-current standard form.

Except as described in this Section 11.2, Franchisee will have no further option or right to renew or extend the Term.

11.3 Overholding. If Franchisee does not sign Portal's then-current form of Franchise Agreement in accordance with Section 11.2(d) above and continues to operate Franchisee's Portal Club following the expiration of the Term or then-current term, then Portal may treat the Agreement as:

(a) Expired as of the date of expiration of the Term or then-current term. In such event, Franchisee is deemed to be operating Franchisee's Portal Club without a license to do so in violation of Portal's rights and in breach of the Agreement; or

(b) Continuing for an Interim Period. In such event, all of Franchisee's and Portal's rights and obligations under the Agreement remain in full force and effect during the Interim Period as if the Agreement had not expired and all obligations and restrictions imposed on Franchisee upon Termination of the Agreement are deemed to take effect upon termination of the Interim Period.

SECTION 12
DEFAULT AND TERMINATION

12.1 Portal's Termination Rights With Notice. Portal may terminate the Agreement if Franchisee fails to cure any of the following defaults within 30 days from the date of Portal's issuance of a written notice of default outlining Franchisee's failure to:

(a) Promptly remove any involuntary lien upon any of Franchisee's business assets or property;

(b) Transfer or attempt to Transfer any of Franchisee's rights or obligations under the Agreement in accordance with the terms and conditions of the Agreement or to obtain Portal's prior written consent prior to any purported Transfer;

(c) Comply with Section 14.1 upon the death or Permanent Disability of Franchisee or Franchisee's controlling interest holder if Franchisee is a business entity;

(d) Secure and maintain required insurance after three days' written notice requiring the deficiency to be cured;

(e) Supply Portal with reports regarding Gross Revenues receipts and business activities or other financial or other information required by the Agreement;

(f) Accurately report Franchisee's Gross Revenues so that they have been understated in any report delivered by Franchisee to Portal by more than 5%;

(g) Use the techniques, training, and methods promulgated by the Manual;

(h) Apply Franchisee's full efforts to the performance of Franchisee's duties under the Agreement that are necessary for the proper and effective operation of Franchisee's Portal Club;

(i) Keep true and accurate business records and books in accordance with Portal's procedures or to make available those items deemed necessary for Portal's inspection;

(j) Maintain the standards of good conduct and appearance designated by Portal to assure continuity of quality, appearance, and professionalism;

(k) Complete the initial training program on the earlier of (i) 30 days prior to opening, or (ii) 180 days after the Effective Date;

(l) Comply with the restrictions against competition or solicitation set out in the Agreement;

(m) Obtain and maintain all required licenses or governmental approvals and to cure the default within five days following written notice from Portal or any governmental authority;

(n) Comply with any law or regulation applicable to the operation of Franchisee's Portal Club and to observe such requirements within five days of written notice from Portal or any governmental authority without respect to the standard 30-day cure period;

(o) Renovate or refurbish the Premises in accordance with Portal's standards and specifications; or

(p) Comply with any requirement imposed by the Agreement or to carry out the terms of the Agreement in good faith except as otherwise provided in Section 12.2 of the Agreement.

12.2 Portal's Termination Rights Without Notice. Notwithstanding Section 12.1, Portal may immediately terminate the Agreement without notice to Franchisee and Franchisee will have no right or opportunity to cure the default if any of the following events occur:

(a) Franchisee fails to make timely payment to Portal of any sums payable to Portal pursuant to the Agreement or any other agreement between Franchisee and Portal after five days' written notice to Franchisee of the failure to pay;

(b) Franchisee fails to cure a default under the Agreement within ten business days after receipt of notice that materially impairs the System Goodwill;

(c) Franchisee or Franchisee's Portal Club are declared or judicially determined to be insolvent, Franchisee commits an act of bankruptcy, all or a substantial part of Franchisee's or Franchisee's Portal Club's assets are assigned to or for the benefit of any creditor, Franchisee admits Franchisee's inability to pay Franchisee's debts as they become due, or a liquidator, trustee in bankruptcy, custodian, receiver, receiver, manager, sheriff, constable, or any other officer with similar powers is temporarily or permanently appointed by a court of competent jurisdiction with authority over Franchisee's Portal Club's operations;

(d) Franchisee's Portal Club is seized, taken over, or foreclosed upon by a governmental official in the exercise of its duties, or seized, taken over, or foreclosed upon by a creditor, lien holder, or lessor, a final judgment against Franchisee remains unsatisfied for 30 days, or a levy of execution is made upon Franchisee's Portal Club or upon any property used in Franchisee's Portal Club that is not discharged within five days of the levy;

(e) A bankruptcy order is made against Franchisee by a court of competent jurisdiction;

(f) Franchisee abandons Franchisee's Portal Club by failing to operate Franchisee's Portal Club for three consecutive business days during a time Franchisee is required to operate Franchisee's Portal Club under the terms of the Agreement or any shorter period after which it is not unreasonable to conclude that Franchisee does not intend to continue to operate Franchisee's Portal Club unless the failure is due to a fire, flood, earthquake, or other similar causes beyond Franchisee's control;

(g) Franchisee makes any material misrepresentation relating to the acquisition or operation of Franchisee's Portal Club;

(h) Franchisee engages in conduct that reflects materially and unfavorably upon the Trademarks, Franchisee's Portal Club, or the operation and reputation of the System;

(i) After curing any failure in accordance with Section 12.1 above, Franchisee engages in the same conduct or noncompliance whether or not the conduct or noncompliance is corrected after notice is given to Franchisee;

(j) Franchisee commits on three occasions a breach or default of one or more requirements of the Agreement within any consecutive twelve-month period whether or not the breach or default is of the same or different nature and whether or not the breach or default has been corrected;

(k) Franchisee or any of Franchisee's principals, directors, owners, or managers are convicted of a criminal offense that Portal reasonably believes is likely to have an adverse effect on the System, the Trademarks, the System Goodwill, or the System's reputation;

(l) Portal makes a reasonable determination that continued operation of Franchisee's Portal Club by Franchisee will result in an imminent danger to public health or safety;

(m) Franchisee or any of Franchisee's principals, directors, owners, or managers commits fraud in connection with the operation of Franchisee's Portal Club;

(n) Franchisee purchases (i) unapproved products or (ii) approved products from suppliers not approved by Portal;

(o) Franchisee offers or sells as a part of Franchisee's Portal Club's operations any unapproved service or product, or Franchisee ceases to offer or sell any of the Services or Products required by Portal;

(p) Franchisee gives any security interest in any of Franchisee's property or assets of Franchisee's Portal Club or sells any property or assets without first receiving Portal's prior written consent so that the foregoing materially impairs the operations of Franchisee's Portal Club or any security interest that Portal may have in the Agreement;

(q) Franchisee fails to timely pay any vendors, suppliers, or landlord more than two times during the Term or then-current term;

(r) Franchisee fails to open Franchisee's Portal Club for business within 240 days of the Effective Date except where the failure is due solely to an unavoidable delay referred to in Section 18.8;

(s) Franchisee interferes or attempts to interfere with Portal's ability or right to franchise or license others to use and employ the Trademarks or the System;

(t) Franchisee interferes or attempts to interfere with Portal's contractual relations with other franchisees, customers, employees, advertising agencies, or any third parties;

(u) Franchisee fails to maintain the confidentiality of any information designated by Portal as confidential;

(v) Franchisee's or Franchisee's employees' conduct materially and adversely affects the System, the Trademarks, Portal's goodwill, or Portal's reputation;

(w) Franchisee or Franchisee's employees knowingly maintain false books or records or submit any false reports to Portal;

(x) Franchisee fails to execute and deliver back to Portal the Lease or the Addendum to Lease on the earlier of Portal's execution of the Addendum to Lease or 210 days following the Effective Date; or

(y) The Lease is terminated for any reason or if Franchisee otherwise loses the right of possession of the Premises.

If any valid Applicable Laws or regulations of a competent governmental authority with jurisdiction over the Agreement or the Parties limit Portal's rights of termination under the Agreement or requires longer notice or cure periods than those set out above, then the Agreement is considered modified to conform to the minimum notice, cure periods, or restrictions upon Termination required by the laws and regulations. Portal is not precluded from contesting the validity, enforceability, or application of the laws or regulations in any action, proceeding, hearing, or dispute relating to the Agreement or Termination.

12.3 Obligations of the Franchisee After Termination. Upon Termination for any reason, Franchisee will immediately:

(a) Cease operating Franchisee's Portal Club;

(b) Cease using all of the Trademarks, the System, the Manual, Franchisee's telephone number, and any other property connected with Franchisee's Portal Club;

(c) Transfer any ownership rights that Franchisee or Franchisee's employees, agents, or contractors may have developed in relation to the System and Franchisee's Portal Club;

(d) Return the Manual and all other confidential or proprietary material to Portal;

(e) Pay Portal the greater of (i) any amounts due or owing to Portal or Affiliates by Franchisee including, without limitation, unpaid accrued and future Royalties, Growth System Contributions, or any other fees payable by Franchisee under the Agreement, Lease, or otherwise, or (ii) liquidated damages of

$100,000.00 for an Outpost, $120,000.00 for a Clubhouse, or $180,000.00 for a Brick & Mortar. Liquidated damages are payable in addition to any other remedies Portal may have at law or equity;

(f) Assign all right, title, and interest to all of Franchisee's business telephone numbers pursuant to the Listing Assignment Agreement and execute any further documents or instruments or instructions necessary to further effect the assignment;

(g) Acknowledge that Franchisee has no interest in Franchisee's Portal Club and that all of Franchisee's rights and privileges under the Agreement are terminated;

(h) Remove all identification of the System from the Premises and make any other modifications Portal specifies at Franchisee's sole expense;

(i) Cancel any business names, trade names, or any other similar registrations that contain any of the Trademarks and provide Portal with evidence of cancellation;

(j) Dismantle any social media site, blog, or similar Internet webpage controlled by Franchisee that contains any of the Trademarks;

(k) Assign Franchisee's remaining interest in any Lease then in effect for the Premises (although Portal will not assume any past due obligations) to Portal or Portal's assignee upon demand; and

(l) Lose all of Franchisee's rights to use of the Trademarks and all other rights and licenses granted in the Agreement. The right and license to conduct business under the Trademarks at the Premises will revert to Portal without further act or deed of any party.

12.4 Survival. Provisions of the Agreement that by their very nature are intended to survive Termination including, without limitation, any confidentiality, restrictive covenants, indemnities, guarantees, or other similar provisions will survive Termination for the periods referred to in the Agreement.

12.5 Cross Default. Breach by Franchisee, any of Franchisee's affiliates, or any Guarantor of (i) any other agreements between Portal and Franchisee that are executed pursuant to the Agreement, (ii) any other Franchise Agreement between Portal and Franchisee, any of Franchisee's affiliates, or any Guarantor, (iii) any other agreement between Portal or Affiliates and Franchisee, any of Franchisee's affiliates, or any Guarantor, or (iv) any agreement entered into by Franchisee and a third party in relation to Franchisee's Portal Club constitutes a breach by Franchisee of the Agreement and Portal may terminate the Agreement for the breach.

12.6 Acceleration of Note and Security Interest. If Termination for any reason occurs and Portal is the lender under any loan, the holder of any note, or the holder of any documented security interest from Franchisee concerning assets used at any time by Franchisee in Franchisee's Portal Club, the loan, note, or security interest will become immediately fully due and payable upon the effective date of Termination as to all principal and interest loaned and secured.

12.7 Portal's Option to Purchase the Franchise Assets.

(a) Unless otherwise provided by the Agreement, Portal may exercise the rights set out in this Section 12.7 immediately upon:

(i) The Termination of the Agreement for any reason; or

(ii) Any breach, default, or other event that gives Portal the right to terminate the Agreement after expiration of any applicable notice and cure period.

(b) Upon any event described in Section 12.7(a), Portal or Portal's designee will have the right, but not the obligation, to purchase all of Franchisee's right, title, and interest in Franchisee's Portal Club, and the Franchise Assets or a portion of the Franchise Assets in accordance with the following:

(i) The Purchase Price will be the then-current fair market value of the Franchise Assets less any (w) liens, encumbrances and security interests on the Franchise Assets, (x) depreciation from the date of acquisition of the Franchise Assets calculated monthly at the rate of 20% per year on the declining balance, (y) consideration allocated to System Goodwill, and (z) amounts due from Franchisee to Portal under the Agreement including any interest and Portal's legal fees and disbursements (including, without limitation, the cost of Portal's appraisal of the Franchise Assets); and

(ii) Portal may set off all amounts due from Franchisee under the Agreement, the Lease, or any other agreement between Portal or Affiliates and Franchisee including any interest.

(c) Portal will provide Franchisee with a Notice of Intent during the Option Period. The Notice of Intent will identify the assets to be purchased and the fair market value as determined by Portal. Franchisee has 14 days following receipt of Portal's Notice of Intent to object to any of the prices specified therein and any disputes over pricing must be resolved through appraisal as specified by Section 12.7(b)(i)). If Portal declines to exercise Portal's rights under this Section 12.7 before the expiration of the Option Period, Franchisee may thereafter sell or dispose of Franchisee's improvements, furniture, fixtures, and equipment to a third party on any terms acceptable to Franchisee, but Franchisee will not sell or dispose of Franchisee's accounts, contract rights, customer lists, or vendor lists.

(d) The purchase and sale contemplated in this Section 12.7 must be consummated as soon as practicable. Following the delivery of a Notice of Intent as specified in Section 12.7(c), Portal or Portal's designee have the right to take possession of the Franchise Assets and to carry on and develop the Franchise Assets for Portal's exclusive benefit or for the benefit of Portal's designee.

12.8 No Participation When in Default. If Franchisee is in default of any of Franchisee's obligations under the Agreement, Portal may prevent Franchisee, Franchisee's Key Persons, or any other of Franchisee's personnel from attending any Conference or any convention, program, seminar, or any other meetings held for the benefit of Portal's franchisees and Franchisee may not stand for election for or serve as a member of any committee of franchisees formed by Portal without Portal's prior approval. If the default occurs during a period when Franchisee is a member of a committee, Portal may suspend Franchisee from serving on the committee until the default is cured, appoint another franchisee to serve on the committee during the default period in Franchisee's stead, or terminate Franchisee's position altogether at Portal's option.

12.9 Interim Operation of Franchisee's Portal Club by Portal. Franchisee will pay Portal a reasonable management fee not to exceed our then-current Management Fee rate and reimburse Portal for Portal's reasonable expenses incurred including, without limitation, any related travel costs and accommodation costs for Portal's employees, contractors, and agents upon receipt of Portal's written demand for payment if Franchisee is in default of the Agreement and subject to Interim Operation. Franchisee will indemnify Portal and Portal's employees, contractors, and agents for any claims arising from Interim Operation. During Interim Operation, Portal may exclude Franchisee and any of Franchisee's owners, Key Persons, or other personnel from entering the Premises or being involved in the operations of Franchisee's Portal Club.

SECTION 13
TRANSFER

13.1 No Transfer Unless Permitted.

(a) Franchisee will not Transfer any of Franchisee's rights (i) under the Agreement or (ii) with respect to Franchisee's Portal Club except in accordance with this Section 13.

(b) Notwithstanding anything in the Agreement to the contrary but subject to this Section 13, neither Franchisee nor any of Franchisee's owners or Guarantors may Transfer any rights they may have for a period of 24 months from the Effective Date.

(c) Notwithstanding anything in the Agreement to the contrary but subject to this Section 13, there will not be any change, pledge, or seizure of any ownership interest in Franchisee.

13.2 Transfer Under *Bona Fide* Offer. Franchisee may Transfer Franchisee's rights under the Agreement pursuant to a *Bona Fide* Offer provided that Franchisee first obtains Portal's written approval and complies with all applicable Transfer requirements. Any actual, attempted, or purported Transfer occurring without Portal's prior written consent is a default of the Agreement and the actual, attempted, or purported Transfer will be null and void.

13.3 Conditions for Consent. Portal will be deemed to be acting reasonably by withholding consent to any Transfer if Franchisee fails to fulfill any of the following conditions to Portal's satisfaction:

(a) Franchisee complies with the applicable provisions of Section 15 and Portal's then-current transfer policies;

(b) Franchisee is not in default under the Agreement, the Lease, or any other agreement between Portal or Affiliates and Franchisee on the date of the Transfer;

(c) Portal is reasonably satisfied that:

(i) Transferee is of good moral character and reputation, has adequate financial strength, and possesses appropriate business and other qualifications required for franchisees joining the System at that time and Franchisee provides Portal with any information Portal reasonably requests to make a determination;

(ii) The Transfer will provide the proposed Transferee with an economically viable business opportunity; provided, however, that no judgment on Portal's part will be deemed to be a representation or guarantee upon which Franchisee or the proposed Transferee may rely;

(iii) Transferee otherwise meets Portal's then-current criteria for a franchisee of the System;

(d) Transferee enters into Portal's then-current form of Franchise Agreement as the franchisee, which agreement may contain provisions substantially different from those contained in the Agreement including higher Royalties and Growth System Contributions, and any other documents then customarily used by Portal to grant franchises as Portal reasonably requests. The term of the new Franchise Agreement will not be greater than the remaining Term or renewal term unless Portal agrees in writing to extend the Term or then-current term;

(e) If Transferee is a business entity, Transferee's owners jointly and severally guarantee the obligations of Transferee by entering into a guarantee in a form satisfactory to Portal. Any owners with a proprietary interest in Transferee must not own or engage in any Competitive Business;

(f) On the earlier of the (i) date of Franchisee's application for approval of the Transfer or (ii) date upon which Transferee's Key Persons begin Portal's training program, Franchisee pays Portal a non-refundable transfer fee equal to $10,000.00 plus legal fees and disbursements;

(g) Transferee does not have debt of more than 40% of the Purchase Price and is not otherwise undercapitalized in Portal's reasonable opinion;

(h) If Franchisee or Franchisee's owners finance any portion of the sale price, then all of Transferee's obligations under promissory notes, agreements, or security interests reserved in Franchisee's Portal Club are subordinate to Transferee's obligations to pay Royalties, Growth System Contributions, and all other amounts owing to Portal, Affiliates, or third party vendors. Any payment due from Transferee to Franchisee relating to the purchase of Franchisee's Portal Club will be subordinate to Transferee's obligations to Portal and Affiliates;

(i) Transferee's Key Persons successfully complete a training program determined by Portal;

(j) Each of the Releasors enter into a release in a form permitted by law of all claims against Portal, Affiliates, Portal's franchisees, and Portal's and their respective officers, directors, shareholders, and employees but excepting any claims under Applicable Laws that cannot be released;

(k) Transferee agrees to bring its operations and Franchisee's Portal Club into full compliance with the specifications and standards then applicable for new or renewing franchisees including, without limitation, new signage, computer hardware and software, and methods of operation and to make all capital expenditures Portal requests to modernize Franchisee's Portal Club to reflect Portal's then-current standards and image at Franchisee's or Transferee's sole expense within a reasonable timeframe established by Portal;

(l) In the case of an asset sale, Transferee purchases all of Franchisee's assets used in Franchisee's Portal Club in accordance with all applicable bulk sales legislation and assumes all of Franchisee's business liabilities including all tax liabilities unless the liabilities have been paid prior to the closing of the transaction of purchase and sale;

(m) Transferee expressly assumes all of Franchisee's obligations to Portal and Affiliates;

(n) Franchisee submits all required reports, financial statements, and other documents due to Portal under the Agreement up to the effective date of the Transfer;

(o) Portal does not reasonably determine, by written notice to Franchisee identifying the specific available Portal Club location delivered within 10 business days of Portal's receipt of Franchisee's transfer application, that there is a substantially similar Portal Club available for purchase from Portal within the same metropolitan statistical area as Franchisee's Premises;

(p) There are at least twelve months remaining in the Term or then-current term;

(q) Franchisee remains liable for all of Franchisee's obligations to Portal and Affiliates in connection with the operation of Franchisee's Portal Club prior to, through, and after the effective date of the Transfer and Franchisee executes any instruments reasonably required by Portal to evidence liability;

(r) If Portal is prepared to consent to a Transfer and the Transfer is not completed for any reason, Franchisee will reimburse Portal for Portal's reasonably incurred legal and administrative expenses;

(s) Portal's consent to any given Transfer is not considered a waiver of the requirement for Portal's consent to a subsequent Transfer;

(t) Franchisee returns the Manual and all confidential or proprietary material to Portal within 24 hours of a Transfer;

(u) Franchisee provides Portal with a copy of the agreement of purchase and sale between Franchisee and Transferee and all documents referred to therein as relied upon by the parties. If any financial statements are included, Portal may, but is not obligated to, question any figures relating to matters about which Franchisee is required to report to Portal under the Agreement; and

(v) There are no other reasonable grounds for Portal to withhold Portal's consent.

13.4 Continued Responsibility. Notwithstanding any Transfer, Franchisee will remain liable to Portal and Affiliates for the prompt and complete observance and performance of all of the terms, covenants, and conditions to be observed and performed by Franchisee under the Agreement on or before the effective date of the Transfer or that are otherwise designed to survive Termination and Franchisee will execute any instruments reasonably required by Portal to evidence liability.

13.5 Franchisee's Officer, Directors, and Owners. Franchisee hereby warrants and represents to Portal that only the individuals named in Schedule D are the officers, directors, and the registered and beneficial owners of Franchisee if Franchisee is a business entity as set out beside their names which representations include all of the issued and outstanding ownership interests of Franchisee. Any Transfer of the legal or beneficial ownership of Franchisee's ownership interests or any change of Franchisee's effective control without fulfilling the conditions for consent set out in Section 13.3 without Portal's prior written consent constitute an unauthorized assignment of the Agreement and a default under the Agreement. Portal will not unreasonably withhold Portal's consent to a Transfer if the Transfer is to any of Franchisee's shareholders identified in Schedule D or their children or spouses provided that Portal may, without limitation, withhold Portal's consent if any of the conditions contemplated in Section 14.3 (save and except for those conditions set out at Sections 13.3(f) and (k)) are not met. Franchisee will pay Portal all legal fees and disbursements incurred by Portal in connection with a Transfer.

13.6 Advertising Sale of Franchisee's Portal Club. Franchisee will not cause or permit any notice or advertisement indicating that Franchisee's Portal Club is for sale to appear at, on, or about Franchisee's Portal Club or in printed media of general and regular circulation, radio, Internet, television, or any other media without Portal's prior written consent.

13.7 Transfer by Court Order. If a court of competent jurisdiction orders Franchisee or a Guarantor to Transfer to Franchisee's or a Guarantor's spouse all or any part of Franchisee's or a Guarantor's interest in Franchisee's Portal Club or any of Franchisee's Portal Club's assets, the order constitutes a Transfer. Transferee is subject to all the terms and conditions concerning Transfers in this Section 13.

13.8 Transfer by Portal. Portal may sell, transfer, or assign in whole or in part Portal's interest in the Agreement without prior notice to Franchisee or Franchisee's prior consent or approval. If any such sale, transfer, or assignment occurs, the Agreement inures to the benefit of and is binding upon any Transferee or other legal successor to Portal's interest, Franchisee will attorn to the transferee, and Franchisee will execute any attornment agreement requested by Portal or the transferee. If any sale, transfer, or assignment occurs, Portal is released from all obligations and liability to Franchisee.

13.9 Power of Attorney. Franchisee irrevocably appoints Portal, with full power of substitution, as Franchisee's true and lawful attorney to take any action, execute any document, or take any other action required by Section 13 at Franchisee's sole risk and expense upon Franchisee's failure or refusal to comply fully therewith within ten days after Termination. Franchisee covenants and agrees for Franchisee's successors and assigns to allow, ratify, and confirm whatsoever Portal does by virtue of the foregoing power of attorney. The power of attorney may be exercised during any legal incapacity on Franchisee's part.

13.10 Right of First Refusal. Without in any way derogating or otherwise affecting Portal's right to reject a proposed Transferee pursuant to this Section 13, if Franchisee receives a *Bona Fide* Offer that Franchisee wishes to accept at any time during the Term or then-current term, or Franchisee intends to make a *Bona Fide* Offer, then Franchisee will promptly deliver the *Bona Fide* Offer to Portal as an offer to sell Franchisee's Portal Club to Portal on the same terms as described in the *Bona Fide* Offer except that Portal is permitted to substitute cash for any other form of payment proposed in the *Bona Fide* Offer. Portal may accept Franchisee's *Bona Fide* Offer at any time within ten business days after Portal's receipt of Franchisee's *Bona Fide* Offer, whereupon the acceptance is deemed to be a binding agreement of purchase and sale between Portal and Franchisee on the terms and conditions contained in Franchisee's *Bona Fide* Offer. If Portal fails to accept Franchisee's *Bona Fide* Offer within ten business days following Portal's receipt of Franchisee's offer, Franchisee may make or accept the *Bona Fide* Offer subject to the provisions of Section 13.2 provided that the transaction contemplated under the *Bona Fide* Offer is completed within 120 days following the expiration of the ten-business-day period. If the transaction contemplated under the *Bona Fide* Offer is not completed within the 120-day period or if the terms of the *Bona Fide* Offer are changed from those described in Franchisee's *Bona Fide* Offer to Portal, then Franchisee is obligated to once again comply with this Section 13.10.

SECTION 14
DEATH AND PERMANENT DISABILITY

14.1 Death or Permanent Disability. If any of Franchisee's controlling owners dies or suffers a Permanent Disability, then the rights granted under the Agreement may be transferred to the heirs or personal representatives of the deceased or disabled shareholder if Portal's prior written consent is first obtained. Portal may elect to not provide Portal's consent to the Transfer unless the conditions set out in Section 13.3 save and except for those conditions set out at Sections 13.3(f) and (k). Notwithstanding the foregoing, Franchisee will pay Portal all legal fees and disbursements incurred by Portal in connection with the Transfer. If the conditions are not satisfied or the Transfer has not been completed within 180 days of the death or Permanent Disability, Portal may terminate the Agreement by notice to the controlling owner's estate or representative and the provisions of Section 13 will then apply. Portal will pay the costs of any examination required to determine a "Permanent Disability" by this Section 14.1.

SECTION 15
RESTRICTIVE COVENANTS

15.1 In-Term Covenants. To maintain the confidentiality of the System, Portal's marketing and operational plans and programs, and other proprietary information, during the Term and any then-current term the Related Parties will not:

(a) Be a member of or otherwise be associated with any organization directly or indirectly engaged in the purchase or arranging for the purchase of a Competitive Business;

(b) Directly or indirectly maintain any ownership or leasehold interest in or business affiliation with any franchised system other than a franchise operated under a direct agreement with Portal;

(c) Authorize or allow independent contractors or any third party with whom Franchisee transacts business to use or have access to the Confidential Information;

(d) Carry on, be engaged in, be concerned with, be interested in, or advise, lend money to, guarantee the debts or obligations of, or permit any part of Franchisee's name to be used or employed in a Competitive Business individually, in partnership, jointly, or in conjunction with any Related Party or person, firm, association, syndicate, or corporation, as principal, agent, shareholder, advisor, consultant, or in any manner whatsoever; or

(e) Directly or indirectly engage in any activities that would be detrimental to or interfere with Portal's operation, reputation, or goodwill or that of Franchisee's Portal Club or the System including, without limitation, by making, posting, or transmitting disparaging comments about Portal, Affiliates, the Trademarks, Franchisee's Portal Club, other of Portal's franchisees, or the System in an advertisement, letter, e-mail, Internet chat room, teleconference, website, social or professional networking site, or any other similar medium.

15.2 Post-Term Covenants. Upon Termination and for a period of two years after the date of Termination:

(a) Franchisee, Guarantors, and each of their respective Related Parties, officers, directors, shareholders, partners, employees, consultants, distributors, agents, or the members of Franchisee's or their immediate families or households who have access to or knowledge of the System or the Manual will not have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative, adviser or agent in a Competitive Business within 10 miles of the Premises or any other Portal Club; and

(b) Franchisee will not on Franchisee's own behalf or on behalf of or in connection with any person or entity directly or indirectly interfere or attempt to interfere with the System or persuade or induce or attempt to persuade or induce any of Portal's or Affiliates' franchisees, prospective franchisees, customers, prospective customers, employees, or suppliers to discontinue or alter such person's relationship with Portal or otherwise denigrate Portal's reputation or undermine Portal's goodwill or the Trademarks in any manner whatsoever.

If any person restricted by this provision refuses to voluntarily comply with the foregoing obligations, the two-year period referred to in this Section 15.2 will commence with the entry of any order of a court enforcing this provision. FRANCHISEE EXPRESSLY ACKNOWLEDGES THAT FRANCHISEE AND FRANCHISEE'S GUARANTORS POSSESS SKILLS AND ABILITIES OF A GENERAL NATURE AND HAVE OTHER OPPORTUNITIES TO EXPLOIT SUCH SKILLS. CONSEQUENTLY, ENFORCEMENT OF THE COVENANTS SET OUT ABOVE WILL NOT DEPRIVE FRANCHISEE OR FRANCHISEE'S GUARANTORS OF THE ABILITY TO EARN A LIVING.

15.3 Severability. Portal has attempted in Section 15.2 above to limit Franchisee's right to compete only to the extent necessary to protect Portal from unfair competition. If any provision of Section 15.2 is determined by a court of competent jurisdiction to exceed any lawful scope or limit with respect to duration, geographic coverage, or otherwise, then the maximum limit allowed by law or a court of competent jurisdiction will apply. Portal may unilaterally reduce the scope of any covenant without Franchisee's consent at any time effective immediately upon notice to Franchisee.

15.4 Exception. Nothing in this Section 15 will prevent any of Franchisee's active officers or Related Parties to individually or collectively own up to a total of 5% of the issued capital stock of any public company.

15.5 Application of Section 15. If Franchisee is not an individual, this Section 15 will also apply to Franchisee and Franchisee's officers, directors, shareholders, partners, members, trustees, beneficiaries, principals, and any persons controlled by, controlling, or under common control with Franchisee.

15.6 Survival. The provisions of this Section 15 survive Termination for any reason.

SECTION 16
NOTICES

16.1 Written Notices. Any notice or other communication required or permitted hereunder is sufficiently given if in writing and personally delivered, e-mailed, or if mailed by prepaid registered mail and addressed to the Party for whom it is intended at the address indicated on the Summary Page or to any other address for which notice is given

Any notice or other communication is deemed to have been given when personally delivered or e-mailed if on a business day, or on the fifth business day following the date on which it was deposited in the mail, provided that if the notice or other communication is mailed and normal mail service is interrupted prior to the fifth business day, then the notice or other communication must be delivered by another permitted method. Personal delivery includes delivery by a professional courier. Franchisee may be required to obtain an e-mail address in order to accept electronic communication from Portal.

SECTION 17
INDEPENDENT CONTRACTOR

17.1 Franchisee is an Independent Contractor.

(a) Franchisee will not permit the general public to confuse Franchisee with Portal. Franchisee is not Portal's agent, but is an independent contractor completely separate from Portal. Franchisee has no authority to bind or attempt to bind Portal in any manner or form whatsoever or to assume or incur any express or implied obligation or responsibility on behalf of Portal or in Portal's name. The Agreement is not and will not be construed to constitute Franchisee as Portal's partner, joint venturer, employee, subsidiary, agent, or representative for any purpose whatsoever. The Agreement does not create a relationship of fiduciary standards, special trust, or confidence.

(b) All of Franchisee's employees are Franchisee's responsibility and Franchisee acknowledges that Franchisee is the sole and exclusive employer of Franchisee's employees with the sole right to hire, establish wages, hours, benefits, employment policies, vacations, scheduling, performance evaluations, promotions, demotions, work assignments, and other terms and conditions of employment for Franchisee's employees. Only Franchisee may discipline and discharge Franchisee's employees and may do so without consultation with or approval by Portal. Portal has no control over the terms and conditions of employment of Franchisee's employees. Franchisee and Portal acknowledge that the employees are employees of Franchisee and not employees of Portal and should not be held out to third parties to be Portal's employees. Franchisee will notify and communicate clearly with Franchisee's employees in all dealings including, without limitation, employment applications, written and electronic correspondence, pay checks, employee handbooks, employment policies and procedures, and other written materials that only Franchisee is their employer and that Portal is explicitly not their employer.

(c) To the extent that the Manual includes requirements for Franchisee's employees, the requirements will be interpreted exclusively for the purpose of maintaining brand standards associated with the System, to protect the good will associated with the Trademarks, and to ensure System uniformity requirements and standards concerning the Services and Products. Under no circumstance will the requirements create an employer-employee relationship between Portal and Franchisee's employees. Franchisee's compliance with all Applicable Laws will be exclusively determined and managed by Franchisee. Notwithstanding anything in the Agreement to the contrary, the terms of the Agreement will take precedence and govern if a conflict between the Agreement and the Manual arises issue relating to "joint employer" status or a similar issue.

(d) Franchisee will advise each of Franchisee's suppliers, vendors, Franchisee's customers, the media, the public, and all others with whom Franchisee deals that Franchisee's Portal Club is owned by Franchisee, that Franchisee is an independent contractor, and that all debts and liabilities incurred by Franchisee are for Franchisee's account only. Without limiting the generality of the foregoing, Franchisee will display signage produced or approved by Portal in a prominent, accessible place to that effect at any place on the Premises at Franchisee's expense for the purpose of increasing public awareness that Franchisee's Portal Club is owned independently by Franchisee as Portal requires.

17.2 Third Parties. The Parties intend to confer no benefit or right on any person or entity not a party to the Agreement. Except as explicitly stated in the Agreement, no third party has the right to claim the benefit of any provision of the Agreement as a third party beneficiary of the provision.

SECTION 18
GENERAL PROVISIONS

18.1 Schedules. The following schedules to the Agreement form an integral part of the Agreement:

(a) Schedule A: Guarantee;

(b) Schedule B: Acknowledgement;

(c) Schedule C: Auto-Debit Authorization Agreement;

(d) Schedule D: Holders of Legal or Beneficial Interest, Officers, and Directors;

(e) Schedule E: General Security Agreement;

(f) Schedule F: Addendum to Lease;

(g) Schedule G: Listing Assignment Agreement; and

References to the Agreement include the Schedules.

18.2 Modification of Agreement and Portal's Modification Rights. The Agreement may be modified only with the written consent of the Parties except as stated in the Agreement. Portal expressly reserves the right to modify the Manual, the System**,** the Portal Club concept, and Trademarks without Franchisee's consent.

18.3 Survival of Obligations. Notwithstanding Termination, Franchisee is not released from any of Franchisee's obligations under the Agreement that expressly or by their nature survive Termination

including, without limitation, payment of any amounts due to Portal or Affiliates, compliance with any confidentiality, non-competition, and other restrictive covenants.

18.4 Severability of Illegal Provisions. All of the provisions of the Agreement are to be construed as covenants and agreements as though the words importing the covenants and agreements were used in each separate section of the Agreement. If any provision of the Agreement is or becomes invalid, void, illegal, or unenforceable, it is considered during the period that it is invalid, void, illegal, or not enforceable to be separate and severable from the Agreement and the remaining provisions will remain in force and be binding upon the Parties as though the provision had not been included.

18.5 Governing Law and Choice of Forum. The Agreement is governed by and interpreted and construed under the laws of Colorado. Any action or other legal proceeding arising out of or relating to the Agreement or the franchise relationship must be brought in Colorado unless the Parties agree otherwise in writing. Notwithstanding the foregoing and subject to Section 18.6 below, Portal may use the state or federal courts anywhere in the United States with respect to matters related to the Trademarks.

18.6 Dispute Resolution and Arbitration. All disputes arising out of or in connection with the Agreement or any related agreement will be finally resolved without appeal by arbitration under the then-current rules of the American Arbitration Association. The arbitration will take place in Denver, Colorado unless the Parties agree otherwise. The language of the arbitration will be English. The arbitration may include any person or entity not a party to the Agreement provided the allegations brought by or made against that party arise out of or are related to the foregoing subject matter and the said non-party and non-signatory consents. Notwithstanding the foregoing, neither Party is precluded from seeking injunctive, mandatory, or other extraordinary relief from a court until the time an arbitration can be commenced and an arbitrator is advised of the issue concerning which injunctive, mandatory, or other extraordinary relief is sought, provided that the Party seeking such relief from a court will act expeditiously to commence an arbitration and bring the issue before the arbitrator. Neither Party is precluded from seeking in court any relief or the determination of any issue for which an arbitrator does not have jurisdiction to decide or to grant a remedy under Applicable Laws. Except to the extent otherwise required by Applicable Laws, arbitration will be confidential and neither the proceedings nor the result will be communicated to persons other than the Parties and their professional advisors; however, any order made by an arbitrator may be filed with a court, made into, or adopted as part of a court order for purposes of enforcement in accordance with Applicable Laws and court practice or otherwise disclosed as required by Applicable Laws.

18.7 Reasonableness. Whenever Portal's consent or approval is required under the terms of the Agreement, the consent or approval will not be unreasonably withheld or delayed except as otherwise specifically provided for in the Agreement. Franchisee's sole remedy if Portal unreasonably withholds or delays consent or approval is an action for specific performance and Portal is not liable for damages. Whenever Portal's consent or approval is required to be given under the Agreement or Portal's approval of any act or performance by Franchisee is required, the consent or approval is not effective unless in writing.

18.8 Unavoidable Delays. Whenever and to the extent that either Party is unable to fulfill or are delayed or restricted in the fulfillment of any obligation under the Agreement with respect to the supply or provision of any service or product, the performance of any work, or the making of any repairs by reason of (i) being unable to obtain the material, goods, equipment, service, utility, or labor required to enable the Party to fulfill the obligation, (ii) any statute, law, by-law, or any regulation or order passed or made pursuant thereto, (iii) the order or direction of any legislative, administrative, or judicial body, controller, board, any governmental department, any governmental officer, or any other authority having jurisdiction, (iv) Franchisee's or Portal's inability to procure any required license or permit, (v) not being able to obtain any required permission or authority, (vi) any strikes, lockouts, slow-downs, or other combined action of workmen, (vii) shortages of material, (viii) riots, insurrection, sabotage, acts of God, pandemics, or acts of

terror, or (ix) any other cause beyond an affected Party's control other than any insolvency, lack of funds, or other financial cause of delay, the affected Party is relieved from the fulfillment of the obligation as applicable until the cause of delay is no longer valid provided that except as may be expressly provided in the Agreement, Franchisee is not entitled to any compensation for any inconvenience or nuisance or discomfort, to terminate the Agreement, or to receive any abatement of any payments due to Portal under the Agreement. Without limiting the generality of the foregoing, the provisions of this Section 18.8 do not in any way operate to excuse Franchisee from the prompt payment of any fees, Royalties, Growth System Contributions, or other sums required to be paid to Portal or Affiliates by the terms of the Agreement or from the prompt performance of any of Franchisee's other obligations under the Agreement when the prompt performance is delayed, hindered, or prevented by reason of lack of funds.

18.9 Entire Agreement. There are no terms and conditions on the Effective Date that are additional or supplemental to those set out in the Agreement. The Agreement and attached Schedules contain the entire agreement between the Parties with respect to the subject matter of the Agreement and supersede all prior agreements. No other representations have induced either Party to execute the Agreement. Franchisee covenants that Franchisee has not relied upon any statements, representations, agreements, or warranties made by Portal except as set out in the Agreement. Nothing in this Section 18.9 is intended as nor will be interpreted to be a disclaimer by Portal of any representation made in the Disclosure Document.

18.10 No Implied Surrender or Waiver. No provision of the Agreement is deemed to have been waived by Portal unless the waiver is in writing signed by Portal. Portal's waiver of a breach of any term or condition of the Agreement does not prevent a subsequent act that would have originally constituted a breach from having all the force and effect of an original breach. Portal's receipt of any payment from Franchisee with knowledge of a breach by Franchisee of any term or condition of the Agreement is not deemed a waiver of any term or condition. No act by Portal, Portal's agents, or employees during the Term or then-current term is valid unless in writing and signed by Portal. No payment by Franchisee or receipt by Portal of a lesser amount than the amounts payable by Franchisee to Portal is deemed to be other than on account of the earliest stipulated payment, nor is any endorsement or statement on any check or any letter accompanying any check deemed an accord and satisfaction. Portal may accept any payment without prejudice to Portal's right to recover the balance of the payment obligation or pursue any other remedy available to Portal.

18.11 Joint and Several Liability. If there is more than one person or entity named as Franchisee, they are bound jointly and severally by the terms, covenants, and agreements contained on Franchisee's part under the Agreement. Any notice required or permitted by the terms of the Agreement may be given by or to any one of them and has the same force and effect as if given by or to all of them.

18.12 Power, Capacity, and Authority. Franchisee covenants, represents, and warrants that Franchisee has the power, capacity, and authority to enter into the Agreement and perform Franchisee's obligations under the Agreement and that there are no covenants, restrictions, or commitments given by Franchisee that prevent or inhibit Franchisee from entering into the Agreement.

18.13 Drafting of the Agreement. Franchisee covenants that Franchisee has had ample opportunity to participate in drafting or modifying the form and content of the Agreement during negotiations prior to execution and delivery by Franchisee and agrees that any rule of law which provides that ambiguities are construed against the "drafting party" are of no force or effect.

18.14 No Offer. Notwithstanding the submission of a copy of the Agreement in either blank form or with the particulars inserted or receipt of a deposit or the first payment by Franchisee to Portal when the Agreement is received by Portal for execution from Franchisee, no contractual or other right exists in Franchisee's favor with respect to Franchisee's Portal Club until both Parties have executed the Agreement.

18.15 Set Off. If Portal is liable for any payment or reimbursement to Franchisee, Portal has the right to set off the reimbursement or liability against Franchisee's liabilities to Portal or Affiliates unless otherwise prohibited by the Agreement.

18.16 Time of Essence. Time is of the essence for the Agreement.

18.17 Portal's Agent. Portal may perform any of Portal's obligations or exercise any of Portal's rights through any agency Portal determines. Franchisee will pay to any agent any monies payable to Portal as Portal directs.

18.18 Accounting Principles. All calculations referred to in the Agreement will be made in accordance with standard principles and practices applicable to the System applied on a consistent basis.

18.19 Further Assurances. Franchisee will execute any further assurances, agreements, and documents and perform any further actions Portal deems reasonably necessary to give effect to the terms and conditions of the Agreement.

18.20 Confidentiality. Franchisee will use Franchisee's best efforts to keep the provisions of the Agreement, the Manual, the Confidential Information, and other information and material Franchisee receives in connection with the Agreement confidential.

18.21 Exculpatory Provisions. In all provisions of the Agreement containing a release, indemnity, or other exculpatory language in Portal's favor, references to Franchisee includes reference to all releasors or indemnifiers.

18.22 Language. The Agreement and related documents will be drafted in English.

18.23 Injunctive Relief. Franchisee recognizes the unique value and secondary meaning attached to the System, the Trademarks, Portal's standards of operation, and Portal's trade practices and acknowledges that any noncompliance with the terms of the Agreement or any unauthorized or improper use will cause irreparable damage to Portal, the System, and Portal's franchisees. If Franchisee engages in any unauthorized or improper use during or after the Term or any then-current term, Portal may apply for interim, interlocutory, or final mandatory, injunctive, or other extraordinary relief, restraining order, decree, declaration, or other remedies from any court of competent jurisdiction or in any arbitral proceeding in addition to any other remedies prescribed by law.

18.24 No Misrepresentations. Franchisee represents to Portal as an inducement to Portal's execution of the Agreement that Franchisee has made no misrepresentations to obtain the Agreement.

18.25 Inurement. The Agreement inures to the benefit of and are binding upon the Parties and their respective heirs, executors, administrators, successors, permitted assigns, and other legal representatives excepting only that the Agreement does not inure to the benefit of any of party unless and only to the extent as expressly permitted by the Agreement.

18.26 Receipt of Disclosure Document. WHERE FRANCHISEE'S STATE REQUIRES COMPLIANCE WITH PRE-SALE FRANCHISE DISCLOSURE LAWS, FRANCHISEE ACKNOWLEDGES RECEIPT FROM PORTAL OF A MATERIALLY COMPLETE COPY OF THE AGREEMENT AND ITS SCHEDULES TOGETHER WITH A COPY OF PORTAL'S DISCLOSURE DOCUMENT AT ONE TIME AND IN ONE DOCUMENT IN ACCORDANCE WITH ALL APPLICABLE FRANCHISE LEGISLATION AT LEAST 14 DAYS PRIOR TO THE EARLIER OF

(I) THE DATE ON WHICH THE AGREEMENT OR ANY OTHER AGREEMENT IS EXECUTED, OR (II) ANY PAYMENT OF ANY CONSIDERATION BY OR ON BEHALF OF FRANCHISEE TO PORTAL OR ANY OF PORTAL'S AFFILIATES FOR THE GRANT OF A FRANCHISE.

18.27 Consent to Disclosure of Personal and Confidential Information. Franchisee hereby expressly permits Portal to disclose in Portal's Disclosure Document (whether required by law or made available on a voluntary basis) personal and confidential information related to Franchisee's Portal Club, Franchisee, Franchisee's officers, directors, and shareholders including, without limitation, Franchisee's and their names, addresses, telephone numbers, and facsimile numbers, the sales, revenues, expenses, costs, results of operations, and similar information regarding Franchisee's Portal Club, and any information regarding non-renewal, closure, expiration, or Termination. Franchisee will obtain the consent of Franchisee's officers, directors, and shareholders necessary to permit the disclosure of their personal information as contemplated under this Section 18.27. Without limiting the generality of the foregoing, Portal has the right to make available for inspection by any of Franchisee's intended transferees any part of Portal's records relating to the Agreement, Franchisee's Portal Club, or Portal's relationship with Franchisee. Franchisee hereby consents to such disclosure by Portal and will release and hold Portal, Affiliates, and their respective officers, directors, agents, and employees harmless from and against any claim, loss, or injury resulting from an inspection of Portal's records or release of such information.

18.28 No Representation of Uniformity. Portal makes no warranty or representation that all Franchise Agreements issued by Portal do or will contain terms substantially similar to those contained in the Agreement. Portal may waive or modify comparable provisions of other Franchise Agreements granted to other franchisees in a non-uniform manner including any increase or decrease to the initial franchise fee, Royalties, Growth System Contributions, or other payments made to Portal or Affiliates under the Agreement in Portal's reasonable business judgment.

18.29 Notice of Potential Profit. Portal or Affiliates:

(a) May make available to Franchisee or require Franchisee to purchase Services or Products for use in Franchisee's Portal Club from which Portal may make a profit on the sale;

(b) May receive Rebates from suppliers or manufacturers for the sale of equipment, Products, or Services to Franchisee or in consideration of services rendered or rights licensed whether or not on account of purchases made (i) by Portal for Portal's own account or for Franchisee's account, Portal's franchisees generally, or other brands now or ever owned by Portal or Affiliates, or (ii) by Franchisee directly for Franchisee's own account. Franchisee acknowledges that Portal's designated suppliers may not offer the lowest prices for every item, but for the sake of group buying, consistency, and other benefits to the System, Franchisee will buy from only these suppliers;

(c) Are entitled to retain or distribute the whole or any part of benefits to partially compensate Portal or Affiliates for Portal's for their ongoing efforts in establishing and maintaining quality sources of supply, in evaluating potential new suppliers, and in monitoring and evaluating approved suppliers and upstream manufacturers to ensure that those suppliers and manufacturers meet Portal's quality and performance standards; and

(d) If applicable, may derive a profit from the design and construction of Franchisee's Portal Club or as a result of tenant inducements or tenant allowances, all of which Portal or Affiliates are entitled to retain.

18.30 Cumulative Remedies. No reference to or exercise of any specific right or remedy including any termination rights by Portal will prejudice or preclude Portal from exercising or invoking any other remedy

whether allowed under the Agreement or generally at law or in equity and the express provisions of the Agreement as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to Portal generally at law or in equity.

18.31 Actions Prior to the Execution of the Agreement. It is in the Parties' interests to ensure that the activities relating to the solicitation, negotiation, and grant of a franchise for Franchisee's Portal Club have complied with all applicable franchise pre-sale laws and regulations. To assist in doing so, Franchisee and each of Franchisee's owners and Guarantors will simultaneously with the execution of the Agreement truthfully and thoroughly complete the Acknowledgement attached as Schedule B. Portal will not execute the Agreement unless the Acknowledgement does not contain responses that might suggest that a violation of any Applicable Laws has occurred.

18.32 Counterparts and Electronic Signatures. The Agreement may be executed in counterparts and each counterpart when executed and delivered will be deemed to be an original. The counterparts taken together will constitute one and the same instrument. Electronic signatures and signatures transmitted by email or facsimile transmission will have the same full force and effect as originally executed signatures.

IN WITNESS WHEREOF, the Parties have signed this Portal Franchising LLC Franchise Agreement effective as of the Effective Date.

PORTAL:	FRANCHISEE:
PORTAL FRANCHISING LLC, a Colorado limited liability company	_____, a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____ (Effective Date)	Date: _____
	OR
	By: _____, individually
	Name: _____
	Date: _____

SCHEDULE A
GUARANTEE

In consideration of, and as an inducement to, the execution of a Portal Franchising LLC Franchise Agreement dated _____ (the "**Agreement**"), by PORTAL FRANCHISING LLC ("**Portal**") in favor of _____ ("**Franchisee**"), each of the undersigned ("**Guarantor(s)**") hereby personally and unconditionally guarantee to Portal, its affiliates, and their successors and assigns for the term of the Agreement and thereafter that Franchisee will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement. Guarantor(s) will be personally and unconditionally bound by each and every undertaking, agreement, and covenant of Franchisee set forth in the Agreement. Guarantor(s) will personally comply with and abide by the non-competition provisions, other restrictive covenants, and non-disclosure provisions of the Agreement and by the provisions in the Agreement relating to trademarks, assignment, and transfer to the same extent as and for the same period of time as Franchisee is required to comply with and abide by such covenants and provisions. All of the foregoing obligations of Guarantor(s) will survive any expiration, transfer, or termination of the Agreement or the Guarantee.

Guarantor(s) waives the following:

(a) Notice of demand for payment of any indebtedness or nonperformance of any guaranteed obligations;

(b) Protest and notice of default to any party with respect to the indebtedness or nonperformance of any guaranteed obligations; and

(c) Any right Guarantor(s) may have to require that any action be brought against Franchisee or any other person as a condition of liability.

Guarantor(s) consents and agrees that:

(a) Guarantor(s)'s direct and immediate liability will be joint and several with any other guarantors;

(b) Guarantor(s) will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;

(c) Guarantor(s)'s liability will not be contingent or conditioned upon pursuit by Portal of any remedies against Franchisee or any other person; and

(d) Guarantor(s)'s liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence that Portal may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which will in any way modify or amend the Guarantee that will irrevocably continue for the term of the Agreement.

If Portal, its affiliates, or its successors and assigns are required to enforce the Guarantee in any judicial proceeding, Guarantor(s) will reimburse Portal, its affiliates, or its successors and assigns for costs and expenses including, without limitation, reasonable fees for accountants, attorneys, attorney assistants, and expert witnesses, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing, or proceeding to enforce the Guarantee.

Guarantor(s) acknowledges that certain disputes relating to the Agreement will be resolved by arbitration and hereby consents to the arbitration in accordance the Agreement. The terms contained in the Agreement, any applicable addendum, and the Guarantee constitute the entire agreement between the parties relating to the Guarantee and there are no representations, inducements, promises, or agreements between the parties not embodied in the Guarantee.

IN WITNESS WHEREOF, Guarantor(s) have affixed Guarantor(s)'s signatures to this Guarantee effective as of the same day and year as the Agreement was executed.

GUARANTOR(S):

By: _____ By: _____

Name: _____ Name: _____

Address: _____ Address: _____
_____ _____
_____ _____

Date: _____ Date: _____

By: _____ By: _____

Name: _____ Name: _____

Address: _____ Address: _____
_____ _____
_____ _____

Date: _____ Date: _____

SCHEDULE B
ACKNOWLEDGMENT

FROM: _____ ("**FRANCHISEE**") and

_____ (individually and collectively, "**GUARANTORS**")

TO: PORTAL FRANCHISING LLC ("**PORTAL**")

RE: PORTAL FRANCHISING LLC FRANCHISE AGREEMENT DATED _____ (the "**FRANCHISE AGREEMENT**")

IN CONSIDERATION of Portal executing the Franchise Agreement and granting Franchisee a franchise pursuant to the Franchise Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each of Franchisee and Guarantors jointly and severally acknowledge and agree as follows:

1. They have each received, have had ample time to read, and have read the Franchise Agreement including all Schedules attached thereto and Portal's Franchise Disclosure Document, are cognizant of each and every one of the terms and provisions thereof, and agree thereto. Without limitation, each of Franchisee and Guarantors jointly and severally will require each of Franchisee's owners to execute a covenant agreeing not to transfer any interest in Franchisee except in accordance with the terms and conditions of the Franchise Agreement and will promptly deliver such covenants to Portal upon Portal's request;

2. They have each had an opportunity to be advised by advisors of their own choosing regarding all pertinent aspects of the franchise granted by Portal and the business venture contemplated by the Franchise Agreement;

3. Portal may receive a referral payment, benefit, allowance, credit, fee, commission, discount, bonus, rebate, or other benefit or consideration (collectively, "**Rebates**") in connection with the construction of the premises and the equipment, goods, services, or facilities purchased, leased, or obtained by Franchisee from designated suppliers and contractors. The benefit of such Rebates may not necessarily be passed onto Franchisee and Portal may keep such Rebates for its own use and benefit; and

4. The success of the business venture contemplated to be undertaken by Franchisee pursuant to the Franchise Agreement involves risks and is speculative and depends on (i) the ability of Franchisee as an independent entity and businessperson, (ii) the acceptance of the business in the community, (iii) external economic forces, (iv) Franchisee's or Guarantors' ability as an independent businessperson and active participation in the daily affairs of the business, and (v) other factors. Portal cannot guarantee the success of Franchisee's franchise.

Portal, Guarantors, and Franchisee agree as follows:

1. Portal and its officers, directors, agents, employees, or contractors do not make any representation or warranty as to the potential success of the business venture herein contemplated, nor did any one of them induce Franchisee or Guarantors to enter into the Franchise Agreement or to provide the Guarantee in reliance upon any such representation or warranty; and

2. That Franchisee has entered into the Franchise Agreement after making an independent investigation of the proposed business and is not relying upon any express or implied representation or warranty by Portal or its officers, directors, employees, or agents regarding revenue, profits, or success which Franchisee or Guarantors might be expected to realize, nor has anyone made any other warranty or representation which is not expressly set out in the Franchise Agreement to induce Franchisee to execute the Franchise Agreement or Guarantors to provide the Guarantee.

When used in this Acknowledgment, all words and expressions which are capitalized have the same meaning as given thereto in the Franchise Agreement unless otherwise defined herein. The signatures affixed to the Franchise Agreement including any Schedules were affixed as a wholly voluntary act of the person who signed the Agreement. The terms and provisions of the Franchise Agreement including all Schedules cannot be changed or modified unless in writing signed by an authorized representative of Franchisee and an authorized officer of Portal.

By signing below, Franchisee indicates that Franchisee fully understands and accepts the risks described above and all other risks not described above that may affect Franchisee's ability to profitably operate Franchisee's franchise. Any questions or doubts that Franchisee may have about Portal or the Franchise Agreement are stated as follows:

_____

_____

_____

IN WITNESS WHEREOF, the Franchisee has signed this Acknowledgement effective as of the date of the Franchise Agreement.

FRANCHISEE:

_____,
a(n) _____

By: _____

Name: _____

Title: _____

Date: _____

OR

By: _____
individually

Name: _____

Date: _____

SCHEDULE C
AUTO-DEBIT AUTHORIZATION AGREEMENT

Franchisee Information:

Name: _____

Address: _____

Telephone: _____

Email Address: _____

Account Information:

Financial Institution: _____

Contact Name: _____

Address: _____

Telephone: _____

Routing Number: _____

Account Name: _____

Account Number: _____

Franchisee hereby authorizes Portal Franchising LLC ("**Portal**") to initiate debit entries to Franchisee's account with the financial institution above and Franchisee authorizes the financial institution to accept and to debit the amount of such entries from Franchisee's account. Each debit will be made in an amount sufficient for any fees payable to Portal pursuant to any agreement between Portal and Franchisee and any purchases of goods or services from Portal or any affiliate of Portal. Franchisee will be bound by the National Automated Clearing House Association 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 Portal has received written notification from Franchisee of its termination in such time and in such manner as to afford Portal and the financial institution a reasonable opportunity to act upon it. Franchisee will notify Portal of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Franchisee: _____ Date: _____

By: _____

Name: _____

Title: _____

SCHEDULE D

HOLDERS OF LEGAL OR BENEFICIAL INTEREST, OFFICERS, AND DIRECTORS

1. Franchisee's Name: _____.

2. Franchisee's Form of Ownership: _____.

3. Franchisee's State of Incorporation/Organization: _____.

4. Franchisee's Date of Incorporation/Organization: _____.

5. Franchisee's Ownership:

_____
_____
_____
_____
_____

6. Franchisee's Managing Party: _____.

Franchisee will report any changes to the above information to Portal for Portal's review and approval at least ten business days prior to the date the changes take effect.

FRANCHISEE:

_____,
a(n) _____

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE E
GENERAL SECURITY AGREEMENT

TO: PORTAL FRANCHISING LLC AND ANY SUBSIDIARY OR AFFILIATE (collectively, "**Secured Party**")

GRANTED BY: _____ AND ANY SUBSIDIARY OR AFFILIATE (collectively, "**Franchisee**")

1. Secured Party and Franchisee are parties to that certain Portal Franchising LLC Franchise Agreement between Secured Party and Undersigned dated _____ (the "**Franchise Agreement**"). Franchisee hereby grants a security interest to Secured Party in the property and proceeds thereof of Franchisee's assets used in connection with the operation of Franchisee's Portal Club (as such term is defined in the Franchise Agreement) including, without limitation, Franchisee's equipment, inventory, and accounts receivables and the proceeds thereof (collectively, the "**Collateral**").

2. The secured interest herein secures the timely payment of any indebtedness including, without limitation, interest and financing charges owing by Franchisee to Secured Party or any affiliate thereof whether such indebtedness is now existing or hereafter incurred including any extensions or renewals thereof and the timely observance and performance of all covenants and obligations of Franchisee under the Franchise Agreement and any other agreement now existing or hereafter entered into between Franchisee and Secured Party or any affiliate thereof (collectively, the "**Obligations**").

3. Franchisee represents and warrants as follows:

(a) Franchisee is or will become the beneficial owner of the Collateral;

(b) Franchisee has or will the right to create mortgages and charges of and grant a security interest in the Collateral in favor of Secured Party;

(c) The Collateral is or will be when acquired free and clear of all security interests, mortgages, hypothecs, charges, liens, encumbrances, taxes, and assessments; and

(d) This General Security Agreement constitutes Franchisee's legal, valid, and binding obligation.

4. Franchisee covenants that:

(a) Franchisee will diligently maintain, use and operate the Collateral and will carry on and conduct its business in a proper and efficient manner so as to preserve and protect the Collateral;

(b) Franchisee will keep the Collateral properly insured against loss or damage by fire or other hazards;

(c) Franchisee will pay all rents, taxes, rates, levies, assessments, and government fees or dues lawfully levied, assessed, or imposed, and all fees payable to suppliers for the Collateral or any part thereof as and when the same becomes due and payable;

(d) Franchisee will duly observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms, and conditions upon or under which the Collateral is held;

(e) Franchisee will furnish to Secured Party such information regarding the Collateral and the insurance thereon as Secured Party may require;

(f) Franchisee will defend the title to the Collateral against all persons and will execute any written instruments or do any other acts necessary to make effective the purposes and provisions of this General Security Agreement upon Secured Party's request;

(g) Franchisee will not sell, exchange, assign, lease, or otherwise dispose of the Collateral or any interest therein and will not remove it from the address set out at the end of this General Security Agreement without Secured Party's prior written consent other than in the ordinary course of Franchisee's business; and

(h) All costs and expenses including, without limitation, legal expenses and disbursements incurred by Secured Party to enforce the remedies provided herein or by reason of non-payment of the Obligations will be added to and become part of the Obligations payable on demand.

5. At Secured Party's option, the Obligations may become immediately due and payable in full upon demand by Secured Party upon the occurrence of any of the following events:

(a) Franchisee fails to pay the Obligations when they are due or breaches any covenant in the Agreement;

(b) Any of the representations and warranties herein is or becomes incorrect in any respect at any time;

(c) Franchisee ceases or threatens to cease to carry on its business, commits an act of bankruptcy, becomes insolvent, makes an assignment or bulk sale of its assets, or proposes a compromise or arrangement to its creditors;

(d) A receiver, administrator, or manager of Franchisee's property, assets, or undertakings is appointed;

(e) Possession of any part of the Collateral is taken by an encumbrancer;

(f) Any execution or any other process of any court becomes enforceable against Franchisee or if any distress or analogous process is levied upon the Collateral or any part thereof; or

(g) Franchisee declares bankruptcy or is declared bankrupt; or

6. Upon any such default described in Paragraph 5 above, the Obligations are due and payable forthwith and Secured Party thereupon has the rights and remedies of a Secured Party under applicable law. Secured Party may take proceedings in any court of competent jurisdiction for the amount owing by Franchisee to Secured Party and exercise any or all other rights Secured Party may have with respect to Franchisee and the Collateral.

7. The parties acknowledge that:

(a) All proceeds of the Collateral are held in trust by Franchisee for Secured Party;

(b) Provisions of this General Security Agreement bind and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties;

(c) If more than one person executes this General Security Agreement as Franchisee, their obligations under this General Security Agreement are joint and several;

(d) This General Security Agreement is governed by the laws of Colorado;

(e) Franchisee will receive an executed copy of this General Security Agreement upon execution; and

(f) This General Security Agreement becomes effective as of the Effective Date.

IN WITNESS WHEREOF, the parties have signed this General Security Agreement effective as of the Effective Date.

SECURED PARTY:	FRANCHISEE:
PORTAL FRANCHISING LLC, a Colorado limited liability company	_____, a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____
	OR
	By: _____, individually
	Name: _____
	Date: _____

[INSTRUCTIONS: INSERT FRANCHISEE'S ADDRESS AND ADDRESS WHERE COLLATERAL IS LOCATED HERE. IF MORE THAN ONE LOCATION, STATE HERE AND ATTACH LIST OF ALL LOCATIONS.]

_____

_____

_____

SCHEDULE F
ADDENDUM TO LEASE

This ADDENDUM TO LEASE dated _____ (the "**Addendum**"), is entered into by and between _____ ("**Landlord**"), _____ ("**Tenant**"), and PORTAL FRANCHISING LLC ("**Portal**").

RECITALS

WHEREAS, Landlord and Tenant will enter into a certain lease agreement (the "**Lease**") dated _____, pertaining to the premises located at _____ (the "**Premises**");

WHEREAS, Tenant and Portal are parties to that certain Portal Franchising LLC Franchise Agreement dated _____ (the "**Franchise Agreement**");

WHEREAS, Landlord acknowledges that Tenant intends to operate a franchised aesthetic Portal Club from the Premises pursuant to the Franchise Agreement under the name "Portal" or such other name designated by Portal (the "**Portal Club**"); and

WHEREAS, the parties desire to amend the Lease in accordance with the terms and conditions contained herein.

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Remodelling and Decor. Tenant has the right to remodel, equip, paint, and decorate the interior of the Premises and display such proprietary marks and signs on the interior and exterior of the Premises as Tenant is reasonably required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Tenant operates the Portal Club on the Premises. Landlord acknowledges that any signage bearing the name **"**Portal" or any other trademarks used or licensed by Portal on the Premises are the property of Portal. Landlord will not use or acquire any interest in any property bearing the "Portal" name or any other trademarks used or licensed by Portal.

2. Assignment.

(a) Landlord will not allow Tenant to assign, sublease, or otherwise transfer the Lease or Premises without Portal's prior written consent.

(b) Tenant may assign all of its right, title, and interest in the Lease to Portal or Portal's affiliates at any time during the term of the Lease without first obtaining Landlord's consent. No assignment is effective until such time as Portal or Portal's affiliate gives Landlord written notice of Portal's acceptance of such assignment. Nothing contained herein or in any other document will make Portal or its designated affiliate a party to the Lease until an assignment occurs. No liability or obligation of Portal or Portal's affiliates will accrue until the Lease is assigned to Portal or Portal's affiliate and accepted in writing by Portal or Portal's affiliate. Tenant will remain liable under the terms of the Lease following any assignment to Portal or Portal's affiliate.

3. Default and Notice.

(a) If a default or violation by Tenant under the terms of the Lease occurs, Landlord will give Tenant and Portal written notice of such default or violation with respect to any obligation, covenant, or agreement to be performed by Tenant within a reasonable time after Landlord receives knowledge of its occurrence. If Landlord gives Tenant a default notice, Landlord will contemporaneously give Portal a copy of such notice. At Portal's election by written notice to Landlord and Tenant, Portal may, but is not obligated to, either:

(i) Cure such default. Portal has an additional 60 days from the expiration of Tenant's cure period in which to cure the default or violation. If Portal cures such default or if the default is incurable, Portal may elect to take an assignment of the Lease upon written notice to Landlord and Tenant in which event Tenant will immediately assign the Lease to Portal in a form reasonably satisfactory to Portal. Landlord consents to such an automatic assignment as provided in Section 4(a); or

(ii) Enter the Premises to exercise the rights set out in Section 4(c).

(b) All notices to Portal must be sent by registered or certified mail, postage prepaid, to the following address:

4949 Broadway Street, Suite 113
Boulder, Colorado 80304

Portal may change its address for receiving notices by giving Landlord written notice of such new address. Landlord will notify both Tenant and Portal of any change in Landlord's mailing address to which notices should be sent.

(c) If any breach or default under the Franchise Agreement occurs, Portal will be granted immediate access by Landlord for Portal to protect and remove any signage or other property bearing any of Portal's trademarks.

4. Termination or Expiration.

(a) Upon Tenant's default and failure to cure a default under either the Lease or the Franchise Agreement, Portal may, but is not obligated to, to take an automatic assignment of Tenant's interest in the Lease and at any time thereafter reassign the Lease to a substitute tenant or new franchisee. Landlord may not impose any assignment fee or similar charge on Portal or Tenant in connection with Portal's exercise of this option.

(b) If Portal assumes the Lease, there may be small alterations to the Lease including a revision to the continuous operation provision allowing for the Premises to cease operating during the period that Portal attempts to refranchise the Premises.

(c) Upon the expiration or termination of either the Lease or the Franchise Agreement, Landlord will cooperate with and assist Portal with gaining possession of the Premises. If Portal does not elect to take an assignment of Tenant's interest, Landlord will allow Portal to enter the Premises without being guilty of trespass and without incurring any liability to Landlord to remove all signage, fixtures, furnishings, and all identifying characteristics relating to the Portal franchise system (including, without limitation, items bearing trademarks and copyrights, trade dress, trade names, slogans, designs, logos, distinctive building designs, and other architectural features) and other such modifications as are reasonably necessary to protect the Portal trademarks and system. Portal may alter and paint all structures

and other improvements to a design and color that differs from Portal's authorized building design and painting schedule but consistent with the exterior of the building in which the Premises is located to distinguish the Premises from a Portal Club. Portal will not suffer any penalty in connection with any alteration of improvements contemplated under this Section 4(c). Portal will not be obligated to perform the above work. If Portal exercises its option to purchase assets of Tenant, Landlord will permit Portal to remove all such assets being purchased by Portal.

(d) Tenant will not terminate, surrender, or in any way alter or amend the Lease during the term of the Franchise Agreement or any renewal thereof without Portal's prior written consent. Any attempted termination, alteration, or amendment is null and void and has no effect upon Portal's interests thereunder and a clause to such effect must be included in the Lease. Landlord will not accept any purported termination or surrender of the Lease by Tenant or any amendments without receiving Portal's prior written consent to the same.

5. Renewal. If Tenant's option to renew the Lease is not exercised by Tenant within the stipulated time frame set out by the Lease, Landlord will provide written notice to Portal and Portal will have reasonable time upon receipt of such notice to exercise such renewal option at Portal's discretion.

6. Consideration; No Liability.

(a) Landlord acknowledges that the provisions of this Addendum to Lease are required pursuant to the Franchise Agreement under which Tenant plans to operate its business and Tenant would not lease the Premises without this Addendum.

(b) Landlord acknowledges that Tenant is not an agent or employee of Portal and Tenant has no authority or power to act for, create any liability on behalf of, or bind ins any way Portal or any affiliate of Portal. Landlord has entered into this Addendum with full understanding that it creates no duties, obligations, or liabilities of or against Portal or any affiliate of Portal.

(c) Notwithstanding any terms or conditions of the Lease to the contrary, the provisions of the Addendum will prevail over any inconsistent terms and conditions of the Lease and the Addendum will be read as though it was a part of the Lease.

6. Use of Premises. The Premises will be used exclusively for the operation of the Portal Club.

7. Sales Reports. If requested by Portal, Landlord will provide Portal with whatever information Landlord has regarding Tenant's sales from the Portal Club and all other reports and financial information Landlord receives from Franchisee.

8. Right to Enter. Portal may enter the Premises to operate the business for the account of Tenant without direct liability of Portal to Landlord with such entry not being deemed to constitute an assignment or subletting.

9. Amendments. No amendment or variation of the terms of this Addendum are valid unless made in writing and signed by all of the parties.

10. Reaffirmation of Lease. Except as amended or modified herein, all of the terms, conditions, and covenants of the Lease remain in full force and effect and are incorporated herein by reference and made a part hereof as though copied herein in full.

11. Beneficiary. Landlord and Tenant expressly agree that Portal is a third party beneficiary of the Addendum.

12. Governing Law. The Addendum will be governed and interpreted in accordance with the laws of the state where the Premises is located.

13. Further Assurances. The parties will do such things and execute such other documents as may be necessary or desirable to carry out all of the provisions of the Addendum.

14. Successors and Assigns. The Addendum will be binding upon and inure to the benefit of the parties, their heirs, successors, and permitted assigns.

15. Counterparts. The Addendum may be executed in counterparts and each counterpart when so executed and delivered will be deemed to be an original. Such counterparts taken together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have signed this Addendum to Lease effective as of the date of the Lease.

PORTAL:

PORTAL FRANCHISING LLC

By: _____

Name: _____

Title: _____

Date: _____

TENANT:

_____

By: _____

Name: _____

Title: _____

Date: _____

LANDLORD:

_____

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE G
LISTING ASSIGNMENT AGREEMENT

This LISTING ASSIGNMENT AGREEMENT (the "**Agreement**") is made by and between the Franchisee identified below ("**Franchisee**") and PORTAL FRANCHISING LLC ("**Portal**") and effective as of the date the Franchise Agreement (defined below) is signed.

RECITALS

WHEREAS, Portal has developed and owns a proprietary system (the "**System**") for the operation of a franchised business using proprietary trademarks, logos, trade dress, and other proprietary marks (the "**Portal Club**");

WHEREAS, Franchisee has been granted a franchise to operate a Portal Club pursuant to a Portal Franchising LLC Franchise Agreement (the "**Franchise Agreement**") in accordance with the System;

WHEREAS, in order to operate the Portal Club, Franchisee will acquire one or more telephone numbers, telephone listings, and telephone directory advertisements; and

WHEREAS, as a condition to the execution of the Franchise Agreement, Portal has required that Franchisee collaterally assign all of its right, title, and interest in its telephone numbers, telephone listings, and telephone directory advertisements to Portal if the Franchise Agreement is terminated or expires.

AGREEMENT

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

1. Assignment. If the expiration or termination of the Franchise Agreement occurs, in order to secure continuity and stability of the operation of the Portal Club, Franchisee hereby sells, assigns, transfers, and conveys to Portal all of its right, title, and interest in and to all telephone numbers, telephone listings, and telephone directory advertisements used in connection with the operation of the Portal Club. Such assignment is not effective unless and until the Franchise Agreement has expired or is terminated in accordance with the provisions thereof and Portal has delivered to Franchisee written notice of acceptance of the assignment. If such assignment occurs, Portal assumes no liability for monies owed or other liabilities relating to the telephone numbers, telephone listings, and telephone directory advertisements that have accrued prior to the effective date of the assignment.

Franchisee hereby grants to Portal an irrevocable power of attorney and appoints Portal as its attorney-in-fact to take any necessary actions to assign the telephone numbers including, without limitation, executing any forms that the telephone companies may require to effectuate the assignment. This assignment is also for the benefit of the telephone companies and the telephone companies may accept this assignment and Portal's instructions as conclusive evidence of its rights to the telephone numbers and its authority to direct the amendment, termination, or transfer of the telephone numbers as if they had originally been issued to Portal. Franchisee will hold the telephone companies harmless from any claims against them arising out of any actions or instructions by Portal regarding the assignment contemplated by the Agreement.

2. Representations and Warranties of Franchisee. Franchisee hereby represents, warrants, and covenants to Portal that:

(a) As of the effective date of the Franchise Agreement, all of Franchisee's obligations and indebtedness for telephone, telephone listing services, and telephone directory advertisement services are paid and current;

(b) Franchisee has full power and legal right to enter into, execute, deliver, and perform the Agreement;

(c) The Agreement is a legal and binding obligation of Franchisee enforceable in accordance with the terms of the Agreement;

(d) The execution, delivery, and performance of the Agreement does not conflict with, violate, breach, or constitute a default under any contract, agreement, or instrument to which Franchisee is a party or by which Franchisee is bound. No consent of nor approval by any third party is required in connection herewith; and

(e) Franchisee has the specific power to assign and transfer its right, title, and interest in its telephone numbers, telephone listings, and telephone directory advertisements. Franchisee has obtained all necessary consents to the Agreement.

3. Cancellation. Notwithstanding the foregoing, Portal may at any time prior to effectiveness of the assignment declare the Agreement and the assignment contemplated under the Agreement null and void.

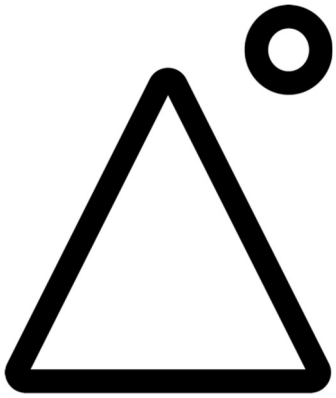
4. Miscellaneous. The validity, construction, and performance of the Agreement is governed by the laws of the state where the Portal Club is located (except for its conflict of law rules) and the laws in effect therein. All agreements, covenants, representations, and warranties made herein survive the execution hereof. All rights of Portal inure to Portal's benefit and the benefit of its successors and assigns.

IN WITNESS WHEREOF, the Parties have signed this Listing Assignment Agreement effective as of the effective date of the Franchise Agreement.

PORTAL:	FRANCHISEE:
PORTAL FRANCHISING LLC, a Colorado limited liability company	_____, a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT C

PORTAL FRANCHISING LLC
MULTI-UNIT DEVELOPMENT AGREEMENT



PORTAL FRANCHISING LLC
MULTI-UNIT DEVELOPMENT AGREEMENT

Summary

Developer (see Preamble): _____, a[n] [jurisdiction] [entity form]

Territory (see Section 1.1): _____

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Schedule

Schedule A Development Information Sheet

PORTAL FRANCHISING LLC
MULTI-UNIT DEVELOPMENT AGREEMENT

This PORTAL FRANCHISING LLC MULTI-UNIT DEVELOPMENT AGREEMENT (the "**Agreement**") is entered into effective as of _____ (the "**Effective Date**"), by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Developer**"). Portal and Franchisee will sometimes be referred to individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, all capitalized terms contained in the Agreement have the meanings ascribed to the terms on the Summary or in Section 1 of the Agreement;

WHEREAS, Portal has developed a distinctive and proprietary system (the "**System**") for the establishment and operation of a four-wall, service-based wellness business providing sauna services, cold plunge services, other wellness offerings, and related amenities and products (each, a "**Portal Club**") using Portal's proprietary methodology under certain trademarks (the "**Trademarks**").

WHEREAS, the System and each Portal Club is identified by the Trademarks and distinctive trade dress, service offerings, business formats, equipment, products, supplies, operating procedures, programs, methods, procedures, and marketing and advertising standards;

WHEREAS, Developer has requested the right to develop and operate multiple Portal Clubs (each, a "**Development Club**") to be located with a defined geographical area (the "**Development Territory**") in accordance with a schedule (the "**Development Schedule**") with each Development Club within the Development Territory being opened and operating pursuant to the terms and conditions set forth in a separate form of Portal's then-current form of Portal Franchising LLC Franchise Agreement (each, a "**Franchise Agreement**");

WHEREAS, simultaneous with or prior to the execution of the Agreement, the Parties have entered into a Franchise Agreement for Developer's development and operation of a Development Club (the "**First Development Club**") to be located within the Development Territory; and

WHEREAS, Developer acknowledges that adherence to the terms of the Agreement, each Development Club's individual Franchise Agreement, Portal's operations manual, and Portal's System standards and specifications are essential to the operation of all Portal Clubs and the System as a whole.

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:

SECTION 1
DEFINITIONS

"**AAA**" means the American Arbitration Association.

"**Activation Fee**" means a fee paid by Portal franchisees for the services provided by Portal before the franchisee's Portal Club opens for business that are not related to the construction or delivery of the franchisee's Portal Club.

"**Abandonment**" means conduct of Developer indicating Developer's intent to discontinue the development or operation of Development Clubs in the Development Territory in accordance with the terms of the Agreement.

"**Affiliate**" means any entity controlling, controlled by, under common control with, or under common ownership with Portal.

"**Agreement**" means this Portal Franchising LLC Multi-Unit Development Agreement.

"**Club Location**" means the fixed location from which a Portal Club is established, operated, and managed.

"**Corporate Entity**" means a legal entity that is not a natural person.

"**Cumulative Development Clubs**" means the minimum number of cumulative Development Clubs that must be open and in operation as of the last day of each applicable Development Period.

"**Developer**" means _____.

"**Development Club**" means a Portal Club developed and operated by Developer within the Development Territory.

"**Development Fee**" means a fee Developer pays to Portal for the rights set forth and granted pursuant to the terms of the Agreement.

"**Development Information Sheet**" means the development information sheet attached to the Agreement as Schedule A.

"**Development Period**" means a measurement period describing the number of Newly Opened Development Clubs that Developer will establish and open within the respective period and the minimum number of cumulative Development Clubs that must be open and in operation as of the last day of each respective period.

"**Development Schedule**" means a schedule pursuant to which Developer will develop and operate Development Clubs.

"**Development Territory**" means a defined geographical area in which Developer will develop and operate Development Clubs.

"**Effective Date**" means the date the Agreement becomes effective.

"**First Development Club**" means the first Development Club to be developed by Developer.

"**Franchise Agreement**" means a Portal Franchising LLC Franchise Agreement in the form determined by Portal from time to time.

"**Gross Revenues**" means all gross sums collected or billed by Portal or franchisees for all goods and services sold in connection with the franchisee's Portal Club and any other revenue related to or derived from the provision of the Services and Products or the sale of any services or products in connection with the conduct and operation of the franchisee's Portal Club whether for cash, check, credit, gift certificates, coupons, barter, or any other means of exchange. Gross Revenues do not include any sales, use, excise, license, or similar taxes separately billed, charged, and collected by the franchisee for remittance to the appropriate governmental authorities, proceeds from any business interruption insurance policy, or revenues derived from the subletting of any portion of the franchisee's premises.

"**Initial Franchise Fee**" means a fee paid to Portal for the right to operate a Portal Club.

"**Initial Training Fee**" means a fee paid to Portal for Portal's initial training program for the operation of a Portal Club.

"**Logistics Fee**" means a fee paid by franchisees for the services provided by Portal before the franchisee's Portal Club opens for business that are related to the construction or delivery of the franchisee's Portal Club.

"**Management Fee**" means a monthly fee equal to 2.5% of Gross Revenues payable by a franchisee to Portal if the franchisee elects to engage Portal or an Affiliate to manage the day-to-day operations of the franchisee's Portal Club. For the first 6 months of operation, the Management Fee applies only to Gross Revenues exceeding $60,000.00 per month.

"**Manual**" means Portal's operations manual and any other written materials or directions provided to Developer containing mandatory specifications, standards, or procedures applicable to the System whether in hard copy or electronic format as Portal may develop, revise, withdraw, or replace them.

"**Growth System Fund**" means a fund maintained and administered by Portal where all Growth System Contributions are deposited for the benefit of the System.

"**Growth System Contributions**" means the continuing monthly contributions franchisees make to the Growth System Fund equal to the greater of (i) 5% of Gross Revenues for the preceding month or (ii) $4,500.00 per month for Clubhouse and Brick & Mortar franchisees. The Growth System Contribution is optional for Outpost franchisees.

"**Newly Opened Development Club**" means Developer's second Development Club and all future Development Clubs.

"**Owner**" means (i) an officer or director of Developer (including the officers and directors of any general partner of Developer) who holds an ownership interest in Developer, and (ii) all holders of a 5% or more direct or indirect ownership interest in Developer or any entity directly or indirectly controlling Developer.

"**Portal**" means Portal Franchising LLC, a Colorado limited liability company.

"**Portal Club**" means a four-wall, service-based wellness business providing sauna services, cold plunge services, other wellness offerings, and related amenities and products operated using the System including, without limitation, Development Clubs.

"**Royalty**" means the continuing monthly royalty fee payable by franchisees to Portal.

"**Services and Products**" means the services and products that Portal authorizes for sale at Portal Clubs.

"**System**" means (i) the services, procedures, and systems designated by Portal for use in connection with the development, establishment, marketing, promotion, and operation of a Portal Club, (ii) the Trademarks, (iii) other trade names, service marks, signs, logos, copyrights, and trade dress designated by Portal for use in connection with the development, establishment, marketing, promotion, and operation of a Portal Club, and (iv) the Operations Manual.

"**Term**" means the term of the Agreement described in Section 3.1.

"**Territory Fee**" means a non-refundable fee of $65,000.00 per Development Club paid by Developer to Portal for county-level territorial exclusivity for each county in which a Development Club is designated under the Agreement. The Territory Fee for an eight-unit Development Agreement is $520,000.00. The Territory Fee is paid in addition to the Development Fee and is uniform and fully earned upon receipt.

"**Total Development Clubs**" means the aggregate number of Development Clubs described on the Development Information Sheet.

"**Trademarks**" means the trademark "Portal®" and any other trade names, trademarks, insignias, and logos as presently exist or may be determined that Portal authorizes for use in conjunction with the System including, without limitation, any domain names that identify the trademarks.

"**Trademark License**" means the license agreement between Portal Thermaculture LLC ("Portal One") and Portal pursuant to which Portal One, as owner of the Trademarks, grants Portal the right to use the Trademarks and to sublicense Portal's franchisees to use the Trademarks. The Trademark License is perpetual and irrevocable except upon the mutual written agreement of both parties and Portal One has no unilateral right to terminate it. The Trademark License expressly provides that any sublicense granted by Portal to a franchisee in good standing will survive any expiration or termination of the Trademark License.

"**Transfer**" means, without limitation, the following, whether voluntary, involuntary, conditional, unconditional, direct, or indirect: (i) an assignment, sale, gift, transfer, pledge, or sub-franchise, (ii) the grant of a mortgage, charge, lien, or security interest including, without limitation, the grant of a collateral assignment, (iii) 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, (iv) 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 Developer, or (v) the legal or equitable transfer or sale of an Owner's interests or voting rights in Developer.

SECTION 2
DEVELOPMENT RIGHTS

2.1 Development Grant and Development Obligation.

(a) Portal grants to Developer the right, and Developer accepts the right and undertakes the obligation, to develop and operate Development Clubs, provided that Developer develops and operates each Development Club in strict accordance with the Development Schedule and the terms and provisions of

each Development Club's respective Franchise Agreement. Each Development Club must be a Clubhouse, Brick & Mortar, or Outpost.

(b) The Total Development Clubs are authorized by the Agreement as described in the Development Information Sheet. The Development Territory is the geographic area described in the Development Information Sheet. To be effective, the Development Information Sheet must be signed by Portal.

(c) Developer will (i) open and commence the operation of each new Development Club in accordance with the Development Schedule for each respective Development Period and (ii) maintain in operation the minimum number of Cumulative Development Clubs in accordance with the Development Schedule for each respective Development Period. Time is of the essence with respect to Developer's development obligations under the Agreement. Developer's failure to comply with the Development Schedule is grounds for immediate termination of the Agreement and any future development rights granted by the Agreement.

(d) During the Term, provided that Developer is in compliance with the terms and provisions of the Agreement and any other agreement between the Parties including, without limitation, the Development Schedule and each Development Club's respective Franchise Agreement, Portal will not open, operate, or license any third party the right to open or operate Portal Clubs within the Development Territory. The operating territory for each Development Club will be determined by the Development Club's respective Franchise Agreement. The operating territories in the aggregate for Developer's Development Clubs may be smaller than the Development Territory.

2.2 Limited Exclusivity and Reserved Rights. Except as provided in Section 2.1(d), the rights granted in the Agreement are non-exclusive. Portal reserves all other rights not expressly granted to Developer in the Agreement on Portal's own behalf and on behalf of Portal's Affiliates, successors, and assigns.

2.3 Personal Rights. Developer may not franchise, sub-franchise, license, sublicense, or otherwise Transfer Developer's rights pursuant to the Agreement. The rights and privileges granted and conveyed to Developer in the Agreement relate only to the Development Territory and are subject to the terms and conditions of each Development Club's respective Franchise Agreement.

SECTION 3
TERM AND TERMINATION

3.1 Term. The Term will be a period commencing on the Effective Date and automatically ending on the earliest of (i) the last day of the calendar month during which the final Development Club is required to be opened and operating under the Development Schedule, (ii) the day the final Development Club is open, or (iii) the termination date of the Agreement. Upon expiration or termination of the Agreement for any reason, Developer will not have any rights within the Development Territory other than territorial rights that may have been granted to Developer pursuant to the terms of any Franchise Agreement. The Term may not be renewed or extended.

3.2 Termination by Portal. Portal may terminate the Agreement and all rights granted to Developer under the Agreement without affording Developer with any opportunity to cure a default, effective upon written notice to Developer, upon the occurrence of any of the following events: (i) Abandonment, (ii) if Developer indicates an intent by Developer to discontinue Developer's development of Development Clubs within the Development Territory for three consecutive months or any shorter period, (iii) if Developer becomes insolvent or is adjudicated bankrupt or any action is taken by Developer or by others against Developer under any insolvency, bankruptcy, or reorganization act, or if Developer makes an assignment

for the benefit or creditors or a receiver is appointed by Developer, (iv) if Developer fails to meet Developer's development obligations under the Development Schedule for any single Development Period including, without limitation, Developer's failure to establish, open, or maintain the required number of Cumulative Development Clubs in accordance with the Development Schedule, or (v) if a Franchise Agreement for any Development Club or any other Franchise Agreement between Portal and Developer is terminated.

SECTION 4
DEVELOPMENT FEE AND DEVELOPMENT SCHEDULE

4.1 Development Fee. Developer will pay the Development Fee to Portal when Developer executes the Agreement. The Development Fee is non-refundable. The Development Fee is equal to the sum of the Initial Franchise Fees, Growth System Contributions, Activation Fees, and Logistics Fees for the Development Clubs. The amount of the Development Fee is set forth in the Development Information Sheet. The Development Fee is not an Initial Franchise Fee, Growth System Contribution, Activation Fee, or Logistics Fee, but is paid in lieu of the Initial Franchise Fees, Growth System Contributions, Activation Fees, and Logistics Fees for the Development Clubs. Developer will pay Portal other fees for each Development Club in accordance with the terms and conditions of each Development Club's respective Franchise Agreement when the Franchise Agreement is signed.

4.2 Development Schedule. Developer will develop, establish, and operate Development Clubs in strict accordance with the Development Schedule. The Development Schedule sets forth the Development Periods and the Cumulative Development Clubs that must be open and in operation as of the last day of each applicable Development Period. The Development Schedule is set forth in the Development Information Sheet. Developer will meet the requirements of the Development Schedule including, without limitation, requirements regarding the number of Development Clubs that must be timely developed, established, open, and in operation by Developer within the Development Territory during each Development Period.

4.3 Reasonableness of Development Schedule. Developer represents that Developer has conducted an independent investigation and analysis of the prospects for the establishment of Portal Clubs within the Development Territory. Developer approves of the Development Schedule as being reasonable and viable and recognizes that failure to achieve the results described in the Development Schedule will constitute a material breach of the Agreement.

4.4 Territory Fee. Developer will pay the Territory Fee to Portal when Developer executes the Agreement. The Territory Fee is non-refundable and is paid in addition to the Development Fee. The Territory Fee secures county-level territorial exclusivity for each county in which a Development Club is designated under the Agreement in lieu of the standard protected territory granted to single-unit franchisees. County-level exclusivity will terminate upon the termination or expiration of the Agreement or Developer's failure to meet the Development Schedule, in which case Developer's territorial protection will revert to the standard territory described in the applicable Franchise Agreement for each Development Club then operating.

SECTION 5
OTHER OBLIGATIONS OF DEVELOPER

5.1 Franchise Agreement Execution. Developer will sign Portal's then-current Franchise Agreement for each Newly Opened Development Club on or before the earliest of (i) the date Developer (subject to Portal's approval of the Portal Club Location) executes a lease for the Portal Club Location for each Newly Opened Development Club, (ii) the date Developer (subject to Portal's approval of the Portal Club Location) enters into a purchase agreement for the real estate of the Portal Club Location for each Newly

Opened Development Club, or (iii) six months prior to the date that each Newly Opened Development Club must be open and in operation pursuant to the Development Schedule.

5.2 Royalty Fees and Other Franchise Agreement Fees Acknowledgment.

(a) If the Development Schedule contains at least eight Development Clubs, the Royalty obligation for each Development Club will be equal to 2.5% of the Development Club's Gross Revenues. If the Development Agreement is terminated for cause, Developer will remit the standard Royalty for the Development Clubs going forward from the date of termination and pay the difference between Royalties paid for the Development Clubs and the amount that would otherwise have been due if the Development Clubs were not developed pursuant to the Agreement.

(b) Nothing contained in the Agreement will reduce Developer's obligations set forth in each Development Club's respective Franchise Agreement including, without limitation, Developer's obligations to pay all other fees in accordance with the Franchise Agreement except for Initial Franchise Fees, Growth System Contributions, Activation Fees, and Logistics Fees. Except as described in the foregoing, nothing contained in the Agreement will modify, reduce, or mitigate Developer's obligations to Portal pursuant to any Franchise Agreement.

5.3 Modifications to Franchise Agreement. What constitutes Portal's then-current form of Franchise Agreement will be determined by Portal in Portal's discretion. The then-current form of Franchise Agreement may be modified from time to time by Portal and the modifications will not alter Developer's obligations pursuant to the Agreement.

5.4 Compliance With Franchise Agreements. Developer will operate the Development Clubs in strict compliance with the terms and conditions of each Development Club's respective Franchise Agreement.

5.5 Site Selection. Developer will be solely responsible for selecting Portal Club Location sites. In accordance with the terms and conditions of each Development Club's respective Franchise Agreement, Developer must obtain Portal's prior written approval for each potential Portal Club Location site selected by Developer. Developer will retain an experienced commercial real estate broker or salesperson who has sufficient experience to locate, acquire, purchase, or lease appropriate Portal Club Location sites. No provision of the Agreement will be construed or interpreted to impose any obligation upon Portal to find Portal Club Location sites, assist Developer with the selection of Portal Club Location sites, or provide any other assistance to Developer related to the purchase or lease of Portal Club Location sites.

5.6 Site Selection Criteria. Developer will not lease, purchase, or otherwise acquire a Portal Club Location site for a Development Club until any information Portal requires regarding the proposed Portal Club Location site has been provided to Portal by Developer and the proposed Portal Club Location site has been approved by Portal. Information requested by Portal may include, without limitation, information regarding accessibility, visibility, potential traffic flows, lease terms, and other relevant information. Developer will not enter into any lease or purchase agreement for any proposed Portal Club Location site without Portal's prior approval.

SECTION 6
TRANSFER OF INTEREST

6.1 By Portal. Portal has the sole and absolute right to transfer or assign Portal's rights and obligations under the Agreement in whole or in part (for any purpose and in any form of transaction as may be designated or elected by Portal, in Portal's sole discretion) to any person, entity, Corporate Entity, or third party without Developer's approval or consent.

6.2 By Developer. Developer will neither Transfer nor assign the Agreement without Portal's express written consent which consent Portal may withhold in Portal's discretion. If Developer is a Corporate Entity, the Owners will not Transfer their ownership or equity interests in Developer without Portal's express written consent which consent Portal may withhold in Portal's discretion. Any Transfer or assignment in violation of the foregoing will constitute a material default of the Agreement and result in the immediate and automatic termination of the Agreement.

SECTION 7
ENFORCEMENT AND CONSTRUCTION

7.1 Severability.

(a) Except as expressly provided to the contrary in the Agreement, each term of the Agreement will be interpreted or otherwise construed to be independent of the other terms and severable. Although each term of the Agreement is considered by the Parties to be reasonable and intended to be enforceable, if any term of the Agreement is found by a court of competent jurisdiction, agency, or other government agency to be unenforceable as written or otherwise, then the term will be modified to include as much of its nature and scope as will render it enforceable. If the term cannot be so modified, then it will not be given effect and severed from the Agreement, and the remainder of the Agreement will be interpreted, construed, and enforced as if the term was not included in the Agreement.

(b) If any applicable and binding law or rule requires a greater prior notice of the termination of the Agreement than is required in the Agreement or the taking of some other action not required by the Agreement, or if under any applicable and binding law or rule any term of the Agreement is invalid or unenforceable, then the greater prior notice or other action required by law or rule will be substituted for the comparable term, and Portal has the right in Portal's sole discretion to modify the invalid or unenforceable term to the extent required to be valid and enforceable. Developer will bound by any substituted or modified term of the Agreement imposing the maximum duty permitted by law that is prescribed within the term of any provision of the Agreement as though it were originally and separately articulated in, and made a part of, the Agreement as of the Effective Date, which may result from striking any portion of any term, 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 the Agreement will be effective only in those jurisdictions in which the term is found to be unenforceable unless Portal elects to give them greater applicability, in which case the Agreement will be enforced as originally made in all other jurisdictions.

7.2 Waiver of Obligations. No delay, waiver, omission, or forbearance on the part of Portal to enforce any term of the Agreement or exercise any of Portal's rights, options, or powers under the Agreement constitutes a waiver by Portal to enforce any other term of the Agreement or exercise any of Portal's other rights, options, or powers under the Agreement. No delay, waiver, omission, or forbearance will constitute a waiver by Portal to subsequently enforce the term of the Agreement or subsequently exercise a right, option, or power. Acceptance by Portal of any payments, fees, charges, or other amount from Developer payable to Portal pursuant to the Agreement will not constitute a waiver or acceptance of Developer's default or breach of the Agreement or otherwise a waiver of any term of the Agreement, and Portal reserves the right to pursue any additional remedies set forth in the Agreement, at law, or in equity. Portal will likewise not be deemed to have waived or impaired any term set forth in the Agreement by virtue of any custom or practice of the Parties at variance with the terms of the Agreement or Portal's insistence upon Developer's strict compliance with Developer's obligations including, without limitation, any mandatory specification, standard, or operating procedure. No waiver by Portal of any term of the Agreement will be valid unless in writing and signed by Portal.

7.3 Specific Performance and Injunctive Relief. Nothing in the Agreement will prohibit Portal from obtaining specific performance of the provisions of the Agreement or injunctive relief against threatened conduct that will cause damages or loss to Portal, the Trademarks, or the System.

7.4 Rights of Parties Are Cumulative. The rights under the 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 that the Party is entitled by law to enforce.

7.5 Governing Law and Choice of Forum. The Agreement is governed by and interpreted and construed under the laws of Colorado. Any action or other legal proceeding arising out of or relating to the Agreement or the franchise relationship must be brought in Colorado unless the Parties agree otherwise in writing.

7.6 Dispute Resolution and Arbitration. All disputes arising out of or in connection with the Agreement or any related agreement or in respect of any legal relationship associated with or derived from the Agreement will be finally resolved without appeal by arbitration under the then-current rules of the AAA. The arbitration will take place in Denver, Colorado unless the Parties agree otherwise. The language of the arbitration will be English. The arbitration may include any person or entity not a party to the Agreement provided the allegations brought by or made against that party arise out of or are related to the foregoing subject matter and the said non-party and non-signatory consents. Notwithstanding the foregoing, the Parties are not precluded from seeking injunctive, mandatory, or other extraordinary relief from a court pending such time as an arbitration can be commenced and an arbitrator may be advised of the issue concerning which injunctive, mandatory, or other extraordinary relief is sought provided that the Party seeking relief from a court will act expeditiously to commence an arbitration and bring the said issue or issues before the arbitrator. The Parties are not precluded from seeking in court any relief or the determination of any issue for which the arbitrator does not have jurisdiction to decide or to grant a remedy under applicable law. Except to the extent otherwise required by applicable law, arbitration will be confidential and neither the proceedings nor the result will be communicated to persons other than the Parties and their professional advisors; however, any order made by the arbitrator may be filed with a court, made into, or adopted as part of a court order for purposes of enforcement in accordance with applicable law and court practice or otherwise disclosed as required by law.

7.7 Variances. Developer acknowledges that Portal has and may at different times approve exceptions or changes from the uniform standards of the system that Portal deems desirable or necessary under particular circumstances in Portal's absolute and sole discretion. Developer has no right to object to or automatically obtain such variances and any exception or change must be approved in advance by Portal in writing. Developer acknowledges that existing developers may operate under different forms of agreements and that the rights and obligations of existing developers may differ materially from the Agreement.

7.8 Limitation of Claims. ANY CLAIMS OR CAUSES OF ACTIONS ARISING OUT OF OR RELATING TO THE AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES RESULTING FROM THE AGREEMENT WILL BE BARRED UNLESS THE CLAIM OR CAUSE OF ACTION IS COMMENCED WITHIN THE EARLIER OF (I) TWO YEARS FROM THE DATE ON WHICH THE ACT OR EVENT GIVING RISE TO THE CLAIM OCCURRED, OR (II) ONE YEAR FROM THE DATE ON WHICH THE PARTY KNEW OR SHOULD HAVE KNOWN IN THE EXERCISE OF REASONABLE DILIGENCE OF THE FACTS GIVING RISE TO THE CLAIM OR CAUSE OF ACTION.

7.9 Waiver of Punitive Damages. THE PARTIES WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY,

CONSEQUENTIAL, OR SPECULATIVE DAMAGES AGAINST EACH OTHER AND AGREE THAT IF A DISPUTE BETWEEN THEM ARISES, EXCEPT AS OTHERWISE PROVIDED IN THE AGREEMENT, EACH PARTY WILL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED; PROVIDED, HOWEVER, THAT THE WAIVER WILL NOT APPLY TO ANY CLAIM (I) ALLOWED FOR ATTORNEY'S FEES OR COSTS AND EXPENSES UNDER THE AGREEMENT, OR (II) FOR LOST PROFITS BY THE PARTIES OR THE OWNERS UPON OR ARISING OUT OF THE TERMINATION OF THE AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE AGREEMENT, IF ANY OTHER TERM OF THE 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 WILL CONTINUE IN FULL FORCE AND EFFECT.

7.10 Waiver of Jury Trial. THE PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER PARTY AGAINST THE OTHER WHETHER IN A LEGAL ACTION, MEDIATION, OR ARBITRATION.

7.11 Binding Effect. The Agreement is binding upon the Parties and their respective executors, administrators, heirs, assigns and successors in interest, and will not be modified except by written agreement signed by both Parties.

7.12 Complete Agreement. The Agreement and Schedule A constitute the entire, full, and complete Agreement between the Parties concerning the subject matter of the Agreement and supersedes all prior related agreements between the Parties.

7.13 Attorneys' Fees and Expenses. If an arbitrator in any arbitration proceeding or a court of competent jurisdiction issues an award, judgment, decision, or order finding, holding, or declaring Developer's breach of the Agreement, Portal will be entitled to the recovery of all reasonable attorney fees, costs, and expenses associated with or related to the proceeding. These fees, costs, and expenses will include, without limitation, attorney's fees, arbitrator's fees, deposition expenses, expert witness expenses, and filing fees.

7.14 No Class Action or Multi-Party Actions. All proceedings or legal actions arising out of or related to the Agreement or the offer and sale of franchises from Portal to Developer will be conducted on an individual basis and not a class-wide basis. Any proceeding between Developer, Owners, Developer's spouses, or Developer's guarantors and Portal, Affiliates, their respective officers, directors, or employees may not be consolidated with any other proceeding between Portal and any other third party.

7.15 Acceptance by Portal. The Agreement will not be binding on Portal unless and until an authorized officer of Portal has signed the Agreement.

7.16 Opportunity for Review by Developer's Advisors. Developer acknowledges and represents that prior to the signing of the Agreement, Portal recommended and Developer had the opportunity to have the Agreement reviewed by Developer's lawyers, accountants, and other business advisors.

7.17 No Personal Liability For Portal's Employees, Officers, or Agents. The fulfillment of any of Portal's obligations written in the Agreement or based on any oral communications ruled to be binding in a court of law will be Portal's sole obligation and none of Portal's employees, officers, or authorized agents will be personally liable to Developer for any reason. The Parties are not joint employers.

7.18 Non-Uniform Agreements. Developer acknowledges that Portal makes no representations or warranties that all other agreements with franchisees and developers entered into before or after the Effective Date will contain terms substantially similar to those of the Agreement. Portal may waive or modify comparable provisions of other agreements to other System franchisees and developers in a non-uniform manner.

7.19 No Right to Offset. Developer will not withhold any payment, fee, or any other amount payable by Developer to Portal pursuant to the Agreement alleging nonperformance, material breach, or default by Portal of the Agreement, any other agreement between the Parties, or for any other reason. Developer will not have the right to offset or withhold any liquidated or unliquidated amount allegedly due to Developer from Portal against any payment, fee, or any other amount payable to Portal pursuant to the Agreement or any other payment obligation by Developer to Portal.

7.20 Headings. The headings and subheadings in the Agreement are strictly for convenience and reference only, and they will not limit, expand, or otherwise affect the interpretation and construction of the terms and conditions of the Agreement.

7.21 Authority to Bind and Execute. Each Party warrants and represents that it has all requisite power and authority to enter into the Agreement. The execution, delivery, and performance of the Agreement has been duly and lawfully authorized by all necessary actions of each Party, and the signatory to the Agreement for each Party has been duly and lawfully authorized to execute the Agreement for and on behalf of the Party for whom each signatory has signed.

7.22 Counterparts and Electronic Signatures. The Agreement may be executed in counterparts, and each counterpart when so executed and delivered will be deemed to be an original. Such counterparts taken together will constitute one and the same instrument. Electronic signatures and signatures transmitted by email or facsimile transmission will have the same full force and effect as originally executed signatures.

7.23 Joint and Several Liability. If Developer consists of more than one person or entity, then their liability under the Agreement will be deemed joint and several.

7.24 Recitals. The Recitals constitute a part of the Agreement and are hereby fully incorporated into the terms of the Agreement.

SECTION 8
NOTICES

All written notices and reports permitted or required to be delivered by the Agreement will 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 will be delivered by certified U.S. mail or electronically as Portal designates. The addresses for the Parties set forth in the initial paragraph of the Agreement will be used unless and until a different address has been designated by written notice to the other Party. Any notice required under the Agreement will not be deemed effective or given by Developer to Portal unless given in strict compliance with the Agreement.

In all cases where Portal's prior approval is required and no other method or timing for obtaining the approval is prescribed, Developer will request the approval in writing, and Portal will respond within ten business days after receiving Developer's written request and all supporting documentation, provided

that the request will be deemed unapproved if Portal does not respond. Portal's consent to or approval of any act or request by Developer will be effective only to the extent specifically stated, and Portal's consent or approval will 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 signed this Portal Franchising LLC Multi-Unit Development Agreement effective as of the Effective Date.

PORTAL:	DEVELOPER:
PORTAL FRANCHISING LLC, a Colorado limited liability company	_____, a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SCHEDULE A
DEVELOPMENT INFORMATION SHEET

This Development Information Sheet is attached to, incorporated into, and forms a part of the Portal Franchising LLC Multi-Unit Development Agreement (the "**Agreement**") between Portal Franchising LLC ("**Portal**") and _____ ("**Developer**"). Defined terms will have the meanings set forth in the Agreement and are further defined in this Development Information Sheet.

The Development Clubs developed under this Agreement may be of the following formats: Clubhouse, Brick & Mortar, or Outpost. The per-unit Development Fee is $50,000.00 to $59,000.00 for an Outpost, $154,000.00 for a Clubhouse, and $164,000.00 for a Brick & Mortar.

If Developer is a Corporate Entity, Developer represents and affirms to Portal that the following is a complete, accurate list of Developer's Owners:

Owner Name	Owner Address	Ownership Interest Percentage

Development Fee

Development Territory

Development Schedule		
Development Period	Newly Opened Development Clubs	Cumulative Development Clubs
Development Period 1: **[---------- to ----------]**	**[------]**	**[------]**
Development Period 2: **[---------- to ----------]**	**[------]**	**[------]**
Development Period 3: **[---------- to ----------]**	**[------]**	**[------]**
Development Period 4: **[---------- to ----------]**	**[------]**	**[------]**
Development Period 5: **[---------- to ----------]**	**[------]**	**[------]**

PORTAL:	DEVELOPER:
PORTAL FRANCHISING LLC, a Colorado limited liability company	_____, a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT D

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EXHIBIT E

FRANCHISEES AND FRANCHISEES WHO HAVE LEFT THE SYSTEM

FRANCHISEES

Portal Bozeman LLC
660 North Ida Avenue
Bozeman, Montana 59715
(406) 600-4193

FRANCHISEES WHO HAVE LEFT THE SYSTEM

None.

EXHIBIT F

FINANCIAL STATEMENTS

PORTAL FRANCHISING LLC

Financial Statements As Of January 15, 2026

Together With Independent Auditors' Report

JDS professional group

certified public accountants, consultants and advisors

INDEPENDENT AUDITORS' REPORT

To Management and the Owner of Portal Franchising, LLC:

Opinion

We have audited the accompanying financial statements of Portal Franchising LLC (the "Company"), which comprise the balance sheet as of January 15, 2026, and the related statement of operations, owner's equity and cash flows for the period from commencement (August 26, 2025) to January 15, 2026, 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 Portal Franchising LLC as of January 15, 2026, and the results of its operations and its cash flows for the period from commencement (August 26, 2025) to January 15, 2026, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Independent Auditors' Report (Continued)

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 the Company'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 the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate to 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.

JDS Professional Group

April 3, 2026

PORTAL FRANCHISING LLC

Balance Sheet
As Of January 15, 2026

ASSETS	
Cash	$ 700,100
TOTAL ASSETS	$ 700,100
LIABILITIES AND OWNER'S EQUITY	
Liabilities:	$ -
Owner's Equity:	
Paid in capital	700,100
Retained earnings	
Total Owner's Equity	700,100
TOTAL LIABILITIES AND OWNER'S EQUITY	$ 700,100

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

PORTAL FRANCHISING LLC

Statement of Operations
For The Period From Commencement (August 26, 2025) to January 15, 2026

Revenue:	
Franchise fees	$ -
Logistics fees	-
Marketing fund contributions	-
Royalties	-
Technology fees	-
Total Revenue	-
Operating Expenses:	
Franchise support expenses	-
General and administrative expenses	-
Marketing expenses	-
Total Operating Expenses	-
NET INCOME	$ -

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

PORTAL FRANCHISING, LLC

Statement Of Owners' Equity
For The Period From Commencement (August 26, 2025) To January 15, 2026

Beginning owners' equity	$ -
Net contributions (distributions)	700,100
Net income	-
ENDING OWNERS' EQUITY	$ 700,100

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

PORTAL FRANCHISING LLC

Statement Of Cash Flows
For The Period From Commencement (August 26, 2025) to January 15, 2026

Cash flows from operating activities:	
Net income	$ -
Cash flows from financing activities:	
Owner contributions	700,100
Net cash provided by financing activities	700,100
NET INCREASE IN CASH	700,100
Cash - Beginning of year	-
CASH - END OF YEAR	$ 700,100

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

(1) Description Of The Business

Portal Franchising LLC (the "Company") was incorporated under the laws of the State of Colorado on August 26, 2025. The Company is engaged in franchising Portal franchises that operate a Portal Club following a distinctive and proprietary system for the establishment and operation of four-wall, service-based wellness businesses providing sauna services, cold plunge services, other wellness offerings, and related amenities and products using the proprietary methodology and certain trademarks.

As of January 15, 2026, the Company had not sold any franchises.

(2) Summary Of Significant Accounting Policies

Basis of Presentation

The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America.

Estimates

The preparation of financial statements in conformity with accounting principals generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include demand deposits, and other highly liquid investments with original maturities of three months or less. The Company does not have any cash equivalents.

Accounts Receivable

Accounts receivable consist of amounts invoiced to franchises and are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible. The Company separates accounts receivable into risk pools based on their aging. In determining the amount of the allowance as of the balance sheet dates, the Company develops a loss rate for each risk pool. The loss rate is based on management's historical collection experience, adjusted for management's expectations about current and future economic conditions and based on a specific assessment of the creditworthiness of the franchise.

Concentrations of Credit Risk

The Company's cash demand deposits are held at financial institutions at which deposits are insured up to $250,000 by the FDIC. As of January 15, 2026, the Company's cash demand deposits exceeded the FDIC's insurance limit by $450,100.

Revenue And Revenue Recognition

Initial Franchise Fees

Franchises are required to pay an initial franchise fee and activation fee upon signing the franchise agreement for the Company's grant of a license for the operation of the franchisee's Portal Club. The fee is deferred and recognized as revenue over the term of the franchise agreement as the Company satisfies its ongoing performance obligations.

Logistics Fees

Franchises are required to pay a fixed logistics fee for the services provided by the Company before the franchisee's Portal Club opens for business that are related to the construction or delivery of the franchisee's Portal Club. These fees are recognized in the period the related services are performed, and deferred if collected prior to the related construction or delivery of the Portal Club.

Franchise Royalties

Pursuant to the current franchise agreements, franchises are required to pay royalty fees which are charged at the franchise level and determined based on a percentage of gross revenue from the proceeding week. If the minimum levels of revenues are not achieved, a fixed fee is charged on a monthly basis. These fees are recognized in the period in which the related franchisee sales occur, as the royalties represent variable consideration to which the Company is entitled.

Marketing Fund Contribution

Franchises are required to pay a fixed monthly marketing contribution. Contributions are recognized as revenue when earned and deferred if collected prior to the related marketing activities.

Technology Fees

Franchises are required to pay a monthly technology fee of $500, for expenses incurred by the Company to offer various technologies including, without limitation, the cost of providing access to the Company's designated customer relationship management software. These fees are recognized in the period the related services are performed, as the fees represent variable consideration to which the Company is entitled.

Leases

The Company determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities on the balance sheet. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Company does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Subsequent Events

The Company has performed an evaluation of subsequent events through April 3, 2026, which is the date the financial statements were available to be issued, and has considered any relevant matters in the preparation of the financial statements and footnotes.

(3) Income Taxes

The Company is a single member limited liability company and has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owner on the respective income tax returns. Accordingly, the Company is not required to take any tax positions in order to qualify as a pass-through entity. The Company is required to file and does file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Company has not taken other tax positions which must be considered for disclosure.

Since the Company was incorporated in August 2025, all returns filed are subject to U.S. federal and state tax audits.

EXHIBIT G

STATE LAW ADDENDA AND RIDERS

CALIFORNIA

1. 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 FRANCHISE DISCLOSURE DOCUMENT.

2. SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A FRANCHISE 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. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

4. THE FRANCHISE AGREEMENT CONTAINS PROVISIONS THAT LIMIT FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN CALIFORNIA INCLUDING, WITHOUT LIMITATION, A TIME LIMIT TO RAISE CLAIMS AGAINST THE FRANCHISOR, LIMITATION OF DAMAGES AND WAIVER OF JURY TRIAL.

5. Item 3 of the Franchise Disclosure Document is amended to provide that neither the franchisor, nor any person in Item 2 of the Franchise Disclosure Document, is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq*., suspending or expelling such persons from membership in that association or exchange.

6. Item 6 of the Franchise Disclosure Document is amended to provide that the highest interest rate allowed in California is 10% per annum.

7. The following paragraphs are added at the end of Item 17 of the Franchise Disclosure Document:

> Any condition, stipulation or provision in the Agreement that would result in your waiver of compliance with any provision of the California Franchise Relations Act (Business and Professions Code Sections 20000 through 20043) (the "**Act**") is void to the extent that such provision violates the Act. If the Franchise Agreement contains a provision that is inconsistent with the Act, the Act will control.
>
> The Franchise Agreement provides for termination upon insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Secs. 101 *et seq*.).
>
> 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). Business and Professions Code Section 20010 voids a waiver of your rights under the Act.

The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

The Franchise Agreement requires binding arbitration. The arbitration will be conducted in Boulder, Colorado, where our headquarters are located, with the costs being borne as provided in the Franchise Agreement. You 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 of California.

The Franchise Agreement requires application of the laws of Colorado. These provisions might not be enforceable under California law.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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.

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.

CALIFORNIA RIDER TO THE
PORTAL FRANCHISING LLC FRANCHISE AGREEMENT

This California Rider to the Portal Franchising LLC Franchise Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Portal and Franchisee are parties to that certain Portal Franchising LLC Franchise Agreement dated _____, that has been signed concurrently with the Rider (the "**Franchise Agreement**"). The Rider is annexed to and forms part of the Franchise Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Franchisee will operate under the Franchise Agreement was made in California, (ii) Franchisee is a resident of California, or (iii) the franchised business will be located or operated in California.

2. GENERAL PROVISIONS. Section 18 of the Franchise Agreement (General Provisions) is amended by the addition of the following:

18.33 No Waiver or Disclaimer. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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.

18.34 California Franchisees.

(a) For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

(b) The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code 16600.

(c) No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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 FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this California Rider to the Portal Franchising LLC Franchise Agreement effective as of the Effective Date

FRANCHISEE:	PORTAL:
_____ a(n) _____	PORTAL FRANCHISING LLC, a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

CALIFORNIA RIDER TO THE
PORTAL FRANCHISING LLC MULTI-UNIT DEVELOPMENT AGREEMENT

This California Rider to the Portal Franchising LLC Franchise Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Portal and Developer are parties to that certain Portal Franchising LLC Multi-Unit Development Agreement dated _____, that has been signed concurrently with the Rider (the "**Development Agreement**"). The Rider is annexed to and forms part of the Development Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Developer will operate under the Development Agreement was made in California, (ii) Developer is a resident of California, or (iii) the franchised business will be located or operated in California.

2. ENFORCEMENT AND CONSTRUCTION. Section 7 of the Development Agreement (Enforcement and Construction) is amended by the addition of the following:

7.25 No Waiver or Disclaimer. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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.

7.26 California Franchisees.

(a) For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution stated elsewhere. Any language in the Development Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

IN WITNESS WHEREOF, the parties have executed and delivered this California Rider to the Portal Franchising LLC Multi-Unit Development Agreement effective as of the Effective Date

DEVELOPER:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

HAWAII

1. The following paragraphs are added to the Cover Page of the Franchise Disclosure Document:

THESE FRANCHISES 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 REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, AND NOT MISLEADING.

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 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, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. 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.

2. The following paragraph is added at the end of Item 7 of the Franchise Disclosure Document:

The Hawaii Department of Commerce and Consumer Affairs requires us to defer payment of initial franchise fees and other initial payments owed by franchisees to us until we have completed our pre-opening obligations under the franchise agreement and the Portal Club is open for business.

3. The following paragraph is added at the end of Item 17(t) of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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. Nothing in this or any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document we furnished to you.

HAWAII RIDER TO THE
PORTAL FRANCHISING LLC FRANCHISE AGREEMENT

This Hawaii Rider to the Portal Franchising LLC Franchise Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Franchisee and Portal are parties to that certain Portal Franchising LLC Franchise Agreement dated _____, that has been signed concurrently with the Rider (the "**Franchise Agreement**"). The Rider is annexed to and forms part of the Franchise Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Franchisee will operate under the Franchise Agreement was made in Hawaii, (ii) Franchisee is a resident of Hawaii, or (iii) the franchised business will be located or operated in Hawaii.

2. GENERAL PROVISIONS. Section 18.9 of the Franchise Agreement (Entire Agreement) is deleted.

3. GENERAL PROVISIONS. Section 18 of the Franchise Agreement (General Provisions) is amended by the addition of the following:

> 18.34 No Waiver or Disclaimer. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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. Nothing in this or any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document we furnished to you.

4. GENERAL PROVISIONS. Section 18 of the Franchise Agreement (General Provisions) is amended by the addition of the following:

> 18.35 Fee Deferral. The Hawaii Department of Commerce and Consumer Affairs requires Portal to defer payment of initial franchise fees and other initial payments owed by franchisees to Portal until Portal has completed its pre-opening obligations under the Agreement and the location is open for business.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Hawaii Rider to the Portal Franchising LLC Franchise Agreement effective as of the Effective Date.

FRANCHISEE:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

HAWAII RIDER TO THE
PORTAL FRANCHISING LLC MULTI-UNIT DEVELOPMENT AGREEMENT

This Hawaii Rider to the Portal Franchising LLC Multi-Unit Development Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Developer and Portal are parties to that certain Portal Franchising LLC Multi-Unit Development Agreement dated _____, that has been signed concurrently with the Rider (the "**Development Agreement**"). The Rider is annexed to and forms part of the Development Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Developer will operate under the Development Agreement was made in Hawaii, (ii) Developer is a resident of Hawaii, or (iii) the franchised business will be located or operated in Hawaii.

2. DEVELOPMENT FEE AND DEVELOPMENT SCHEDULE. Section 4 of the Development Agreement (Development Fee and Development Schedule) is amended by the addition of the following:

4.4 Fee Deferral. The Hawaii Department of Commerce and Consumer Affairs requires Portal to defer payment of initial franchise fees and other initial payments owed by franchisees to Portal until Portal has completed its pre-opening obligations under the Agreement and the location is opened for business. A proportionate share of the Development Fee will be paid by Developer to Portal at the time each Development Club is opened for business.

3. ENFORCEMENT AND CONSTRUCTION. Section 7 of the Development Agreement (Enforcement and Construction) is amended by the addition of the following:

7.25 No Waiver or Disclaimer. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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. Nothing in this or any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document we furnished to you.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Hawaii Rider to the Portal Franchising LLC Multi-Unit Development Agreement effective as of the Effective Date.

FRANCHISEE:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

ILLINOIS

1. The "Summary" section of Item 17(v) of the Franchise Disclosure Document is amended to read as follows:

Litigation will be in Illinois.

2. The "Summary" section of Item 17(w) of the Franchise Disclosure Document is amended to read as follows:

Except for federal law, Illinois law applies.

3. Item 17 of the Franchise Disclosure Document is amended by the addition of the following:

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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.

4. The Franchise Disclosure Document is amended by the addition of the following:

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the Franchise Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, the Franchise Agreement may provide for arbitration to take place outside of Illinois.

The Illinois Attorney General's Office has imposed a fee deferral requirement because of our financial condition. Item 5 and Item 7 of the FDD, Section 7.1 of the Franchise Agreement, Section 7.2 of the Franchise Agreement, and Section 4.1 of the Development Agreement are hereby revised to state that payment of all initial fees, including the Initial Franchise Fee, Initial Training Fee, and Development Fee, will be deferred until after all of our initial obligations are complete and your franchise is open for business. The Development Fee will be deferred until the first franchise is open and operational.

ILLINOIS RIDER TO THE
PORTAL FRANCHISING LLC FRANCHISE AGREEMENT

This Illinois Rider to the Portal Franchising LLC Franchise Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Franchisee and Portal are parties to that certain Portal Franchising LLC Franchise Agreement dated _____, that has been signed concurrently with the Rider (the "**Franchise Agreement**"). The Rider is annexed to and forms part of the Franchise Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Franchisee will operate under the Franchise Agreement was made in Illinois and the franchised business will be located in Illinois, or (b) Franchisee is a resident of Illinois.

2. Section 7.1 of the Franchise Agreement is amended by the addition of the following:

The Illinois Attorney General's Office has imposed a fee deferral requirement because of our financial condition. Item 5 and Item 7 of the FDD, Section 7.1 of the Franchise Agreement, Section 7.2 of the Franchise Agreement, Section 7.3 of the Franchise Agreement, and Section 4.1 of the Development Agreement are hereby revised to state that payment of all initial fees, including the Initial Franchise Fee, Initial Training Fee, and Development Fee, will be deferred until after all of our initial obligations are complete and your franchise is open for business. The Development Fee will be deferred until the first franchise is open and operational.

3. Section 7.2 of the Franchise Agreement is amended by the addition of the following:

The Illinois Attorney General's Office has imposed a fee deferral requirement because of our financial condition. Item 5 and Item 7 of the FDD, Section 7.1 of the Franchise Agreement, Section 7.2 of the Franchise Agreement, Section 7.3 of the Franchise Agreement, and Section 4.1 of the Development Agreement are hereby revised to state that payment of all initial fees, including the Initial Franchise Fee, Initial Training Fee, and Development Fee, will be deferred until after all of our initial obligations are complete and your franchise is open for business. The Development Fee will be deferred until the first franchise is open and operational.

4. Section 7.3 of the Franchise Agreement is amended by the addition of the following:

The Illinois Attorney General's Office has imposed a fee deferral requirement because of our financial condition. Item 5 and Item 7 of the FDD, Section 7.1 of the Franchise Agreement, Section 7.2 of the Franchise Agreement, Section 7.3 of the Franchise Agreement, and Section 4.1 of the Development Agreement are hereby revised to state that payment of all initial fees, including the Initial Franchise Fee, Initial Training Fee, and Development Fee, will be deferred until after all of our initial obligations are complete and your franchise is open for business. The Development Fee will be deferred until the first franchise is open and operational.

5. GENERAL PROVISIONS. Section 18.5 of the Franchise Agreement (Governing Law and Choice of Forum) is deleted and replaced with the following:

18.5 Governing Law and Choice of Forum.

Except to the extent governed by the Federal Arbitration Act (9 U.S.C. Sections 1 *et seq*.), the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq*.) or other federal law, all controversies, disputes or claims arising from or relating to or alleged to arise from or relate to:

(i) This Agreement or any other agreement between the Parties;

(ii) The relationship of the Parties; or

(iii) The validity of the Agreement or any other agreement between the Parties will be governed by the laws of Illinois.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.

Any arbitration proceeding arising out of or relating to the Agreement or the franchise relationship must be brought in Colorado unless the Parties agree otherwise in writing. Notwithstanding the foregoing and subject to Section 18.6 below, Portal may use the state or federal courts anywhere in the United States with respect to matters related to the Trademarks.

6. GENERAL PROVISIONS. Section 18 of the Franchise Agreement (General Provisions) is amended by the addition of the following:

18.33 Illinois Franchise Disclosure Act. 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.

Franchisee's rights upon termination and non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

7. ACKNOWLEDGMENT. Schedule B of the Franchise Agreement (Acknowledgment) is amended by the addition of the following:

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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 FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Illinois Rider to the Portal Franchising LLC Franchise Agreement effective as of the Effective Date.

FRANCHISEE:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

ILLINOIS RIDER TO THE
PORTAL FRANCHISING LLC MULTI-UNIT DEVELOPMENT AGREEMENT

This Illinois Rider to the Portal Franchising LLC Multi-Unit Development Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Franchisee and Portal are parties to that certain Portal Franchising LLC Multi-Unit Development Agreement dated _____, that has been signed concurrently with the Rider (the "**Development Agreement**"). The Rider is annexed to and forms part of the Development Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Developer will operate under the Development Agreement was made in Illinois and the franchised business will be located in Illinois, or (b) Developer is a resident of Illinois.

2. Section 4.1 of the Development Agreement is amended by the addition of the following:

The Illinois Attorney General's Office has imposed a fee deferral requirement because of our financial condition. Item 5 and Item 7 of the FDD, Section 7.1 of the Franchise Agreement, Section 7.2 of the Franchise Agreement, Section 7.3 of the Franchise Agreement, and Section 4.1 of the Development Agreement are hereby revised to state that payment of all initial fees, including the Initial Franchise Fee, Initial Training Fee, and Development Fee, will be deferred until after all of our initial obligations are complete and your franchise is open for business. The Development Fee will be deferred until the first franchise is open and operational.

3. ENFORCEMENT AND CONSTRUCTION. Section 7.5 of the Development Agreement (Governing Law and Choice of Forum) is deleted and replaced with the following:

7.5 Governing Law and Choice of Forum.

Except to the extent governed by the Federal Arbitration Act (9 U.S.C. Sections 1 *et seq*.), the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq*.) or other federal law, all controversies, disputes or claims arising from or relating to or alleged to arise from or relate to:

(i) This Agreement or any other agreement between the Parties;

(ii) The relationship of the Parties; or

(iii) The validity of the Agreement or any other agreement between the Parties will be governed by the laws of Illinois.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.

Any arbitration proceeding arising out of or relating to the Agreement or the franchise relationship must be brought in Colorado unless the Parties agree otherwise in writing. Notwithstanding the foregoing and subject to Section 7.6 below, Portal may use the state or federal courts anywhere in the United States with respect to matters related to the Trademarks.

4. ENFORCEMENT AND CONSTRUCTION. Section 7 of the Development Agreement (Enforcement and Construction) is amended by the addition of the following:

7.25 Illinois Franchise Disclosure Act. 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.

Franchisee's rights upon termination and non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

7.26 Acknowledgment. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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 executed and delivered this Illinois Rider to the Portal Franchising LLC Multi-Unit Development Agreement effective as of the Effective Date.

DEVELOPER:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

MICHIGAN

THE FOLLOWING APPLIES ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

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 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 that deprives a Franchisee of rights and protections provided in this act. This will 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 will 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 that 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 will 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 that 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 will include, without limitation:

(i) The failure of the proposed Franchisee 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 subfranchisor.

(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 that 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 franchisor will, at the request of a Franchisee, arrange for the escrow of initial investment and other funds paid by the Franchisee until the obligations 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 Consumer Protection Division
Attention: Franchise
670 G. Mennen Williams Building
525 West Ottawa Street
Lansing, Michigan 48933
Telephone: (517) 373-7117

Despite subparagraph (f) above, we intend to enforce fully the provisions of the arbitration section contained in our Franchise Agreement. We believe that subparagraph (f) is unconstitutional and cannot preclude us from enforcing our arbitration section. You acknowledge that we will seek to enforce this section as written.

MINNESOTA

1. The following is added at the end of each chart in Item 6:

With respect franchises governed by Minnesota law, the fee for insufficient funds will not exceed $30.00.

2. The following is added at the end of the chart in Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 that require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement.

Pursuant to Minn. Stat. §80C.21 and Minn. Rule Part 2860.4400J, these sections will not in any way abrogate or reduce your rights as provided in Minnesota Statutes 1984, Chapter 80C, including the right to submit matters to jurisdiction of the courts of Minnesota.

Any release as a condition of renewal or assignment/transfer will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

Minnesota Rule Part 2860.4400J prohibits you from waiving your rights to a jury trial or waiving your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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.

MINNESOTA RIDER TO THE
PORTAL FRANCHISING LLC FRANCHISE AGREEMENT

This Minnesota Rider to the Portal Franchising LLC Franchise Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Franchisee and Portal are parties to that certain Portal Franchising LLC Franchise Agreement dated _____, that has been signed concurrently with the Rider (the "**Franchise Agreement**"). The Rider is annexed to and forms part of the Franchise Agreement. The Rider is being signed because (i) the franchised business that Franchisee will operate under the Franchise Agreement will be located in Minnesota, or (ii) any of the franchise offering or sales activity occurred in Minnesota.

2. DEFINITIONS AND CONSTRUCTION OF AGREEMENT. The definition of "Insufficient Funds Fee" in Section 1.1 of the Franchise Agreement (Definitions) is deleted and replaced with the following:

> "**Insufficient Funds Fee**" means a $30.00 fee paid by Franchisee if any payment to Portal is returned for insufficient funds.

3. TRADEMARKS AND OTHER INTELLECTUAL PROPERTY RIGHTS. Section 4 of the Franchise Agreement (Trademarks and Other Intellectual Property Rights) is amended by the addition of the following:

> 4.14 Indemnification by Portal. Portal will indemnify Franchisee for any loss, costs, or expenses arising out of any third party claim, suit or demand that the Trademarks infringe the trademark rights of a third party or cause unfair competition to a third party to the extent required by Minn. Stat. Sec. 80C.12, Subd.1(g). Portal will control any administrative proceeding or litigation involving the Trademarks.

4. INITIAL FRANCHISE FEE, OTHER PAYMENTS, AND REPORTING. Section 7.13 of the Franchise Agreement (Insufficient Funds Fee) is deleted and replaced with the following:

> 7.11 Insufficient Funds Fee. Portal may charge Franchisee $30.00 for any payment returned for insufficient funds.

5. TERM AND RENEWAL. Section 11.2(g) of the Franchise Agreement (Renewal) is amended by the addition of the following:

> Notwithstanding any other provision of this Agreement, no release to be signed by Franchisee will apply to claims under the Minnesota Franchises Law.

6. DEFAULT AND TERMINATION. Section 12 of the Franchise Agreement (Default and Termination) is amended by the addition of the following:

> 12.10 Cure Period. With respect to franchises governed by Minnesota law, Portal will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 that require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement.

7. GENERAL PROVISIONS. Section 18.5 of the Franchise Agreement (Governing Law and Choice of Forum) is amended by the addition of the following:

HOWEVER, NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF FRANCHISEE'S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80 CONCERNING FRANCHISEE'S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE. WITH RESPECT TO FRANCHISES GOVERNED BY MINNESOTA LAW, PORTAL WILL COMPLY WITH MINN. STAT. SEC. 80C.14, SUBDS. 3, 4, AND 5 THAT REQUIRE, EXCEPT IN CERTAIN SPECIFIED CASES, THAT FRANCHISEE BE GIVEN 90 DAYS' NOTICE OF TERMINATION (WITH 60 DAYS TO CURE) AND 180 DAYS' NOTICE OF NON-RENEWAL OF THE AGREEMENT.

8. ACKNOWLEDGMENT. Schedule B of the Franchise Agreement (Acknowledgment) is deleted and replaced with the following:

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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 executed and delivered this Minnesota Rider to the Portal Franchising LLC Franchise Agreement effective as of the Effective Date.

FRANCHISEE:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

MINNESOTA RIDER TO THE
PORTAL FRANCHISING LLC MULTI-UNIT DEVELOPMENT AGREEMENT

This Minnesota Rider to the Portal Franchising LLC Multi-Unit Development Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Developer and Portal are parties to that certain Portal Franchising LLC Development Agreement dated _____, that has been signed concurrently with the Rider (the "**Development Agreement**"). The Rider is annexed to and forms part of the Development Agreement. The Rider is being signed because (i) the franchised business that Developer will operate under the Development Agreement will be located in Minnesota, or (ii) any of the franchise offering or sales activity occurred in Minnesota.

2. TERM AND TERMINATION. Section 3 of the Development Agreement (Term and Termination) is amended by the addition of the following:

3.3 Cure Period. With respect to franchises governed by Minnesota law, Portal will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 that require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement.

3. ENFORCEMENT AND CONSTRUCTION. Section 7.5 of the Development Agreement (Governing Law and Choice of Forum) is amended by the addition of the following:

NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF DEVELOPER'S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80 CONCERNING DEVELOPER'S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE. WITH RESPECT TO FRANCHISES GOVERNED BY MINNESOTA LAW, PORTAL WILL COMPLY WITH MINN. STAT. SEC. 80C.14, SUBDS. 3, 4, AND 5 THAT REQUIRE, EXCEPT IN CERTAIN SPECIFIED CASES, THAT DEVELOPER BE GIVEN 90 DAYS' NOTICE OF TERMINATION (WITH 60 DAYS TO CURE) AND 180 DAYS' NOTICE OF NON-RENEWAL OF THE AGREEMENT.

4. ENFORCEMENT AND CONSTRUCTION. Section 7 of the Development Agreement (Enforcement and Construction) is amended by the addition of the following:

7.25 Indemnification by Portal. Portal will indemnify Developer for any loss, costs, or expenses arising out of any third party claim, suit or demand that the Trademarks infringe the trademark rights of a third party or cause unfair competition to a third party to the extent required by Minn. Stat. Sec. 80C.12, Subd.1(g). Portal will control any administrative proceeding or litigation involving the Trademarks.

7.26 Acknowledgment. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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 executed and delivered this Minnesota Rider to the Portal Franchising LLC Multi-Unit Development Agreement effective as of the Effective Date.

DEVELOPER:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

NEW YORK

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 ten-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, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NEW YORK RIDER TO THE
PORTAL FRANCHISING LLC FRANCHISE AGREEMENT

This New York Rider to the Portal Franchising LLC Franchise Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Franchisee and Portal are parties to that certain Portal Franchising LLC Franchise Agreement dated _____, that has been signed concurrently with the Rider (the "**Franchise Agreement**"). The Rider is annexed to and forms part of the Franchise Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Franchisee will operate under the Franchise Agreement was made in New York, or (ii) Franchisee is a resident of New York and will operate the franchised business in New York.

2. OPERATIONS MANUAL. Section 5 of the Franchise Agreement (Operations Manual) is amended by the addition of the following:

5.2 Manual Modifications. Modifications to the Manual will not unreasonably affect Franchisee's obligations, including economic requirements, under the Agreement.

3. TRANSFER. Section 13.8 of the Franchise Agreement (Transfer by Portal) is amended by the addition of the following:

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in Portal's good faith judgment, is willing and able to assume Portal's obligations under the Agreement.

4. DEFAULT AND TERMINATION. Section 12 of the Franchise Agreement (Default and Termination) is amended by the addition of the following:

12.10 Franchisee also may terminate the Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

5. GENERAL PROVISIONS. Section 18.5 of the Franchise Agreement (Governing Law and Choice of Forum) is amended by the addition of the following:

NOTWITHSTANDING THE FOREGOING, THE GOVERNING CHOICE OF LAW WILL NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON FRANCHISEE BY THE PROVISIONS OF ARTICLE 33 OF THE GENERAL BUSINESS LAW OF THE STATE OF NEW YORK.

6. GENERAL PROVISIONS. Section 18 of the Franchise Agreement (General Provisions) is amended by the addition of the following:

18.34 Releases. Notwithstanding any other provisions of the Agreement, all rights Franchisee enjoys and any causes of action arising in Franchisee's favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force, it being the intent of this proviso that the non-waiver provisions of GBL 687 and 687.5 be satisfied.

7. ACKNOWLEDGMENT. Schedule B of the Franchise Agreement (Acknowledgment) is amended by the addition of the following:

> No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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 executed and delivered this New York Rider to the Portal Franchising LLC Franchise Agreement effective as of the Effective Date.

FRANCHISEE:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

NEW YORK RIDER TO THE
PORTAL FRANCHISING LLC MULTI-UNIT DEVELOPMENT AGREEMENT

This New York Rider to the Portal Franchising LLC Multi-Unit Development Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Franchisee and Portal are parties to that certain Portal Franchising LLC Multi-Unit Development Agreement dated _____, that has been signed concurrently with the Rider (the "**Development Agreement**"). The Rider is annexed to and forms part of the Development Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Developer will operate under the Development Agreement was made in New York, or (ii) Developer is a resident of New York and will operate the franchised business in New York.

2. TRANSFER OF INTEREST. Section 6.1 of the Development Agreement (By Portal) is amended by the addition of the following:

> However, to the extent required by applicable law, no assignment will be made except to an assignee who, in Portal's good faith judgment, is willing and able to assume Portal's obligations under the Agreement.

3. TERM AND TERMINATION. Section 3 of the Development Agreement (Default and Termination) is amended by the addition of the following:

> 3.3 By Developer. Developer may terminate the Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

4. ENFORCEMENT AND CONSTRUCTION. Section 7.5 of the Development Agreement (Governing Law and Choice of Forum) is amended by the addition of the following:

> **NOTWITHSTANDING THE FOREGOING, THE GOVERNING CHOICE OF LAW WILL NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON DEVELOPER BY THE PROVISIONS OF ARTICLE 33 OF THE GENERAL BUSINESS LAW OF THE STATE OF NEW YORK.**

5. ENFORCEMENT AND CONSTRUCTION. Section 7 of the Franchise Agreement (General Provisions) is amended by the addition of the following:

> 7.24 Releases. Notwithstanding any other provisions of the Agreement, all rights Developer enjoys and any causes of action arising in Developer's favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force, it being the intent of this proviso that the non-waiver provisions of GBL 687 and 687.5 be satisfied.
>
> 7.25 Acknowledgment. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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 executed and delivered this New York Rider to the Portal Franchising LLC Multi-Unit Development Agreement effective as of the Effective Date.

DEVELOPER:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

WASHINGTON

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

1. The following paragraphs are added at the end of Item 17 of the Franchise Disclosure Document:

If any of the provisions in this Franchise Disclosure Document or Franchise Agreement are inconsistent with the relationship provisions of Revised Code of Washington Section 19.100.180 or any other requirements of the Washington Franchise Investment Protection Act (the "**Act**"), then (if the Act applies by its terms) the provisions of the Act will prevail over the inconsistent terms of the Franchise Disclosure Document or Franchise Agreement.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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.

2. The following is added to the Franchise Disclosure Document:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

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 provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

In lieu of an impound of franchise fees, the franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (i) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (ii) is open for business.

WASHINGTON RIDER TO THE
PORTAL FRANCHISING LLC FRANCHISE AGREEMENT

This Washington Rider to the Portal Franchising LLC Franchise Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Franchisee and Portal are parties to that certain Portal Franchising LLC Franchise Agreement dated _____, that has been signed concurrently with the Rider (the "**Franchise Agreement**"). The Rider is annexed to and forms part of the Franchise Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Franchisee will operate under the Franchise Agreement was made in Washington, (ii) Franchisee is a resident of Washington, or (iii) the franchised business will be located or operated in Washington.

2. INITIAL FRANCHISE FEE, OTHER PAYMENTS, AND REPORTING. Section 7 of the Franchise Agreement (Initial Franchise Fee, Other Payments, and Reporting) is amended by the addition of the following:

> In lieu of an impound of franchise fees, the franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (i) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (ii) is open for business.

3. GENERAL PROVISIONS. Section 18 of the Franchise Agreement (General Provisions) is amended by the addition of the following:

> 18.34 Washington Franchisees.
>
> In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
>
> RCW 19.100.180 may supersede the Agreement in Franchisee's relationship with Portal ncluding the areas of termination and renewal of Franchisee's franchise. There may also be court decisions which may supersede the Franchise Agreement in Franchisee's relationship with Portal including the areas of termination and renewal of Franchisee's franchise.
>
> 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, 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.
>
> A release or waiver of rights executed by Franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect Portal's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of 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 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 provisions contained in the Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits Portal from restricting, restraining, or prohibiting Franchisee from (i) soliciting or hiring any employee of a franchisee of Portal, or (ii) soliciting or hiring any employee of Portal. As a result, any such provisions contained in the Agreement or elsewhere are void and unenforceable in Washington.

Portal does not furnish or authorize any parties to furnish any oral or written information concerning the actual or potential sales, costs, income, or profits of Franchisee's Portal Club outside of Portal's Franchise Disclosure Document. Franchisee has not received any express, implied, or collateral warranty, representation, or guarantee regarding the potential volume, profits, or success of Franchisee's Portal Club outside of Portal's Franchise Disclosure Document.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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.

The undersigned does hereby acknowledge receipt of this Rider.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Washington Rider to the Portal Franchising LLC Franchise Agreement effective as of the Effective Date.

FRANCHISEE:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

WASHINGTON RIDER TO THE
PORTAL FRANCHISING LLC MULTI-UNIT DEVELOPMENT AGREEMENT

This Washington Rider to the Portal Franchising LLC Multi-Unit Development Agreement (the "**Rider**") is effective on _____ (the "**Effective Date**"), and made by and between PORTAL FRANCHISING LLC, a Colorado limited liability company located at 4949 Broadway Street, Suite 113, Boulder, Colorado 80304 ("**Portal**"), and _____, a _____ located at _____ ("**Franchisee**").

1. BACKGROUND. Developer and Portal are parties to that certain Portal Franchising LLC Multi-Unit Development Agreement dated _____, that has been signed concurrently with the Rider (the "**Development Agreement**"). The Rider is annexed to and forms part of the Development Agreement. The Rider is being signed because (i) the offer or sale of the franchise for the franchised business that Developer will operate under the Development Agreement was made in Washington, (ii) Developer is a resident of Washington, or (iii) the franchised business will be located or operated in Washington.

2. DEVELOPMENT FEE AND DEVELOPMENT SCHEDULE. Section 4 of the Development Agreement (Development Fee and Development Schedule) is amended by the addition of the following:

> In lieu of an impound of franchise fees, the franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (i) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (ii) is open for business.

3. ENFORCEMENT AND CONSTRUCTION. Section 7 of the Development Agreement (Enforcement and Construction) is amended by the addition of the following:

> 7.25 Washington Developers.
>
> In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
>
> RCW 19.100.180 may supersede the Agreement in Developer's relationship with Portal including the areas of termination and renewal of Developer's franchise. There may also be court decisions which may supersede the Development Agreement in Developer's relationship with Portal including the areas of termination and renewal of Developer's franchise.
>
> 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 Development Agreement, Developer 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.
>
> A release or waiver of rights executed by Developer may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of

limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect Portal's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of Developer, 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 Developer 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 provisions contained in the Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits Portal from restricting, restraining, or prohibiting Developer from (i) soliciting or hiring any employee of a franchisee of Portal, or (ii) soliciting or hiring any employee of Portal. As a result, any such provisions contained in the Agreement or elsewhere are void and unenforceable in Washington.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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.

The undersigned does hereby acknowledge receipt of this Rider.

IN WITNESS WHEREOF, the parties have executed and delivered this Washington Rider to the Portal Franchising LLC Multi-Unit Development Agreement effective as of the Effective Date.

FRANCHISEE:	PORTAL:
_____	PORTAL FRANCHISING LLC,
a(n) _____	a Colorado limited liability company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____ (Effective Date)

STATE EFFECTIVE DATES

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, 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:

State	Effective Date
California	*PENDING*
Hawaii	*PENDING*
Illinois	*PENDING*
Michigan	October 8, 2025
Minnesota	*PENDING*
New York	*PENDING*
Washington	*PENDING*
Wisconsin	*PENDING*

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.

EXHIBIT H

RECEIPT

(to be retained by Franchisee)

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If Portal Franchising LLC offers you a franchise, it must provide this Franchise Disclosure Document to you fourteen calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. However, some state franchise laws require Portal Franchising LLC to provide this Franchise Disclosure Document to you at the first personal meeting held to discuss the franchise sale or at least ten business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale (Iowa, Michigan, New York, Oklahoma, and Rhode Island).

If Portal Franchising does not deliver this Franchise Disclosure Document on time or 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 appropriate state agency identified on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise are those individuals listed in Item 2 and as follows:

_____.

I have received a Franchise Disclosure Document dated April 3, 2026, that included the following Exhibits:

A. List of State Agencies and Agents for Service of Process
B. Portal Franchising LLC Franchise Agreement
C. Portal Franchising LLC Multi-Unit Development Agreement
D. Portal Franchising LLC Operations Manual Table of Contents
E. Franchisees and Franchisees Who Have Left the System
F. Financial Statements
G. State Law Addenda and Riders
H. Receipt

_____ _____

Date Prospective Franchisee

_____

Print Name

Keep This Copy For Your Records

EXHIBIT H

RECEIPT

(to be returned to Portal Franchising LLC)

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If Portal Franchising LLC offers you a franchise, it must provide this Franchise Disclosure Document to you fourteen calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. However, some state franchise laws require Portal Franchising LLC to provide this Franchise Disclosure Document to you at the first personal meeting held to discuss the franchise sale or at least ten business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale (Iowa, Michigan, New York, Oklahoma, and Rhode Island).

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F. Financial Statements
G. State Law Addenda and Amendments
H. Receipt

_____ _____

Date Prospective Franchisee

_____

Print Name

Return This Copy To Us:
Portal Franchising LLC
4949 Broadway Street, Suite 113
Boulder, Colorado 80304