FRANCHISE DISCLOSURE DOCUMENT

wefixbrains, LLC
3303 Lee Parkway #102
Dallas, Texas 75219
(214) 357-4001
mwells@wefixbrains.com
www.wefixbrains.com/franchise

We franchise the right to operate businesses that offer various mental health therapy services, including psychotherapy and other related therapy services utilizing a proprietary business model and marks, including the mark LIFEOLOGIE COUNSELING.

The total investment necessary to begin operating a single franchised business ranges from $133,500 - $349,000, which includes $55,000 that must be paid to us or our affiliates before opening.

We also offer qualified parties the right to develop multiple franchised businesses within a given geographical area we designate and in accordance with an agreed-upon and mandatory development schedule.

The total investment necessary to operate multiple franchised businesses under our form of area development agreement depends on the number of franchises we grant you the right to open. The total investment necessary to enter into a development agreement for the right to develop three (3) franchised businesses is $203,500 to $419,000, which includes (i) $125,000 that is paid to us or our affiliate prior to opening your Initial franchised business, and (ii) the estimated initial investment to begin operation of your initial franchised business.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our corporate office at 3303 Lee

Parkway #102, Dallas, Texas 75219 or via telephone at (214) 357-4001.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issue Date: April 29, 2025

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or **Exhibit H**.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or **Exhibit D** includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Lifeologie business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Lifeologie franchisee?	Item 20 or **Exhibit H** 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 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 also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the Location of the State Specific Addenda.

Special Risks to Consider About This Franchise

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

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

2. **Spousal Liability**. At the franchisor's request, your spouse must sign a document making your spouse liable for all financial obligations under the Franchise Agreement, even if your spouse has no ownership interest in the franchise. This Guarantee will place both your and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.

3. **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.

4. **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.

TABLE OF CONTENTS

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

Company

To simplify the language in this Franchise Disclosure Document, "**Company**," "we" or "us" means wefixbrains, LLC, the franchisor of this business. "You" means the person who buys the franchise and includes your owners if you are a corporation or other business entity.

Company's Business Activities and Franchised Businesses

We are a limited liability company formed in the State of Texas on April 1, 2015. Our principal business address is 3303 Lee Parkway #102, Dallas, Texas 75219. We do business under the name Lifeologie Counseling. We grant franchises for the establishment, development, and operation of franchised businesses offering various mental health therapy services, including psychotherapy and other related therapy services, under the LIFEOLOGIE COUNSELING mark (each, a "**Location**" or "**Franchised Business**"). We first began offering franchises in August 2015. We have not conducted business in, or offered franchises in, any other line of business. We do not own or operate a business of the type being franchised.

All of our Franchised Businesses are managed using a proprietary operating system, the distinguishing characteristics of which include distinctive standards and specifications for various mental health therapy services as well as a distinctive concept, proprietary programs, a confidential Operations Manual and operating system, and procedures for operating a Franchised Business (the "**System**").

We identify our Franchised Businesses and System using certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including, but not limited to, the mark LIFEOLOGIE COUNSELING, distinctive trade dress, and any other trade names, trademarks, and service marks as we now or in the future may designate in writing for use in connection with the System (the "**Proprietary Marks**"). We continue to develop, use, and control the use of any Proprietary Marks to identify for the public the source of products and services marketed under the System, and to represent the System's high standards of quality, appearance, and service.

Management Model

The Franchised Business will generally be operated by one or more therapists licensed to provide mental health therapy services in the state in which the Franchised Business is located. If you are not a licensed therapist, then you will usually be required to manage a counseling group of licensed therapists to provide the mental health therapy services from your Franchised Business, subject to applicable state law. To operate a Franchised Business in this manner (with a counseling group), you must enter into a Franchise Agreement with us, as well as a management agreement with the counseling group and/or contracted clinician that will provide the mental health therapy services from your Franchised Business.

Under the management agreement, you will provide the counseling group with management and administrative services consistent with the System to support the counseling group's mental health therapy services practice and ensure all practices comply with applicable laws and regulations. You must provide your management agreement to us for our review prior to signature. We also require that you engage an attorney familiar with applicable law to assist in reviewing, negotiating, and preparing your final form of management agreement.

If a counseling group is providing the mental health therapy services provided by your Franchised Business (because you are not a licensed therapist), then the therapists licensed to provide such services will provide all applicable mental health therapy services, and the counseling group will employ and control the therapists. Subject to state law, if you are not properly licensed, you may not provide any actual mental health therapy services, nor will you supervise, direct, control or suggest to the counseling group or its therapists or employees the manner in which the counseling group provides or may provide mental health therapy services to its clients.

Area Development Agreement

We also offer qualified individuals and entities the right to open and operate multiple Franchised Businesses within a designated geographical area (the "Development Area") under our current form of area development agreement that is attached to this Disclosure Document as Exhibit F (the "Development Agreement"), provided you are able to timely develop, open and commence operating each Franchised Business within the defined period of time set forth in your mandatory development schedule (the "Development Schedule").

If we grant you the right to enter into a Development Agreement with us, then upon execution of the Development Agreement you will pay us a one-time development fee that will be calculated based on the number of Franchised Businesses we award you the right to develop (the "Development Fee"). You will be required to sign a Franchise Agreement for your initial Franchised Business at the same time you sign your Development Agreement. You will be required to sign our then-current form of franchise agreement for each of the Franchised Businesses you open under the Development Schedule.

Parents, Predecessors and Affiliates

Our affiliate The Lifeworks Group, PA, a Texas professional association, operates three Locations in Texas that are similar to the Franchised Businesses being offered under this Disclosure Document. The Lifeworks Group, PA was Incorporated in May 2003, and has a primary business address of 3303 Lee Parkway #102, Dallas, Texas 75219.

We have no parent or predecessor required to be disclosed in this Item. Our affiliates have not offered franchises in this or any other line of business.

Market and Competition

Franchised Businesses offer various mental health therapy services, including psychotherapy and other related therapy services to the general public. Your Franchised Business will compete with privately owned group and individual psychotherapy practices, as well as community owned counseling centers. These industries are mature and not seasonal, and your competitive advantage will be based on your adherence to our standards and guidelines, as well as your entrepreneurial and managerial abilities and focus on customer service.

Industry Specific Regulations

You are responsible for all laws and regulations that apply to your Franchised Business. Franchised Businesses are subject to various federal, state, and local laws and regulations, including health, safety, and sanitation laws, and the Health Insurance Portability and Accountability Act ("**HIPAA**"). You must also comply with all laws and regulations regarding clinical licensure, which differ on a state-by-state basis. You must secure and maintain all required licenses, permits, and certificates, which will differ depending on the location of your Franchised Business.

Your Location will also be subject to laws or regulations that are not specific to the therapy industry, but applicable to businesses in general, including zoning laws, labor laws, the Fair Labor Standards Act, workers' compensation laws, business licensing laws and tax regulations, the Occupational Health and Safety Act, and the Americans with Disabilities Act. We have not investigated the specific laws or regulations applicable to your Franchised Business. You are solely responsible for investigating all applicable federal, state, and local laws and regulations, and your cost to comply with such laws and regulations, and you should do so before purchasing a franchise from us. We strongly suggest that you consult with an attorney consultant and/or financial advisor regarding such regulations before purchasing a franchise from us. Applicable laws and regulations are subject to change.

If you are not a licensed therapist and you have entered into a management agreement with a counseling group, then you must also ensure that your relationship with the counseling group affiliated with your Franchised Business complies with all applicable laws and regulations, and that the counseling group secures and maintains in force all required licenses, permits and certifications relating to the operation of a Franchised Business. Each state may have bodies related to mental health therapists that determine rules and regulations regarding their respective members and the scope of services that may be legally offered by their members. The laws and regulations generally include requirements for therapists to hold required licenses or certifications. If a state or jurisdiction has such a law or regulation, these laws and regulations are likely to vary from state to state and may change over time.

If we enter into a franchisee/franchisor relationship and you are not a licensed therapist, then you, as a franchisee, must not engage in the practice of therapy or counseling services or any other profession that requires specialized training or certification. The Franchise Agreement and management agreement will not interfere, affect or limit the independent exercise of judgment by the counseling group and its staff. It will be your responsibility for researching all applicable laws, and we strongly advise that you consult with an attorney and/or contact local, state and federal agencies before signing a Franchise Agreement with us, or a management agreement with a counseling group, to determine your legal obligations and evaluate the possible effects on your costs and operations.

ITEM 2
BUSINESS EXPERIENCE

Melanie Wells: Owner, Founder and CEO

Ms. Wells has served as our Owner, Founder and CEO since our inception. Furthermore, Ms. Wells has served as the Owner of our affiliate, The LifeWorks Group, PA, in Dallas, Texas, since March 1999. Ms. Wells is certified as a licensed professional counselor ("LPC") and a licensed marriage and family therapist ("LMFT"), as well as a LPC and LMFT supervisor.

Laura Fisher, Chief Operating Officer

Ms. Fisher has served as our Chief Operating Officer since September 2021. Ms. Fisher performs her duties from her office in Virginia. Prior to this role, Ms. Fisher served as the Senior Vice President of Network

Sales at Estrella Media in Burbank, California from December 2018 to September 2021.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee

You must pay a $40,000 lump sum initial franchise fee for the right to operate a new Franchised Business in a single territory (the "**Initial Franchise Fee**"). You will pay the Initial Franchise Fee in full at the time you sign your Franchise Agreement. The Initial Franchise Fee is not refundable under any circumstance and is uniformly imposed.

Pre-Opening Marketing Fee

Approximately twelve (12) weeks prior to opening your Franchised Business (whether via telehealth or at your approved premises), you must pay us or our affiliate the amount of $15,000 (the "Pre-Opening Marketing Fee"). We use the Pre-Opening Marketing Fee to conduct initial marketing and advertising efforts for your Franchised Business, to set up the website, social media footprint and other associated online resources for your Franchised Business, and for search engine optimization. The Pre-Opening Marketing Fee is uniformly imposed and is not refundable.

Development Fee

If we grant you the right to develop multiple Franchised Businesses under a Development Agreement, you must pay us a one-time Development Fee that is based on the number of franchises we grant you the right to open within your Development Area, and calculated as the sum of the following: (i) $40,000 for the initial Franchised Business you are awarded the right to develop within your Development Area; plus (ii) $35,000 for the second and each subsequent Franchised Business you undertake to develop under your agreement with us (collectively, the "Development Fee"). The Development Fee is deemed fully earned by us upon payment and will not be refundable under any circumstances.

ITEM 6
OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Brand Fee	$1,000 per clinician per month, not to exceed 7% of Gross Sales	Deducted Monthly on the 15th Day of Each Month from Your Bank Account via an Electronic Funds Transfer (“EFT”) System	See Notes 1 and 2
Brand Marketing Fund Contribution	2% of Gross Sales	Monthly, in the same time and manner as the Brand Fee	See Note 3
Technology Fee	As determined by designated providers, estimated at $100 per month	As Incurred	See Note 4
Local Advertising Requirement	Not currently assessed. When implemented, up to 1% of Gross Sales per month	As incurred	See Note 5.
Required Software Fee	Currently estimated between $50 - $400 per month	As Incurred	See Note 6
Transfer Fee	$10,000	Upon Transfer	See Note 7
Collection Costs, Attorneys’ Fees, Interest	Fees and costs incurred plus interest at 18% or highest lawful interest rate for commercial transactions	As Incurred	See Note 8

Insurance Reimbursement	Cost of insurance; if you fail to maintain your insurance as required, we have the right to procure insurance on your behalf and charge an 18% administrative fee in addition to the cost of the insurance	As Required by Insurer or Broker	See Note 9
Audit/Inspection Costs	Cost of audit and/or inspection	As Required	See Note 10
Financial Records and Reports	Cost of preparing required financial statements	Annually	See Note 11
Taxes on Payments to Us	Amount of tax or assessment	When Imposed by Taxing Authority	See Note 12
Additional Training/ Ongoing Assistance	Our then-current training fee. Currently $1,000 per trainer per day of additional training	As Needed or Upon Request for Additional Assistance	See Note 13
Indemnification	Amount of claim or judgment	When Incurred	See Note 14
Supplier Approval/Testing Costs	Costs of testing	When Incurred	See Note 15
Post-Termination and Post-Expiration Expenses	Costs and expenses associated with your ceasing of and de-identification with the business	Upon Termination	See Note 16
Annual Conference	Not currently assessed.	As incurred	See Note 17
Insufficient Funds	$100/occurrence plus interest at 18% per	As Incurred	See Note 18

	annum or highest lawful interest rate for commercial transactions		
Late Payment Fee	$100/occurrence plus interest at 18% per annum or highest lawful interest rate for commercial transactions	As Incurred	See Note 19
Late Report Fee	$100	As Incurred	See Note 20
Renewal Fee	$5,000	Upon Renewal	See Note 21
Relocation Fee	$5,000	As Incurred	See Note 22

<u>Notes</u>

<u>Note 1</u>. Unless otherwise indicated, all of the fees listed in this Item 6 are uniformly imposed by, payable to, and collected by us, and are non-refundable.

<u>Note 2</u>. **Brand Fee**. You must pay us a Brand Fee equal to $1,000 per Clinician per month, with the total amount of the fee not to exceed seven percent (7%) of Gross Sales each month.

"Gross Sales" includes all revenues generated from business conducted at or from your Franchised Business (including revenues generated by the counseling group, if applicable) during the preceding reporting period, including amounts received from the sale of services, products, merchandise, and tangible property of any nature whatsoever, whether in cash or for credit, and whether collected or uncollected. "Gross Sales" does not include the amount of any applicable sales tax imposed by any federal, state, municipal, or other governmental authority if the taxes are stated separately when the customer is charged and you pay taxes as and when due to the appropriate taxing authority. Also excluded from Gross Sales is the amount of any documented refunds, chargebacks, credits, and allowances given to customers in good faith and in accordance with our operating procedures. You must send us a gross sales report ("**Gross Sales Report**") on the 10th day of each month for Gross Sales generated during the immediately preceding month. The Gross Sales Reports must outline your Gross Sales generated during the previous month, your calculation of the Brand Fee, and any other information we may require. We may change the form and content of the Gross Sales Report from time to time. Brand Fees shall be collected on the 15th day of each month, along with the receipt of your Gross Sales Report, by an electronic funds transfer program (the "**EFT Program**") under which we automatically deduct all payments owed to us under the Franchise Agreement or any other agreement between you and us, from your bank account. Upon written notice to you, we may designate another method of payment.

<u>Note 3</u>. **Brand Marketing Fund**. We have established and administer a brand marketing fund (the "Fund") for the benefit of the System and brand generally. See Item 11 for additional information.

<u>Note 4</u>. **Technology Fees**. You are currently required to engage our designated provider(s) of collaborative

productivity apps and certain related technology services, currently consisting of email and shared drive functionality, and to pay recurring fees at the times and in the manner prescribed by the provider(s). However, upon a change to the System, we reserve the right to designate and/or reasonably change the amount, scope, or manner of payment of the marketing and/or technology fees, including the party to whom payment is made, at any time upon providing reasonable notice to you.

Note 5. **Local Advertising Requirement ("LAR")**. This fee is not currently assessed; however, when implemented we have the right to require you to spend up to 1% of Gross Sales per month on local advertising, marketing, and promotion in your territory. We also have the right, in our discretion, to designate any geographical area for purposes of establishing a regional advertising and promotional cooperative for multiple Franchised Businesses ("**Cooperative**"), and to determine whether you must participate in a Cooperative. You will receive credit for Cooperative contributions against the Local Advertising Requirement. See Item 11 for additional information.

Note 6. **Required Software Fee**. We require you to use certain designated software at your Franchised Business. Currently, you are required to purchase a subscription to the Jane electronic health records software system. See Item 11 for more information.

Note 7. **Transfer Fee**. We have the right to condition the proposed sale or transfer of your Franchised Business or of your interest in the Franchised Business upon your payment of our transfer fee.

Note 8. **Collection Costs, Attorneys' Fees, Interest**. If you are in breach or default of any monetary or non-monetary material obligation under the Franchise Agreement or any related agreement between you and us, and we engage an attorney to enforce our respective rights (whether or not we initiate formal judicial proceedings). You must pay all reasonable attorneys' fees, court costs, and litigation expenses we incur. If you commence any legal action to interpret or enforce the terms of the Franchise Agreement and your claim is denied or the action is dismissed, you must reimburse us our reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against the action. We are entitled to have the costs listed above awarded as part of the judgment in the proceeding.

Note 9. **Insurance Reimbursement**. See Item 8 for more information regarding our insurance requirements. If you fail to comply with our minimum insurance requirements, we have the right to obtain and maintain the requisite insurance coverage on your behalf, at your sole expense. You must pay us the premium cost of any insurance, plus an administrative fee equal to 18% of the premium cost for obtaining insurance on your behalf.

Note 10. **Audit/Inspection Costs**. You must maintain accurate business records, reports, accounts, books, and data relating to the operation of your Franchised Business. We and our designees retain the right to inspect and/or audit your business records at any time during normal business hours to determine whether you are current with suppliers and/or otherwise are operating in compliance with the terms of the Franchise Agreement. If any audit reveals that you have understated your Brand Fee or any other payments by more than 2% or if you have failed to submit timely reports and/or remittances for any two reporting periods within any 12-month period, you must pay the reasonable cost of the audit and/or inspection, including the cost of outside auditors and attorneys (if we incur audit/attorney costs), together with amounts due for the Brand Fee and other fees as a result of underreporting and/or failure to submit reports, and all late fees and interest which may otherwise be due under the Franchise Agreement.

Note 11. **Financial Records and Reports**. You must maintain for at least seven fiscal years from their preparation complete financial records for the operation of the Franchised Business in accordance with generally accepted accounting principles and must provide us, at our request, with: (i) a monthly Gross Sales Report; annual financial reports and operating statements in the form we specify, prepared by a certified public accountant or state licensed public accountant, within 90 days after the close of each of your fiscal years; state and local sales tax returns or reports and federal, state and local income tax returns for each year in which your Franchised Business is operated, within 15 days following their completion; and (iv) any other reports as we may require, in the form and at the time we prescribe.

Note 12. **Taxes on Payments to Us**. If any taxing authority, wherever located, imposes any future tax, levy, or assessment on any payment you make to us, in addition to all payments due to us, you must pay the tax, levy or assessment.

Note 13. **Additional Training/On-Site Assistance**. We do not charge a fee for initial training for the required attendees, and our initial training is described in greater detail in Item 11. If you request and we agree to provide additional training, or if we require you to attend supplemental or additional training during the term, you must pay us an additional training fee at our then-current rates (currently $1,000 per trainer per day for any additional or supplemental training provided to you). You will also be responsible for paying all of your expenses associated with the supplemental/additional training, including travel, lodging, meals, applicable wages and workers' compensation.

Note 14. **Indemnification**. You and your principals agree to indemnify, defend and hold us, our affiliates and our respective shareholders, directors, officers, employees, agents, successors and assignees ("**Indemnitees**") harmless against and to reimburse us for all claims, obligations, liabilities and damages ("**Claims**"), including any and all taxes, directly or indirectly arising out of, in whole or in part: (i) the operation of your Franchised Business; (ii) the use of the Proprietary Marks; (iii) the unauthorized transfer of any interest in the Franchise Agreement or your Franchised Business(es); (iv) the infringement, alleged infringement, or any other violation or alleged violation of any proprietary right owned or controlled by third parties; or (v) libel, slander or any other form of defamation of us, the System or any franchisee operating under the System, by you or by any of your principals. We shall have the right to defend any such claim as we deem appropriate or desirable in our sole discretion. Such an undertaking by us shall, in no manner or form, diminish you and each of your principals' obligations to indemnify the Indemnitees and to hold them harmless. This indemnity shall continue in full force and effect subsequent to the expiration or termination of your Franchise Agreement.

Note 15. **Supplier Approval/Testing Costs**. If we incur any costs in connection with testing a particular product or evaluating a supplier at your request, you must reimburse us our actual testing costs, regardless of whether we subsequently approve the product or supplier. See Item 8 of this Franchise Disclosure Document for more information about designated and approved suppliers.

Note 16. **Post-Termination and Post-Expiration Expenses**. Upon termination, expiration, non-renewal, and/or transfer of the Franchise Agreement for any reason, you must pay for all costs and expenses associated with ceasing operations and de-identifying yourself with the Franchised Business and System.

Note 17. **Annual Conference.** We are permitted to establish an annual conference or meeting of franchisees (an "Annual Conference"), which you and your Key Manager will attend if required by us. We reserve the right to charge a registration fee, currently estimated at between $500 to $1,000 per attendee, for attendance at the Annual Conference and you will also be required to pay the travel, accommodations, wages, and all other expenses for your representatives attending the Annual Conference.

Note 18. **Insufficient Funds**. As part of your participation in the EFT Program, if the funds in your bank account are insufficient to cover any amounts due under the Franchise Agreement on the date funds are due, in addition to the overdue amount, we have the right to immediately debit from your bank account interest on the overdue amount from the date it was due until all past due amounts are paid, at a rate of the lesser of 18% per annum or the maximum rate permitted by law, as well as impose on you a fee of $100 per occurrence (the "**Insufficient Funds Fee**"). Should any EFT not be honored by your bank for any reason, you agree that you shall be responsible for that payment and any service charge.

Note 19. **Late Payment Fee**. Upon any late payment or underpayment of the Brand Fee, or any other charges or fees you owe us or our affiliates, you will pay us a fee of $100 for each day the fee remains unpaid, and the amount due shall bear interest from the due date until paid at the lesser of 18% interest per year or the highest lawful interest rate which may be charged for commercial transactions in the state in which your Franchised Business is located.

Note 20. **Late Report Fee**. If you are five days late in submitting any Gross Sales Report or any other required report, you shall be required to pay us a late report fee equal to $100 for each day in connection with each such late report.

Note 21. **Renewal Fee**. We have the right to condition the renewal of your Franchise Agreement upon your payment of a renewal fee, which shall be equal to $5,000. You must comply with other conditions in order to renew your Franchise Agreement.

Note 22. **Relocation Fee**. We have the right to condition the proposed relocation of your Franchised Business upon your payment of our relocation fee. You must comply with other conditions in order to relocate your Franchised Business, including but not limited to obtaining our approval of the site to which you propose to relocate.

ITEM 7
ESTIMATED INITIAL INVESTMENT

A. Franchise Agreement

TYPE OF EXPENDITURE[1]	AMOUNT	METHOD OF PAYMENT	TIME OF PAYMENT	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee[2]	$40,000	Lump Sum	When Signing a Franchise Agreement	Us
Training Expenses[3]	$500 - $3,000	As Incurred	As Incurred	Third Party Vendors (Hotels, Restaurants, Airlines)
Lease Deposit plus First Month of Rent[4]	$0 - $8,000	As Arranged	Upon Signing Lease	Landlord

Leasehold Improvements[5]	$20,000 - $120,000	As Arranged	Before Opening	Contractors and Third-Party Suppliers
Pre-Opening Marketing Fee[6]	$15,000	As Arranged	Before Opening	Third Party Suppliers or Us
Prepaid Insurance Premium[7]	$1,000 - $3,000	As Arranged	Before Opening	Insurance Carrier or Agent
Computer Equipment[8]	$0 - $5,000	As Arranged	Before Opening	Third-Party Suppliers
Other Furniture, Equipment and Supplies[9]	$30,000 - $80,000	As Arranged	Before Opening	Third-Party Suppliers
Permits, Licenses and Legal/Professional Services[10]	$1,000 - $5,000	As Incurred	Before Opening	Governmental Authorities, Service Providers and other Professionals
Signage[11]	$0 - $10,000	As Arranged	Before Opening	Third Party Suppliers
Design Consultant and Franchise Consistency[12]	$6,000 - $15,000	As Arranged	Before Opening	Third-Party Supplier
Additional Funds (3 Months)[13]	$20,000 - $45,000	As Incurred	Before Opening and During the First Three Months of Operation	Landlord, Employees, Designated and Approved Suppliers
Total[14]	$133,500- $349,000			

Notes to Chart 7(A):

Note 1. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. Actual costs will vary for each franchise location depending on a number of factors including market conditions and the geographic location of your Franchised Business. Neither us nor our affiliate will finance any part of your initial investment.

Note 2. The Initial Franchise Fee is presently $40,000. See Item 5 for more information about the Initial Franchise Fee.

Note 3. See Item 11 for a complete explanation of our training program and training costs. This estimate includes travel expenses, lodging accommodations, and dining expenses for three people to attend our initial training program. The low end of this range assumes that you live in the Dallas area and will accordingly spend less on transportation, meals, and other expenses to attend our training program.

Note 4. You must obtain a premises on which to locate your Franchised Business, which we must approve in advance ("**Approved Location**"). Generally, your Franchised Business should be located in an office space that is approximately 1,200 to 2,500 square feet. Suggested configuration could include individual rooms consisting of one client lounge/waiting room, seven counseling rooms including one large group counseling room, space for play therapy, one administrative/co-working room, and one kitchen/break room. It is extremely difficult to estimate lease acquisition costs because of the wide variation in these costs depending upon location, square footage, and required maintenance costs. This estimate covers your cost for the security deposit and the first months' rent. The low-end range assumes that you already have a lease for office space as described above. The amounts paid are typically not refundable except for a security deposit, which may be refundable In some circumstances.

Note 5. This item includes the cost of building out your Franchised Business in accordance with the specifications in our Operations Manual. The low-end estimate assumes that you already own or lease improved office space that is consistent with the design and buildout requirements of a Franchised Business.

Note 6. You must spend $15,000 in connection with the initial marketing, advertising and promotion of your Franchised Business (the "**Pre-Opening Marketing Fee**"). The Pre-Opening Marketing Fee is described in greater detail in Item 5.

Note 7. Business insurance coverage will vary from state to state. See Item 8 for information regarding our insurance requirements. The amount specified in the chart represents our estimate of the amount of your prepaid insurance premium.

Note 8. The estimated initial cost of purchasing or leasing required computer equipment, hardware, and software is approximately $0 to $5,000, and includes, without limitation, the requirement to purchase an office computer, a multi-function printer/scanner/fax machine, and other computer hardware necessary for the operation of your Franchised Business. The low-end estimate assumes that you already own a computer system and associated hardware that meets our specifications and requirements.

Note 9. You must obtain certain furniture, décor and equipment, which will include desks, couches, chairs, other furnishings, break room supplies, shelving, storage, and other miscellaneous equipment, as well as general office supplies like clipboards, folders, notepads, and business cards.

Note 10. This range reflects the estimated costs of obtaining business licenses for starting up your Franchised Business. Specifically, you must employ a fully licensed clinical professional counseling supervisor.

Note 11. The required signage may consist of a marquee sign, with additional building signage depending upon lease requirements. The low-end estimate assumes that your location prevents you from using any signage.

Note 12. In order to ensure brand consistency, you are required to obtain the services of our designated design consultants to assist you in the design and layout of your Franchised Business. Our designated design consultants currently impose a fee of between $6,000 to $15,000, and additional services are available at an hourly rate.

Note 13. The range in the chart reflects the amount of additional funds you will need during the first three months of operation to pay other expenses including, among other things, rent, payroll, payroll taxes, and other startup operational expenses. Your costs will depend on factors such as: how closely you follow our methods and procedures; your management skills, experience, and business acumen; local economic conditions; the local market for our services; the prevailing wage rate; competition; and the level of sales and revenue stream achieved during the start-up phase of the business.

Note 14. These estimates are based on our franchisees' experience and average costs incurred in operating Franchised locations, as well as estimates from suppliers.

B. Development Agreement

YOUR ESTIMATED INITIAL INVESTMENT – DEVELOPMENT AGREEMENT (Using Development of Three (3) Franchised Businesses as an Example)				
TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Development Fee (Notes 1, 2 and 3)	$110,000	Lump Sum	Upon execution of Development Agreement	Us
Estimated Investment to Develop Initial Franchised Business within Development Area	$93,500 to $309,000	See Chart 7(A) for the initial investment associated with the opening and initial operations of a new Franchised Business.		
Total	$203,500 to $419,000	This is the total estimated initial investment to enter into a Development Agreement for the right to own a total of three (3) Franchised Businesses, as well as the costs to open and commence operating your initial Franchised Business (as described more fully in Chart A of this Item 7).		

Notes to Chart 7(B):

1. *Generally.* All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. This Chart details the estimated initial investment associated with executing a Development Agreement for the right to own and operate three (3) Franchised Businesses, as well as the initial investment to open your first Franchised Business under your Development Schedule.

2. *Development Fee.* The Initial Development Fee is described in greater detail in Item 5 of this Disclosure Document, and this Initial Development Fee is for the right to open and operate, by way of example, a total of three (3) Franchised Businesses (provided you comply with your

development obligations under the Development Agreement). The Development Fee is calculated as the sum of the following: (i) $40,000 for the first Franchised Business you are awarded the right to develop; and (ii) $35,000 for the second and each additional Franchised Business you are awarded the right to develop.

3. *Estimated Investment to Develop Initial Franchised Business.* This figure represents the total estimated initial investment required to open the initial Franchised Business you must open and operate under the Development Agreement. You will be required to enter into our then-current form of franchise agreement for the initial Franchised Business you open under your Development Agreement. The range includes all the items outlined in Chart 7.A. of this Item, except for the Initial Franchise Fee (because you are not required to pay any Initial Franchise Fee for those Franchised Businesses you open under the Development Agreement). This Chart 7(B) does not include any of the costs you will incur in opening any additional Franchised Business(es) that you are granted the right to open and operate under your Development Agreement – because such amounts are not typically incurred until after you have opened and operated your initial Franchised Business during your initial development period.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate your Franchised Business in strict conformance with our methods, standards, and specifications, which we prescribe in our confidential operations manual and various other confidential manuals, writings, and other information prepared by us for your use in operating a Franchised Business (collectively the "**Operations Manual**").

<u>Approved Services and Suppliers</u>

You may only offer approved therapy services ("**Approved Services**") through your Franchised Business. If you are not a licensed therapist, then properly licensed individuals will provide all of the various mental health therapy services, including psychotherapy and other therapy services that comprise the Approved Services through your Franchised Business and you will manage and support this counseling group in strict conformance with the management agreement entered into by you and a counseling group. Properly licensed therapists, which may be either you (if you are a licensed therapist) or a counseling group (if you are not a licensed therapist), will provide various mental health therapy services to clients of your Franchised Business. If you are not a licensed therapist, then you may not provide any actual mental health therapy service, nor will you supervise, direct, control or suggest to the counseling group, its therapists or employees the manner in which the counseling group provides or may provide mental health therapy services to its clients.

We will provide you with a list of the Approved Services in our Operations Manual (or otherwise in writing) after you sign the Franchise Agreement for your Franchised Business. All Approved Services must meet our standards and specifications, which we will provide to you or directly to our designated or approved vendors. In order to better assure the quality of the Approved Services and/or enable us, in our sole discretion to take advantage of marketplace efficiencies, we have the right to require you to purchase certain products and services only from us, our affiliates, or other suppliers or distributors approved or designated by us. If you decide to offer services other than those we have authorized in connection with operating your Franchised Business, you must obtain our prior written consent. As of the issuance date of this disclosure document, neither us nor our affiliates are approved suppliers for any of the Approved Services required to be offered through your Franchised Business.

You currently must purchase required computer hardware, software, and related technology services, as well as web marketing services, from our designated or approved suppliers. We may also require you to purchase certain furniture or equipment from us or our designated suppliers. You do not receive any material benefits from your use of our designated and approved suppliers. You must offer services in the manner we prescribe, provide quality customer service, and otherwise operate your Franchised Business so as to emulate and enhance the image intended by us for the System.

We reserve the right to formulate and modify our standards and specifications for operating a Franchised Business based upon the collective experience of our affiliates and principals. Our standards and specifications are described in the Franchise Agreement, the Operations Manual, and other written documents or materials. We have the right, under the Franchise Agreement, to change the standards and specifications applicable to operation of the franchise, including standards and specifications for services, signs, furnishings, supplies, fixtures, inventory, and equipment by written notice to you or through changes in the Operations Manual. You may incur an increased cost to comply with these changes at your own expense; however, no change will materially alter your fundamental rights under the Franchise Agreement. We will notify you of any change to our standards and specifications by way of written amendments to the Operations Manual or otherwise in writing.

If you wish to purchase any unapproved item, and/or acquire approved items from an unapproved supplier, you must provide us with the name, address, and telephone number of the proposed supplier, a description of the item you wish to purchase, and the purchase price of the item, if known. At our request, you must provide us, for testing purposes, with a sample of the item you wish to purchase. If we incur any costs in connection with testing a particular product or evaluating an unapproved supplier at your request, you or the supplier must reimburse our actual testing costs, regardless of whether we subsequently approve the item or supplier. We will provide you with notice of our approval or disapproval or a particular supplier, product, or service within 30 days of receiving all requested information and/or samples. Nothing shall be construed to require us to approve any particular supplier. We may base our approval of any proposed item or supplier on considerations relating not only directly to the item or supplier itself, but also indirectly to the uniformity, efficiency, and quality of operation we deem necessary or desirable in our System as a whole.

We have the right to receive payments from suppliers on account of their dealings with you and other franchisees and to use all amounts we receive without restriction (unless instructed otherwise by the supplier) for any purposes we deem appropriate. We may receive rebates from our designated supplier of required software for each Franchised Business that engages this designated supplier. We may also receive certain rebates from suppliers of certain furniture and equipment required for the buildout of your Franchised Business.

We will not approve an unreasonable number of suppliers for a given item, which approval might, in our reasonable judgment, result in higher costs or prevent the effective or economical supervision of approved suppliers. We may revoke our approval of particular products or suppliers when we determine, in our sole discretion, that the products or suppliers no longer meet our standards. Upon receipt of written notice of revocation, you must cease purchasing the disapproved products or services from suppliers. You must use products purchased from approved suppliers solely in connection with the operation of your Franchised Business and not for any competitive business purpose. We may, but are not required to, negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees. Presently, there are no purchasing or distribution cooperatives that you must join. Other than us and our affiliates, our officers do not have an ownership interest in any approved supplier.

We and our affiliates reserve the right to derive revenue from your required purchases from us, our affiliates, and our designated and approved suppliers. During our 2024 fiscal year, we did not derive any revenue from required franchisee purchases and leases.

We estimate that your required purchases will account for approximately 65% to 85% of all purchases and leases necessary to open your Franchised Business and approximately 10% to 20% of your annual costs to operate your Franchised Business on an ongoing basis.

Advertising

We must approve all advertising before first publication or use.

Insurance

You must obtain the types of insurance and amounts of coverage specified in the table below and in the Operations Manual, which currently includes general liability, professional liability, and other types of policies. You agree to provide us with proof of coverage on demand. You agree to obtain these insurance policies from insurance carriers that are rated A or better by Alfred M. Best & Company, Inc. and that are licensed and admitted in the state in which you operate your Franchised Business. All insurance policies must: (i) name us (and our members, officers, directors, and employees) as additional insureds; and (ii) contain a waiver by the insurance carrier of all subrogation rights against us. Furthermore, you shall be required to provide ten days' prior written notice of the termination, expiration, cancellation or modification of any insurance policy. Our acceptance of an insurance carrier does not constitute our representation or guarantee that the insurance carrier will be capable of meeting claims during the term of the insurance policy. You must carry such insurance as may be required by the lease of your Franchised Business or by any of your lenders or equipment lessors. You must submit a certification of insurance which demonstrates compliance with the insurance requirements provided in the Franchise Agreement. If you fail to comply with the minimum insurance requirements set forth herein, we have the right to obtain such insurance and keep it in force and effect and you must pay us, on demand, the premium cost and administrative costs of 18% in connection with our obtaining the insurance. We have the right to increase or otherwise modify the minimum insurance requirements upon 30 days' prior written notice to you, and you must comply with any such modification within the time specified in said notice.

Type of Insurance	**Amount**
Commercial General Liability including Product Liability and Personal and Advertising Injury	$1,000,000 per occurrence: $2,000,000 in the aggregate
Commercial Umbrella Liability	$1,000,000 per occurrence and $1,000,000 in aggregate

Fire Legal Liability: Damages to Center Premises	$300,000
Property Insurance Coverage	$100,000
Medical Expenses	$1,000 per accident
Hired and Non-Owned Auto Liability	$1,000,000 per claim
Cyber Liability (internet security and privacy insurance)	$250,000

Leases and Leasehold Improvements

You must purchase or lease a retail space for your Franchised Business which meets our standards and specifications for a System Franchised Business. We must approve your location and we have the right to review, evaluate and approve your proposed lease before execution. We may condition our approval of any proposed lease on, among other things, the execution of a collateral assignment of lease where your landlord grants us the right to assume your rights and obligations under the lease if you breach your lease agreement, or your Franchise Agreement is terminated or expires. You must deliver an executed copy of the lease and the collateral assignment of lease to us within ten days of receiving a request from us.

Computer Hardware and Software Components

Our present computer hardware and software requirements are listed in detail in Item 11.

Franchisee Compliance

When determining whether to grant new or additional franchises, we consider many factors, including your compliance with the requirements described in this Item 8. You do not receive any further benefit as a result of your compliance with these requirements.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation		**Section in Franchise Agreement (FA) and Development Agreement (DA)**	**Disclosure Document Item**
A.	Site selection and acquisition/lease	FA: 1.2, 7.1 and Site Selection Addendum	Items 7, 11 and 12

		DA: 6.1	
B.	Pre-opening purchases/ leases	FA: 7.4 and 7.8 DA: Not Applicable	Items 7 and 8
C.	Site development and other pre-opening requirements	FA: 7.1 DA: 6.1	Items 6, 7, 8 and 11
D.	Initial and ongoing training	FA: 7.2 and 8 DA: Not Applicable	Item 11
E.	Opening	FA: 7.3 DA: Not Applicable	Item 11
F.	Fees	FA: 3, 7.18 and 12.5 DA: 3.5	Items 5, 6, 7, and 11
G.	Compliance with standards and policies/operations manual	FA: 1.5.1, 6.1, 7.5, and 7.6 DA: Not Applicable	Item 8 and 11
H	Trademarks and proprietary information	FA: 4, 5 and 7.15 DA: Not Applicable	Items 13 and 14
I.	Warranty and customer service requirements	FA: 7.6 and 7.16 DA: Not Applicable	Item 15
J.	Territorial development and sales quotas	FA: 3.2.2 DA: 4	Items 12 and 17
K.	Ongoing product/ service purchases	FA: 7.4, 7.5 and 7.18 DA: Not Applicable	Item 8 and 11
L.	Maintenance, appearance and remodeling requirements	FA: 2.2.3, 6.2, 7.1.1, 7.16 and 18 DA: Not Applicable	Item 6, 8 and 11
M.	Insurance	FA: 9 DA: Not Applicable	Items 6 and 8
N.	Advertising	FA: 3.9 and 12 DA: Not Applicable	Items 6 and 11
O.	Indemnification	FA: 13.2 DA: 9.4	Item 6
P.	Owners' participation/ management/ staffing	FA: 7.6 DA: 7.2	Items 11 and 15
Q.	Records and reports	FA: 10 and 11 DA: Not Applicable	Item 6
R.	Inspections and audits	FA: 7.7, 10, 11 and 16.1.10 DA: Not Applicable	Items 6 and 11
S.	Transfer	FA: 14 DA: 7	Item 17
T.	Renewal	FA: 2.2 DA: 4.4.3 – 4.4.5	Item 17
U.	Post term obligations	FA: 16, 17.2 DA: 8.2, 8.3	Item 17
V	Noncompetition covenants	FA: 17 DA: 8	Item 17
W.	Dispute resolution	FA: 18; DA: 10.3	Item 17

ITEM 10
FINANCING ARRANGEMENTS

We do not offer direct or indirect financing to franchisees. We will not guarantee your note, lease, or 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.

Pre-Opening Obligations.

Before you open your Franchised Business, we will provide you with the following assistance:

We will loan you a hard or digital copy of our proprietary and confidential Operations Manual, which we may amend periodically. (Section 6.1 of the Franchise Agreement). The table of contents of the Operations Manual is included as **Exhibit C** to this Franchise Disclosure Document. As of the issuance date of this disclosure document, the Operations Manual contains 89 pages.

Your office manager and clinical director shall attend, and complete to our satisfaction, our initial tuition-free training program entitled "Lifeologie Success Training." You are solely responsible for training your other employees. If you are a partnership, corporation or limited liability company, at least one of the trainees must be your general partner, principal shareholder, or manager, as applicable. If you have a designated Key Manager, as described in Section 7.6.5 of the Franchise Agreement, then he/she shall also be a trainee. We do not charge a tuition fee for the first three attendees at this mandatory initial training; however, you must pay your and your trainees' costs in attending the program, including travel costs, room and board expenses, and employees' salaries. We are not required to permit more than three attendees, but if we determine that we have sufficient training capacity and we permit additional attendees, you will be charged a tuition fee of $1,000 per person. (Section 8.1 of the Franchise Agreement). The required in- person training lasts approximately five days, as detailed in the training chart below:

INITIAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of In-Field Training	Location
Orientation and Lifeologie Culture	4	0	Dallas, Texas or as scheduled
How to Achieve and Measure Success	4	0	Dallas, Texas or as scheduled
Office and Business Management	5	0	Dallas, Texas or as scheduled
Personnel Management	3	0	Dallas, Texas or as scheduled
Managing the Office Side	4	0	Dallas, Texas or as

			scheduled
Managing the Clinic Side	4	0	Dallas, Texas or as scheduled
The Collaborative Environment	4	0	Dallas, Texas or as scheduled
Staff Training	3	0	Dallas, Texas or as scheduled
Marketing	3	0	Dallas, Texas or as scheduled
Overview and Break-out Session	2	0	Dallas, Texas or as scheduled
TOTALS	36	0	

Our primary training instructors and their relevant experience is listed in the following chart. We may utilize substitute instructors to conduct all or a portion of the initial training program, however, all instructor(s) will have at least one (1) year experience in the subjects taught during the program:

Trainer	Years of Experience with Franchisor or its Affiliates	Years of Experience in the Industry
Melanie Wells, LPC and LMFT	26	32
Laura Fisher	3.5	27
Veronica Cortez	13	13
Natalie Owen	2.5	2.5
Sarah Taormino	3	6

You must complete our initial training program at least four weeks before opening your Franchised Business. Failure to complete our initial training program to our satisfaction within the applicable time period may result in termination of the Franchise Agreement. (Section 8.1 of the Franchise Agreement).

Other than online training classes, all initial training will occur in the Dallas, Texas area, or at any other location we designate. (Section 8.1 of the Franchise Agreement). We expect to conduct the initial training on at least a quarterly basis, however we will conduct the initial training program on an ongoing, as-needed basis. We will train additional members of your management team at your request. Additional training will be held at our then-current tuition rate. (Sections 8.2 and 8.3 of the Franchise Agreement). All training related expenses for your additional personnel, including transportation to and from the training site, lodging, meals, and salaries during training, are your sole responsibility. Additionally, if we require or you request additional on-site assistance from us, subject to the availability of our personnel, we will provide you with such assistance at our then-current rate for additional training, which is presently $1,000 per trainer per day. You may only use the training materials we provide you with to train your other employees. (Section 8.1 of the Franchise Agreement). We will provide updated training materials to you as we develop them. All training materials we provide you with will remain our property, and you agree not to challenge our or our affiliates' title or rights in or to the training materials. You may not make any disclosure, duplication, or other unauthorized use of any portion of the training materials. (Section 8.2 of the Franchise Agreement).

In order to assist you in the operation of your Franchised Business, we may offer additional training programs and/or on-site assistance. We may require your attendance at these programs and/or courses up to five days per year. You are responsible for all expenses, including transportation to and from the training site and lodging, meals, and salaries during such training. We also reserve the right to provide all or portions of our training programs via online education modules at any time. (Section 8.3 of the Franchise Agreement).

We will provide you with specifications and requirements for and designate sources of supply from which you agree to purchase certain start-up equipment, furniture, and supplies necessary for the buildout and ongoing operation of the Franchised Business. (Section 6.2 of the Franchise Agreement).

You will operate your Franchised Business at the Approved Location agreed upon by you and us. The general site selection and evaluation criteria or factors that we consider in approving your site include, among other things, the condition of the premises, vehicular and pedestrian access, population demographics of the surrounding area, and general suitability. While it is your sole responsibility to obtain a mutually approved site, we will provide site selection assistance in finding a location, as we deem reasonable and appropriate. If we have not approved a location for you to operate your business by the date you sign the Franchise Agreement, the parties will enter into the Site Selection Addendum attached as **Exhibit A** to the Franchise Agreement, the terms of which will govern the parties' site selection obligations (Sections 1.2 and 7.1 of the Franchise Agreement, and the Site Selection Addendum to the Franchise Agreement). You must locate a site that we approve within six (6) months of signing the Franchise Agreement, or we may terminate the Franchise Agreement. We do not typically own premises that are then leased to franchisees.

We will provide you with buildout and décor specifications necessary to adapt your site to our standards for the appearance of a Franchised Business. We do not deliver nor install any of these items. You must obtain the necessary permits and licenses for the build out of your Franchised Business, and comply with all local ordinances and building codes, including any space requirements imposed by HIPAA or other privacy laws. We do not provide assistance with conforming your premises to local ordinances and building codes, nor with obtaining any required permits, constructing, remodeling, or decorating the premises, nor with your hiring and training of employees.

The typical length of time between the signing of the Franchise Agreement and the opening of your Franchised Business is approximately three (3) to six (6) months. We estimate that it will take approximately three (3) to six (6) months from signing the Franchise Agreement for you to open a Franchised Business. The actual length of this period will depend upon factors including your ability to obtain a mutually approved site and a lease for that site, approved financing arrangements, training schedules, your ability to hire qualified clinicians, and other factors including the time necessary to obtain zoning permits, licenses, and variances. Under the Franchise Agreement, you must open your Franchised Business no later than nine (9) months after both parties have signed the Franchise Agreement. If the Franchised Business is not open within nine (9) months, we may, at our sole discretion, elect to terminate your Franchise Agreement. (Sections 7.3 and 15.3.3 of the Franchise Agreement, and the Site Selection Addendum to the Franchise Agreement).

Development Agreement

If you have entered into a Development Agreement to open and operate multiple Franchised Businesses, your Development Agreement will include a Development Schedule containing a deadline by which you must have each of your Franchised Businesses open and operating. Your Development Schedule may depend on the number of Franchised Businesses you are granted the right to open and operate. (Development Agreement, Section 1).

If you fail to open and/or maintain any Franchised Business within the appropriate time period outlined in the Development Agreement, we may terminate your Development Agreement. You will not have any further development rights within the Development Area upon termination of your Development Agreement, except to continue operating the Franchised Business(es) that were already open and operating as of the termination date from their respective locations.

Post-Opening Assistance

After you open your Franchised Business, we will provide you with the following assistance:

We will provide you continuing consultation and advice as we deem necessary and appropriate regarding the management and operation of the Franchised Business. (Section 6.3 of the Franchise Agreement).

We may hold an annual conference (the "Annual Conference") at a location to be selected by us. We shall determine the topics and agenda for the conference to serve the purpose, of, among other things, updating franchisees on new developments affecting franchisees, exchanging information between franchisees and our personnel regarding Franchised Business operations and programs, and recognizing franchisees for their achievements. We may require you to attend the Annual Conference and to pay our then-current registration fee. All expenses, including you and your employees' transportation to and from the Annual Conference, and lodging, meals, and salaries during the Annual Conference, are your sole responsibility. We may use contributions from the Marketing Fund for purposes related to the Annual Conference, including costs related to productions, programs, and materials. (Section 6.5 of the Franchise Agreement).

To assist you in operating your Franchised Business, we may offer additional training programs and/or refresher courses to you, your manager, and/or your employees. We may require you and your employees' attendance at these programs and/or courses. You must pay for you and your employees' travel, meal, lodging, and payroll expenses while attending our additional training programs. The additional training programs and refresher courses will be at our then-current tuition rate for ongoing training, which is presently $1,000 per trainer per day. (Section 8.3 of the Franchise Agreement).

We have the right, but not the obligation, to establish and maintain a toll-free telephone number for the purpose of accepting and confirming client appointments nationwide, customer service, and follow-up and satisfaction surveys. If we establish a toll-free number, you must comply with our procedures for implementing this service as we specify in the Operations Manual or otherwise in writing. (Section 6.4 of the Franchise Agreement).

Advertising

Brand Marketing Fund

As of the issuance date of this disclosure document, we have established and administer a brand marketing Fund (the "Fund") for the benefit of the System and brand generally. Currently, you are required to contribute to the Fund in an amount equal to 2% of the Gross Sales of your Clinic per month. We will administer and use the Fund to meet certain costs related to maintaining, administering, directing, conducting and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which we believe will enhance the image of the System. We will designate all programs that the Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Fund may also be used to cover the costs and fees associated with: preparing and producing video, audio, and written materials and electronic media; website maintenance and development, internet advertising, administering regional and multi-regional marketing and advertising programs, including purchasing trade journal, direct mail, website, radio and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The Fund may be used for advertising materials/campaigns in printed materials or on radio, television or other media for local, regional or national circulation, and/or internet regional or national advertising, as we deem appropriate in our sole discretion. We and/or a regional or national advertising agency may be used to produce all advertising and marketing. (Franchise Agreement, Section 12.7).

We will account for the Fund contributions separately from our other funds and not use the Fund for any of our general operating expenses, except to compensate us for the reasonable salaries, administrative costs, third-party costs, travel expenses and overhead we incur in administering the Fund and its programs and collecting and accounting for Fund contributions. The Fund is not our asset or a trust, and we do not owe you fiduciary obligations because of our maintaining, directing or administering the Fund or any other reason. The Fund may spend in any fiscal year more or less than the total Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use interest earned on Fund contributions to pay costs before spending the Fund's other assets. We will not use Fund contributions for advertising that principally is a solicitation for the sale of franchises, except that we may use/display the phrase “Franchises Available” on any and all advertising/marketing that is covered by the Fund. We may incorporate the Marketing Fund or operate it through a separate entity if we deem it appropriate. Our affiliate-owned businesses currently contribute to the Fund, but in a lower amount than you are required to contribute.

We are not required to spend any of your Fund Contributions in the territory you are granted under your Franchise Agreement. If you make a written request of us by March 31, we will provide you with an unaudited accounting of the Fund within 120 days after our fiscal year end. We are not required to have the Fund audited, but we may do so and use the Fund Contributions to pay for such an audit. If we do not spend all Fund Contributions in a given year, we may rollover any excess contributions into the Fund for use during the following year. We will have the right to modify or discontinue the Fund, as we deem appropriate in our sole discretion. (Franchise Agreement, Section 12.7).

During our fiscal year ended December 31, 2024, we collected $233,000 in Brand Marketing Fund contributions. Our Brand Marketing Fund expenditures during our fiscal year ended December 31, 2024, are as follows: Administrative – 71%; Direct Costs, Including online ad placements, web development, content management system fees, listings management, and creative assets - 29%.

Local Advertising Requirement (“LAR”)

As of the issuance date of this disclosure document, we have not established a local advertising requirement (the “Local Advertising Requirement,” or “LAR”). When established, we may require you to expend a minimum amount equal to one percent (1%) of the Gross Sales of your Franchised Business in connection with the promotion, marketing and advertising associated with your Franchised Business in your territory. We may require you to expend your Local Advertising Requirement funds on suppliers approved by us (whether affiliate or third parties) for our approved digital marketing campaigns and related services/consent. We reserve the right to require that you expend any portion of these funds on (a) products or services we direct or approve, or (b) services that you must acquire from an approved supplier. Regardless of whether or not the LAR has been established, we must approve all advertising in writing before it is used in connection with the Franchised Business, including all use of the Marks. (Franchise Agreement, Section 12.1). When established, your Local Advertising Requirement commences in the first calendar month following the month wherein you finish expending, or are required to have expended, your Pre-Opening Marketing Fee (whichever is earlier) (Section 12.6 of the Franchise Agreement).

Regional Advertising Cooperative

There are currently no regional advertising cooperatives in existence for the System. However, we have the right, in our discretion, to designate any geographical area for purposes of establishing a regional advertising cooperative ("**Cooperative**"), and to determine whether a Cooperative is applicable to your Franchised Business. If a Cooperative that is applicable to your Franchised Business has been established at the time you begin operating under the Franchise Agreement, you must immediately become a member of the Cooperative. If a Cooperative applicable to the Franchised Business is established at any time during the term of your Franchise Agreement, you must become a member of the Cooperative no later than 30 days after the date on which the Cooperative begins operation. If your Franchised Business is within the territory of more than one Cooperative, you must join only one Cooperative. Each Cooperative will be organized and governed in a form and manner, and will commence operation on a date, approved in advance by us. (Section 12.6 of the Franchise Agreement).

Each Cooperative will be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, standardized advertising materials for use by the members in local advertising. No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without our prior approval. All plans and materials shall be submitted to us in accordance with the terms of the Franchise Agreement. Each Cooperative will have the right to require its members to make contributions to the Cooperative in the amounts the Cooperative determines, but any contributions to the Cooperative will be credited against your Local Marketing Requirement. Each member franchisee must submit to the Cooperative its respective contribution for the preceding month as provided in the Franchise Agreement together with any other statements or reports as we may require or as may be required by the Cooperative with our approval. There is no requirement that any Cooperatives be audited. We anticipate that Company and affiliate-owned Locations will contribute to Cooperatives at the same rate as franchised Locations that are a part of the same Cooperative. (Section 12.6 of the Franchise Agreement).

We do not currently have an advertising council comprised of System franchisees, though we reserve the right to create one in the future.

Computer System

The total initial cost of purchasing or leasing the computer hardware system is approximately $0 to $5,000, and includes requirements to purchase an office computer, an all-in-one printer/scanner/fax machine, iPad, and high-speed internet access. The low-end estimate assumes that you already own or lease a computer hardware system consistent with the requirements of a Franchised Business. You must purchase and use any and all computer software programs ("Software") which we have developed or may develop and/or designate for use for the System, and will purchase any computer hardware necessary for the efficient operation of the Software. At this time, you must pay a recurring fee to our designated provider of Required Software, which will assist you in managing your Franchised Business, including scheduling and billing functions. The amount of the fee will vary based on the number of clinicians working at your Franchised Business. We have the right to require you to update or upgrade computer hardware components and/or Software as we deem necessary. In addition, we have the right to require you to enter into a separate maintenance agreement for the computer hardware and/or Software. Notwithstanding the fact that you must buy, use and maintain the computer hardware and Software under our standards and specifications, you will have the sole and complete responsibility for: (i) the acquisition, operation, maintenance and upgrading of the computer hardware and Software; and (ii) any and all consequences that may arise if the computer hardware or Software is not properly operated, maintained and upgraded. (Section 7.8 of the Franchise Agreement). We estimate that the annual costs associated with maintaining required computer hardware and software, including the recurring fees described above, could range from $3,000 to $12,000, largely depending on the size of your practice.

We have independent access to any data you collect electronically, except for personal health information protected under HIPAA, such as patient charts. Such data will typically include, but is not limited to, patient demographic information, credit card and other payment information, insurance information, and other types of electronically stored patient data. Upon execution of the Franchise Agreement, you and we will enter into a Business Associate Agreement in the form attached as **Exhibit G** to the Franchise Agreement.

You must install, at your expense, the necessary computer hardware and Software to provide us with full and direct electronic access to all of your data, software systems, and related information. There are no contractual limitations on our right to access this information (Section 10 of the Franchise Agreement).

Internet

You must have and maintain adequate hardware and software to support high speed Internet at bandwidth capable of supporting exceptional telehealth. We may, but are not obligated to, establish an Internet website that provides information about the System and the therapy services offered by Franchised Businesses. If we create such a website, we have sole discretion and control over the website (including timing, design, contents and continuation). We may, but are not obligated to, create interior pages on its website(s) that contain information about your Franchised Business and other locations. If we do create these pages, we may require you to prepare all or a portion of the page for your Franchised Business, at your expense, using a template that we provide. All such information will be subject to our approval before posting. (Section 12.3 of the Franchise Agreement).

Except as approved in advance in writing by us, you must not establish or maintain a separate website, splash page, profile, or other presence on the Internet, or otherwise advertise on the Internet or any other public computer network in connection with the Franchised Business, including any profile on Facebook, Instagram, X, LinkedIn, TikTok, YouTube, Pinterest, or any other social media and/or networking site. If such approval is granted by us, you must: (i) establish and operate such Internet site in accordance with System standards and any other policies we designate in the Operations Manual or otherwise in writing from time to time; and (ii) utilize any templates that we provide to you to create and/or modify such site(s). (Section 12.3 of the Franchise Agreement).

We have the right to modify our policies regarding both our and your use of Internet websites as we deem necessary or appropriate for the best interests of the System. You acknowledge that we and/or our affiliates are the lawful, rightful and sole owner of the Internet domain name wefixbrains.com, as well as any other Internet domain names registered by us, and you unconditionally disclaim any ownership interest in such domain names and any similar Internet domain names. You agree not to register any Internet domain name in any class or category that contains words used in or similar to any brand name owned by us or our affiliates or any abbreviation, acronym, phonetic variation or visual variation of those words. (Section 12.3 of the Franchise Agreement).

Area Computer Network, Intranet or Extranet Participation.

You must participate in any System-wide area computer network, intranet system or extranet system that we implement and may be required by us to use any area computer network, intranet system or extranet system to, among other things: (i) submit your reports due under the Franchise Agreement to us on-line; (ii) view and print portions of the Operations Manual; (iii) download approved local advertising materials; (iv) communicate with us and other System franchisees; and (v) complete initial and ongoing training. You must use the facilities of the area computer network, intranet system or extranet system in strict compliance with the standards, protocols, and restrictions that we include in the Operations Manual. (Section 7.8.6 of the Franchise Agreement).

ITEM 12
TERRITORY

You will operate your Franchised Business from the Approved Location, which will be identified on the Data Sheet of your Franchise Agreement. If you have secured a site for your Franchised Business at the time you sign the Franchise Agreement, you will establish the Franchised Business at the approved site. If you have not yet secured an Approved Location for your Franchised Business at the time you sign the Franchise Agreement, you will enter into our Site Selection Addendum, attached as **Exhibit A** to the Franchise Agreement, which will govern the site selection process. You may relocate the Franchised Business only with our prior written approval.

The Approved Location will be contained within a territory (the "**Territory**"), as identified in the Data Sheet of the Franchise Agreement. While there is no minimum size for a Territory, Territories generally consist of approximately 150,000 to 200,000 individuals and will typically be delineated by ZIP codes, but may be delineated by roads, streets, highways, rivers, county lines, and other physical boundaries, at our discretion.

During the term of the Franchise Agreement, and so long as you are in compliance with the Franchise Agreement, we will not locate another Franchised Business operating under the Proprietary Marks and System from a physical location within your Territory, whether company-owned or otherwise. However, we reserve the right to conduct advertising in your Territory on behalf of the System. You must confine your marketing and advertising activities solely to your Territory, however, we may permit you to advertise outside of your Territory with our express written consent, so long as you comply with our brand standards, and you do not advertise within the territory of another franchisee. You may provide telehealth therapy services to any patient either within or outside your Territory. Your rights within any Territory will not be modified by a subsequent change in population. We will not solicit patients within your Territory but may accept and see such patients consistent with our ethical obligation to do so (if applicable).

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

Development Area; Development Agreement

If you are granted the right to develop multiple Franchised Businesses under our form of Development Agreement, then we will provide you with a Development Area upon execution of the Development Agreement. The size of your Development Area will substantially vary from other developers based on: (i) the number of Franchised Businesses we grant you the right to open and operate; and (ii) the location and demographics of the general area where we mutually agree you will be opening your Franchised Businesses. The boundaries of your Development Area may be described in terms of zip codes, streets, or county lines, or otherwise delineated on a map attached to the Data Sheet.

Each Franchised Business you timely open and commence operating under our then-current form of franchise agreement will be operated: (i) from a distinct site located within the Development Area; and (ii) within its own Territory that we will define once the premises for that Franchised Business has been approved.

You will not receive an exclusive Development Area. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. During the term of your Development Agreement, provided that you are not in default of your Agreement(s) or Development Schedule, we will not open or grant the right to anyone else to open a Franchised Business within your Development Area until the expiration or sooner termination of your Development Agreement. However, notwithstanding this limited protection right we grant to you, we reserve all rights to sell our services under the Marks in the Development Area through alternative distribution channels, as further discussed in this Item 12.

You must comply with your development obligations under the Development Agreement, including your Development Schedule, in order to maintain your rights within the Development Area. If you do not comply with your Development Schedule, we may terminate your Development Agreement and any further development rights you have under that agreement. Otherwise, we will not modify the size of your Development Area except by mutual written agreement signed by both parties.

Reserved Rights

Under the Franchise Agreement and/or Development Agreement, we and our affiliates retain the right to: (i) own and operate System businesses at any location(s) outside your Territory under the Proprietary Marks, or to license others the right to own and operate System businesses at any location(s) outside your Territory under the Proprietary Marks and System; (ii) own and operate System businesses under different marks at any location(s) inside or outside of your Territory and/or Development Area, or to license others the right to own and operate System businesses under different marks at any location(s) inside or outside of your Territory and/or Development Area; (iii) use the Proprietary Marks and System in connection with selling services and products, promotional and marketing efforts, or related items, in alternative channels of distribution, such as via direct marketing including the Internet, without regard to location; (iv) use the Proprietary Marks to conduct marketing and promotional efforts inside of your Territory and/or Development Area on behalf of the System; and (v) use the Proprietary Marks and System, and to license others to use the Proprietary Marks and System, to engage in any other activities not expressly prohibited in the Franchise Agreement.

The Franchise Agreement and Development Agreement do not grant you options, rights of first refusal, or similar rights to acquire additional franchises within the Territory granted or any contiguous territories. However, you may purchase additional franchise rights with our approval.

Alternative Channels of Distribution

Certain of our or our affiliates' products and services, whether now existing or developed in the future, may be distributed in your Territory and/or Development Area by us, our affiliates, or our designees, in such manner and through such channels of distribution as we, in our sole discretion, shall determine. Such alternate channels of distribution shall include, but are not limited to, the sale of products and services under the Proprietary Marks via the Internet, telemarketing, or via written media.

The Franchise Agreement grants you no rights: (i) to distribute such products or services through alternative channels of distribution; or (ii) to share in any of the proceeds.

We have not established other franchises or company-owned outlets or another distribution channel selling or providing similar services under a different trademark. Neither we nor our affiliates have established, or presently intend to establish, any other franchised or company-owned businesses that sell our approved services under a different trade name or trademark, but we reserve the right to do so in the future.

ITEM 13
TRADEMARKS

You will have the limited right to use the Proprietary Marks we designate to operate your Franchised Business. We have obtained a registration of the following marks on the Principal Register of the United States Patent and Trademark Office ("**USPTO**"):

MARK	REGISTRATION NUMBER	REGISTRATION DATE	REGISTER
LIFEOLOGIE INSTITUTE	5,046,513	September 20, 2016	Principal
Creative Solutions to Stuck Problems	4,895,022	February 02, 2016	Principal

We have also applied for registration of the following mark on the Principal Register of the USPTO:

MARK	SERIAL NUMBER	FILING DATE	REGISTER
lifeologie COUNSELING	99153475	April 24, 2025	Principal

There are no effective material determinations of the USPTO, Trademark Trial and Appeals Board, or the trademark administrator of any state or any court relating to the Proprietary Marks. There are no pending infringement, opposition or cancellation proceedings involving the Proprietary Marks. There is no pending material litigation involving the Proprietary Marks. We have filed (or intend to file, as applicable) all required affidavits and renewals to maintain the Proprietary Marks.

You must promptly notify us of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Proprietary Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including the right to settle the proceedings or litigation. We have the exclusive right, but not the obligation, to affirmatively prosecute actions against third parties for infringement or threatened infringement of the Proprietary Marks.

We will defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks. If we, in our sole discretion, determine that you have used the Proprietary Marks in accordance with the Franchise Agreement, we will pay the cost of defending the action, including the cost of any judgment or settlement. If we, in our sole discretion, determine that you have not used the Proprietary Marks in accordance with the Franchise Agreement, you must pay for the defense or reimburse us for costs we incurred in providing the defense, including the cost of any judgment or settlement. If there is any litigation relating to your use of the Proprietary Marks, you must sign all documents and assist us, as we deem necessary, to carry out the defense or prosecution including, without limitation, becoming a nominal party to any legal action. We will reimburse you for your out-of-pocket costs in assisting us in defending an action relating to the Proprietary Marks, unless the litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of any agreement(s) you sign with us.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in any state. However, before entering into the Franchise Agreement, you should make every effort to ascertain that there are no existing uses of the Proprietary Marks or confusingly similar marks being used in the market area where you wish to do business. You should immediately notify us of any confusingly similar marks you discover.

We and our affiliates are the lawful owner of the domain name wefixbrains.com. You cannot register any of the Proprietary Marks now or in the future owned by us or any abbreviation, acronym or variation of the Proprietary Marks, or any other name that could be deemed confusingly similar, as Internet domain names. We retain the sole right to advertise the system on the Internet and to create, operate, maintain and modify, or discontinue using of a website using the Proprietary Marks. You may access our website. Except as we may authorize in writing in advance, however, you cannot: (i) link or frame our website; (ii) conduct any business or offer to sell or advertise any products or services on the Internet; or (iii) create or register any Internet domain name in connection with your franchise.

You may use only the Proprietary Marks which we designate, and may use them only in the manner we authorize and permit. Any goodwill associated with Proprietary Marks, including any goodwill which might be deemed to have arisen through your activities, inures directly and exclusively to our benefit. You may use the Proprietary Marks only for the operation of the Franchised Business and only at the Approved Location or in advertising for the Franchised Business. You shall use all Proprietary Marks without prefix or suffix and in conjunction with the symbols “SM,” “TM,” “S” or “R,” as applicable. You may not use the Proprietary Marks in connection with the offer or sale of any services or products which we have not authorized for use in connection with the System. You may not use the Proprietary Marks as part of your corporate or other legal name. We must approve your corporate name and all fictitious names under which you propose to do business in writing before use. You must use your corporate or limited liability company name either alone or followed by the initials “D/B/A” and the business name that we approve. You must promptly register at the office of the county in which your Franchised Business is located, or any other public office as provided for by the laws of the state in which your Franchised Business is located, as doing business under your assumed business name.

All of your advertising must prominently display the Proprietary Marks and must comply with our standards for using the Proprietary Marks. All advertising is subject to our prior written approval, which we will not unreasonably withhold. We reserve the right to approve all signs, stationery, business cards, forms, and other materials and supplies bearing the Proprietary Marks. You may use the Proprietary Marks including, without limitation, trade dress, color combinations, designs, symbols, and slogans, only in the manner permitted by the Franchise Agreement or by our prior written consent. You must submit to us and we must approve all advertising, publicity, signs, decorations, furnishings, equipment or other materials employing the Proprietary Marks, or related marks, before first publication or use. We will not unreasonably withhold our approval. You must identify yourself as the owner of the Franchised Business (in the manner we prescribe) in conjunction with any use of the Proprietary Marks including, without limitation, on invoices, order forms, receipts, and business stationery, or any conspicuous locations as we may designate in writing at the Franchised Business premises.

We reserve the right to substitute different proprietary marks for use in identifying the System and any businesses operating under the System. You must discontinue using all Proprietary Marks which we have notified you, in writing, have been modified or discontinued within ten days of receiving written notice and must promptly begin using additional, modified or substituted Proprietary Marks at your expense.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own any registered patents or copyrights which are material to the franchise, however, we claim common law copyright and trade secret protection for several aspects of the franchise System including our Operations Manual, advertising, marketing and business materials.

There are no current determinations, proceedings or litigation involving any of our copyrighted materials. Should you become aware that any unauthorized third party is using any of our copyrighted materials, we request that you notify us of any unauthorized use. We may revise our System and any of our copyrighted materials in our discretion, and may require that you cease using any outdated copyrighted materials. You will be responsible for printing any revised or new advertising, marketing or other business materials.

During the term of the Franchise Agreement, you will receive information which we consider trade secrets and confidential information. You may not, during the term of the Franchise Agreement or after its termination or expiration, communicate, divulge, or use for the benefit of any other person, partnership, association, corporation, or limited liability company any of our “Confidential Information”, including but not limited to operating procedures, advertising materials and marketing techniques, copyrighted materials, any information contained in the Operations Manual, trade secrets, price marketing mixes, training methods, and other methods, techniques and know-how concerning the operation of the Franchised Business that may be communicated to you or of which you may be apprised by virtue of your operation of the Franchised Business. You acknowledge and agree that Confidential Information includes client information and service history (subject to HIPAA requirements and restrictions). You may divulge Confidential Information only to your employees who must have access to it to perform their employment obligations. You must require your manager and any personnel having access to any of our Confidential Information to sign an agreement stating that they will maintain the confidentiality of information they receive in connection with their employment and restricting their right to work for a competitor while they are employed by you. Your agreement, which will be in a form that we prescribe, will identify us as a third-party beneficiary to the agreement and will give us independent enforcement rights.

The Franchise Agreement provides that if you, your employees, or principals develop any new concept, process or improvement in the operation or promotion of your Franchised Business, you must promptly notify us and provide us with all necessary related information, without compensation. Any new concept, process or improvement becomes our sole property and we will be the sole owner of all patents, patent applications, trademarks, copyrights and other intellectual property rights related to any new concepts. You and your principals must assign to us any rights you may have or acquire in new concepts you or your employees develop, including the right to modify any new concept, process or improvement, and otherwise must waive and/or release all rights of restraint and moral rights to any new concepts you or your employees develop. You and your principals agree to assist us in obtaining and enforcing the intellectual property rights to any new concept, process or improvement in any and all countries and further agree to sign and provide us with all necessary documentation for obtaining and enforcing our rights. You and your principals shall irrevocably designate and appoint us as your agent and attorney-in-fact to sign and file any documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any new concept, process or improvement. If any provision of the Franchise Agreement relating to new concepts is found to be invalid or otherwise unenforceable, you and your principals shall grant to us a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the concept, process or improvement if the use or sublicense would, absent the relevant agreements, directly or indirectly infringe on your rights to the new concepts.

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

You (or at least one of your principals if you are a corporation, partnership or limited liability company) must personally supervise the day-to-day operations of any Franchised Business you operate. If you are not a licensed therapist and you have a management agreement with a counseling group, then you must manage and support the counseling group. You must devote your personal full-time attention and best efforts to the management and operation of your Franchised Business. We do not recommend, however you may, delegate the day-to-day operation of your Franchised Business to a manager (“**Key Manager**”). Your Key Manager must successfully complete our initial training program before assuming any managerial responsibility. Your Franchised Business must, at all times, have as a member of its staff at least one individual who has successfully completed our initial training program; provided, however, that there does not have to be a trained individual on-site in your Franchised Business during all hours of operation. If you operate more than one Franchised Business, you may have a properly trained Key Manager serve as the Key Manager at multiple Locations, so long as they are all operated by you. You must keep us informed at all times of the identity of any employees acting as Key Manager of a Franchised Business, and any change in their employment status. Neither the Key Manager nor any other on-premises supervisor must have an equity interest in your Franchised Business.

If a Key Manager resigns or is otherwise terminated, you must hire a replacement approved by us who meets our then-current standards for Key Managers within 30 days after the resignation or termination of the former Key Manager. The new Key Manager must complete initial training to our satisfaction within

60 days after being hired, subject to the availability of our personnel. Your Key Manager(s) must devote full time and best efforts to the day-to-day operation and management of the Franchised Business and cannot engage in any other business activity without our prior written consent.

Before opening the Franchised Business, you must demonstrate to our satisfaction that you have sufficiently staffed the position of clinical director, and that such position is filled by an individual that meets our then-current standards and specifications, as set forth in the Operations Manual or otherwise in writing. You or your Key Manager can fill this position, but one person cannot fill multiple positions unless you receive authorization from us.

You, your officers, directors, Key Managers, and clinicians shall be bound by the confidentiality and non-compete covenants of the Franchise Agreement. Your managers, employees, and therapists working at your Franchised Business will be required to sign a Confidentiality and Restrictive Covenant Agreement in a form approved by us.

You and your spouse (or if you are a corporation, each of your shareholders and their spouses; or if you are a partnership, each of your general partners and their spouses; or, if you are a limited liability company, each of your members/managers and their spouses) must sign a personal guaranty in the form attached to the Franchise Agreement.

As described in Item 1, you will operate a business that offers various mental health therapy services, including psychotherapy and other therapy services through professionally licensed persons or entities. If you are not a licensed therapist, then (subject to state law) you must sign and maintain during the term of your Franchise Agreement a management agreement, pursuant to which your Franchised Business will provide management services to a counseling group of licensed therapists that perform approved mental health therapy services. You are responsible for drafting and negotiating the terms of the management agreement, but you must provide the management agreement to us for our review. We require that you engage an attorney familiar with applicable law to assist in reviewing, negotiating, and preparing your final form of management agreement. We must approve the counseling group prior to execution of the management agreement. In addition, all licensed therapists that are in the counseling group must satisfactorily complete all required training and must meet all applicable licensing requirements.

If you are not a licensed therapist, then the counseling group will employ the therapists licensed to provide all applicable mental health therapy services. You, as the unlicensed franchisee, may not provide any actual mental health therapy service, nor will you supervise, direct, control or suggest to, the counseling group or its therapists or employees the manner in which the counseling group provides or may provide mental health therapy services to its clients. You must ensure that the counseling group offers all mental health therapy services in accordance with the management agreement and the System and does not offer any services or products that we have not authorized to be provided in connection with a Lifeologie Franchised Business.

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ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all of the services and products which we require and only the services and products which we authorize for the System. You will not offer to sell or provide at or through your Franchised Business any products or services that we have not approved in writing, or use the premises for any other purpose other than the operation of the Franchised Business. You may not use nor sell any services, products, supplies, uniforms, fixtures, furnishings, signs, or equipment which do not meet our standards and specifications.

Your grant of a franchise to operate a Franchised Business does not include any right to establish an independent website or to establish a URL incorporating the Proprietary Marks or any variation thereof, nor to provide, sell, or market the approved services in any channel of distribution not specifically permitted in the Franchise Agreement.

If you are not a licensed therapist and you have a management agreement with a counseling group, then you must (a) provide the management and support services to the counseling group's mental health therapy services practice and (b) ensure that the counseling group is providing the mental health therapy services that we specify from time to time.

We have the right to require you to offer and sell additional products or services as we may designate. There are no limits on our right to do so. You must stop using or offering disapproved services or products immediately upon notice that certain services or products have been discontinued. If the law prohibits the use or sale of any product or service, use must cease immediately.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

A. THE FRANCHISE RELATIONSHIP UNDER A SINGLE UNIT FRANCHISE AGREEMENT

The table on the following pages lists certain important provisions of the single unit franchise agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

	Provision	Section in Franchise Agreement	Summary
a.	Length of the Franchise Term	2.1	10 years.
b.	Renewal or extension of the term	2.2	You have the right to renew the Franchise Agreement for successive, additional 5-year periods provided certain conditions are met.
c.	Requirements for franchisee to renew or	2.2	We may grant you the right to renew the Franchise Agreement if (i) you timely notify us in writing of your intention to renew; (ii) you have the right to operate your

	extend		Franchised Business at the Approved Location for the duration of the renewal term or have secured an approved substitute location; (iii) you have satisfactorily completed no later than 90 days before the expiration of the then-current term, all necessary maintenance, refurbishing, renovating, updating and remodeling of the Franchised Business premises to bring the Franchised Business and all equipment into full compliance with our then-current System standards and specifications; (iv) you are not in breach of any provision of the Franchise Agreement, or any other agreement between you and us, our affiliates, and/or our major suppliers and vendors, and you have substantially complied with all agreements during their respective terms; (v) you have satisfied all monetary obligations you owe us, our affiliates, and/or our major suppliers and vendors; (vi) you sign our then-current form of franchise agreement, which may contain materially different key terms, including changes in royalty and advertising fees, and grounds for termination; (vii) you satisfy our then-current training requirements; (viii) you sign a general release; and (ix) you pay a renewal fee of $5,000.
d.	Termination by franchisee	Not Applicable	Not Applicable.
e.	Termination by franchisor without cause	Not Applicable	Not Applicable.
f.	Termination by franchisor with cause	15	We have the right to terminate the Franchise Agreement with cause.

g.	Cause defined – curable defaults	15.3 15.4	We have the right to terminate the Franchise Agreement after providing you a 15-day cure period if: (i) you fail to pay any monies you owe us or our affiliates; (ii) you fail to immediately endorse and deliver to us any payments due to us from any third party that is erroneously made to you; (iii) you fail to open the Franchised Business within 12 months from the date your sign the Franchise Agreement; (iv) you fail to operate the Franchised Business during the months, days and hours that we prescribe; (v) you fail to maintain our quality controls and standards; (vi) you conduct yourself in a manner which reflects adversely on the System, the Proprietary Marks, or our products; (vii) you fail to personally supervise day-to-day operation of the Franchised Business or fail to employ a sufficient number of qualified, competent personnel as we require from time to time, which shall include your failure to maintain a trained lead therapist; (viii) you fail to maintain any necessary licenses, permits, or certifications; or (ix) you fail to comply with an applicable law or regulation after receiving notice from a governmental authority. We have the right to terminate the Franchise Agreement after providing you a 30-day cure period if you fail to perform or comply with any one or more of the terms or conditions of the Franchise Agreement, the Operations Manual, or any other ancillary agreement with us or our affiliates.
h.	Cause defined – non-curable defaults	15.1 15.2	The Franchise Agreement shall automatically terminate without notice or an opportunity to cure if: (i) you make an assignment for the benefit of creditors, file a voluntary petition in bankruptcy, are adjudicated bankrupt or insolvent, file or allow the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consent to or allow the appointment of a trustee or receiver for you or the Franchised Business; (ii) proceedings are commenced to have you adjudicated bankrupt or to seek your reorganization under any state or federal bankruptcy or insolvency law, and proceedings are not dismissed within 60 days, or a trustee or receiver is appointed for you or the Franchised Business without your consent, and the appointment is not vacated within 60 days; or (iii) you purport to sell, transfer or otherwise dispose of your interest in the Franchised Business without our written approval. We have the right to terminate the Franchise Agreement with notice but without providing you an opportunity to cure if: (i) you take part in criminal acts or misconduct; (ii) you

			commit fraud in the operation of the Franchised Business; (iii) you make any misrepresentations in connection with the franchise application; (iv) you fail to complete our initial training program; (v) you receive three or more written notices of default within any 12-month period, whether or not these defaults are timely cured; (vi) you materially breach any other agreement with us or our affiliates; (vii) you misuse the Proprietary Marks or Confidential Information; (viii) you violate any health, safety or sanitation law; (ix) you violate the in-term restrictive covenants of the Franchise Agreement; (x) a lien or writ of attachment or execution is placed against you and is not released or bonded against within 30 days; (xi) you are insolvent; (xii) you abandon the Franchised Business; (xiii) you offer any unauthorized or unapproved products or services in connection with the operation of your Franchised Business; (xiv) you order or purchase supplies from unapproved suppliers; (xv) you misuse our proprietary or designated software or any area computer network, intranet system, or extranet system we may establish; (xvi) you fail to maintain the required insurance; (xvii) any governmental action is taken against you that results in any obligation upon us; (xviii) you fail to comply with any laws or regulations regarding terrorism; (xix) you take any assets or property of the Franchised Business for your personal use; (xx) you have insufficient funds in your bank account three or more times in a 12-month period; or (xxi) any audit reveals that you have understated your royalty or any other payments by more than 2%, or if you have failed to submit timely reports and/or remittances for any two reporting periods within any 12-month period.

i.	Franchisee's obligations on termination/ non-renewal	16.1	Upon termination or expiration of the Franchise Agreement, you must: (i) cease all operations under the Franchise Agreement; (ii) promptly pay all sums you owe us, our affiliates, and our suppliers; (iii) cease using the Proprietary Marks and System; (iv) return to us the Operations Manual and all other manuals, proprietary and Confidential Information; (v) cease using and assist in transferring all of your telephone numbers to us; (vi) vacate the Franchised Business premises if we exercise our rights under the Collateral Assignment of Lease; (vii) return to us all items reflecting the Proprietary Marks; (viii) cease holding yourself out as our franchisee; (ix) take necessary action to amend or cancel any business name or equivalent registration which contains our trade name or Proprietary Marks; (x) allow us to inspect your financial records; (xi) comply with the post term covenants contained in the Franchise Agreement; (xii) cease to use in advertising or in any other manner any methods, procedures or techniques associated with us or the System; and (xiii) sign periodically any papers, documents, and assurances necessary to effectuate termination or nonrenewal and expiration.
j.	Assignment of contract by us	14.5	We have the right to assign our rights under the Franchise Agreement.
k.	"Transfer" by you - definition	14.3	A sale, transfer or assignment requiring our prior written consent occurs: (i) if you attempt to sell, transfer, assign, or encumber any portion of the Franchised Business or any interest in the Franchise Agreement or the Franchised Business; (ii) if you are a corporation, upon any assignment, sale, pledge or transfer of any fractional portion of your voting stock, or any increase in the number of outstanding shares of your voting stock which results in a change in ownership; (iii) if you are a partnership, upon the assignment, sale, pledge or transfer of any fractional partnership ownership interest; or (iv) if you are a limited liability company, upon any assignment, sale, pledge or transfer of any fractional portion of any interest in the limited liability company.
l.	Our approval of transfer by franchisee	14.1	You may not transfer any rights in the franchise without our prior written consent. We have the right to condition our approval of any sale, transfer, assignment or encumbrance as described below.

m.	Conditions for our approval of transfer	14.3.2	Our approval of a proposed transfer is conditioned upon you and/or your transferee meeting all of the following conditions, as applicable: (i) all of your accrued monetary obligations to us have been paid; (ii) all existing defaults under the Franchise Agreement have been cured; (iii) you sign a general release in favor of us and our affiliates; (iv) you provide us a copy of the signed purchase agreement; (v) the transferee meets our qualifications; (vi) the transferee signs our then-current franchise agreement for the unexpired term of the Franchise Agreement; (vii) you or the transferee pay us a transfer fee of $10,000; (viii) the transferee satisfactorily completes our training program; (ix) you comply with the post term provisions of the Franchise Agreement; (x) the transferee obtains all licenses and permits necessary to operate the Franchised Business; (xi) as required by the terms of any leases or other agreements, the lessors or other parties must have consented to the proposed transfer; (xii) the transfer is made in compliance with all applicable laws; (xiii) the purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation of the Franchised Business and performance under its franchise agreement; (xiv) you must request that we provide the prospective transferee with our current form of disclosure document and we shall not be liable for any representations not included in the disclosure document; (xv) our approval of the transfer shall not constitute a waiver of any claims we may have against the transferring party; (xvi) we shall have the right to disclose to any prospective transferee revenue reports and other financial information concerning you and your Franchised Business as you have supplied us; and (xvii) we may withhold or condition our consent to any transfer as we deem appropriate based on the circumstances of the transfer or otherwise.
n.	Our right of first refusal to acquire your business	14.3.1	You must first offer to sell to us on the same terms and conditions as those offered by a third party. We will notify you, within 30 days after receiving the terms offered by the third party, whether we wish to exercise our right to purchase your business.
o.	Our option to purchase your business	16.3	We have an option to purchase the assets of your Franchised Business at book value upon termination or expiration of the Franchise Agreement.

p.	Your death or disability	14.2	Upon your death or disability, your rights under the Franchise Agreement may pass to your heirs or legatees, provided that, within 45 days of your death or disability, they agree to assume your obligations under the Franchise Agreement, successfully complete our initial training program, and otherwise meet our satisfaction. If necessary, we have the right to operate your Franchised Business on your behalf and at your expense following your death or disability.
q.	Non-competition covenants during the term of the franchise	17.1	During the term of the Franchise Agreement, neither you, your officers, directors, principals, nor any members of your immediate family or the immediate family of your officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation: (i) own, maintain, engage in, lend money to, extend credit to, have any interest in, or serve as an officer, director, executive, or principal of any other multi- disciplinary collaborative practice offering psychotherapy services or any business offering similar products or services offered or authorized for sale by System franchisees (a "Competitive Business"); provided, however, that this provision does not apply to your operation of any other Franchised Business; (ii) employ or seek to employ any person who is at that time employed by us, our affiliates or any other System franchisee, or otherwise directly or indirectly induce or seek to induce an employee to leave his or her employment thereat; or (iii) divert or attempt to divert any business or customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System.
r.	Non-competition covenants after the franchise is terminated or expires	17.2	For a period of two (2) years after the expiration and nonrenewal, transfer or termination of the Franchise Agreement, regardless of the cause, neither you, your officers, directors, principals, nor any members of your immediate family or the immediate family of your officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation enter into any business competing in whole or in part with us in granting franchises or licenses to operate Competitive Businesses. For a period of two (2) years after the expiration, transfer or termination of the Franchise Agreement, regardless of the cause, neither you, your officers, directors, principals, nor any members of your immediate family or the immediate family of your officers, directors, or principals may, directly

			or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation: (i) own, maintain, engage in, be employed as an officer, director, principal or executive of, or have any interest in any other Competitive Business, (a) at the Franchised Business, (b) within the Territory, or (c) within a radius of 25 miles of the perimeter of (1) the Territory (2) any other territory licensed by us as of the date of expiration or termination of the Franchise Agreement; (ii) solicit business from customers of your former Franchised Business; (iii) contact any of our suppliers or vendors for any competitive business purpose; or (iv) solicit any of our employees, or the employees of our affiliates or any other System franchisee to discontinue employment.
s.	Modification of the Franchise Agreement	22.1	The Franchise Agreement may only be modified or amended in a writing signed by all parties.
t.	Integration/ merger clauses	22.1	The Franchise Agreement constitutes the entire agreement by the parties. Any other promises are not enforceable. Nothing in this Section of the Franchise Agreement, or any related agreement, is intended to disclaim the representations we made in this disclosure document.
u.	Dispute resolution by arbitration or mediation	18.2, 18.3	You must bring all disputes before our Chief Executive Officer before bringing a claim before a third party. After exhausting this internal dispute resolution procedure, at our option, all claims or disputes between you and us must be submitted to mediation and/or arbitration in Dallas, Texas, or a nearby location that Franchisor designates or otherwise agrees to in writing, in accordance with the American Arbitration Association's Commercial Mediation Rules then in effect.
v.	Choice of forum	18.4	You consent to the personal jurisdiction and venue of any court of general jurisdiction in Dallas, Texas and the United States District Court for the Eastern District of Texas (subject to applicable state law)
w.	Choice of law	18.1	The Franchise Agreement is governed by the laws of the State of Texas (subject to applicable state law).

B. THE FRANCHISE RELATIONSHIP UNDER A MULTI-UNIT DEVELOPMENT AGREEMENT

	Provision	**Section in Development Agreement**	**Summary**
a.	Term of franchise	6.1	The Development Agreement will commence on the Effective Date set forth in the Agreement and end on the earlier of (a) the last day of the calendar month that the final Franchised Business is required to be opened and operating under the Development Schedule or (b) the day that the final Franchised Business is opened.
b.	Renewal or extension of the term	Not Applicable	Not Applicable.
c.	Requirements for you to renew or extend	Not Applicable	Not Applicable.
d.	Termination by you	Not Applicable	Not Applicable.
e.	Termination by us without cause	Not Applicable	Not Applicable.
f.	Termination by us with cause	6.2	We may terminate your Development Agreement with cause. If your Development Agreement is terminated, you will retain (if applicable) the rights to operate your Franchised Business(es) in their respective territory(ies) pursuant to the franchise agreement(s) for those business(es).
g.	Cause defined - default which can be cured	Not Applicable	Not Applicable.
h.	Cause defined - default which cannot be cured	6.2	Your Development Agreement can be terminated by us if: (i) you cease to actively engage in development activities in the Development Area or otherwise abandon your development business for three (3) consecutive months, or any shorter period that indicates an intent by you to discontinue development of the Franchised Businesses within the Development Area; (ii) you become insolvent or are adjudicated bankrupt, or if any action is taken by Franchisee, or by others against you, under any insolvency, bankruptcy or reorganization act, or if you make an assignment for the benefit or creditors or a receiver is appointed by you; (iii) you fail to meet your development obligations under the Development Schedule for any single Development Period, and fail to cure such default within 30 days of receiving notice thereof; and (iv) any Franchise Agreement that is entered into in order to fulfill your development obligations under the Development Agreement is terminated or subject to termination by us, pursuant to the terms of that Franchise Agreement. If your Development Agreement is terminated, you will retain (if applicable)

	Provision	Section in Development Agreement	Summary
			the rights to operate your Franchised Business(es) in their respective territory(ies) pursuant to the franchise agreement(s) for those business(es).
i.	Your obligations on termination/ non-renewal	Not Applicable	Not Applicable.
j.	Assignment of contract by us	8	We have the right to assign our rights under the Development Agreement.
k.	"Transfer" by you - definition	8	Any transfer in you (if you are an entity) or your rights/obligations under the Development Agreement.
l.	Our approval of transfer by franchisee	8	You may not transfer any rights or obligations under the Development Agreement without our prior written consent.
m.	Conditions for our approval of transfer	Not Applicable	Not Applicable.
n.	Our right of first refusal to acquire your business	Not Applicable	Not Applicable.
o.	Our option to purchase your business	Not Applicable	Not Applicable.
p.	Your death or disability	Not Applicable	Not Applicable.
q.	Non-competition covenants during the term of the franchise	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement.
r.	Non-competition covenants after the franchise is terminated or expires	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement.
s.	Modification of the Franchise Agreement	27	Any modification of the Development Agreement must be in writing and signed by both parties.
t.	Integration/ merger clauses	27	Only the terms of the Development Agreement are binding (subject to state law). Any representations or promises made outside of the disclosure document and the Development Agreement may not be enforceable.
u.	Dispute resolution by mediation	13	At our option, all claims or disputes between you and us must be submitted to mediation and/or arbitration in Dallas, Texas, or a nearby location that Franchisor designates or otherwise agrees to in writing, in accordance with the American Arbitration Association's Commercial Mediation Rules then in effect.
v.	Choice of forum	15	Subject to Sections 13 and 14 of the Development Agreement, all claims must be brought before a court of general jurisdiction nearest to Dallas, Texas, or the

	Provision	Section in Development Agreement	Summary
			United States District Court for the Eastern District of Texas. You consent to the personal jurisdiction and venue of these courts (subject to applicable state law).
w.	Choice of law	9	The Development Agreement is governed by the laws of the State of Texas, without reference to this state's conflicts of law principles. (subject to applicable state law)

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATION

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) 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.

Except as set forth below, we do not furnish nor authorize our salespersons to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of a Franchised Business. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

HISTORIC FINANCIAL PERFORMANCE REPRESENTATION

The financial performance information provided in this Item 19 must be read in conjunction with the notes set forth immediately following the table below, the disclosures set forth in this FDD, and the terms and conditions of the Franchise Agreement. You are strongly encouraged to do your independent due diligence and to work with an accountant, attorney and/or professional advisor to assist and advise you in connection with your potential investment in a Franchised Business.

As of December 31, 2024, there were eighteen (18) total System Outlets in operation (the "System Outlets"). Of these System Outlets, three (3) outlets were owned and operated by our affiliates (the "Affiliate Outlets") during the 2024 calendar year (the "2024 Measurement Period").

As of December 31, 2024, fifteen (15) of the System Outlets were owned and operated by franchisees (the "Franchised Outlets").

The historical data presented in this Item 19 includes the following information:

(a) Table I discloses Monthly Gross Sales for the Reporting Franchised Outlets during the 2024 Measurement Period, as reported to us by the eleven (11) Reporting Franchised Outlets that were open and in operation for the full 2024 Measurement Period as of December 31, 2024.

(b) Table II discloses (i) the Monthly Gross Sales as reported to us by the two (2) Affiliate Outlets for the 2024 Measurement Period (Table II.A) and (ii) Monthly Gross Sales as reported to us by the two (2) Affiliate Outlets for the first three (3) months of the 2025 calendar year (the “Partial 2025 Measurement Period”) (Table II.B).

In this Item 19, we have excluded the financial performance information of (a) four (4) Franchised Outlets that operate in a non-traditional format, offering primarily virtual services with no brick-and-mortar location (the “Non-Traditional Format”), because as of the issuance date of this Disclosure Document, we are not offering franchise opportunities for the Non-Traditional Format. We have excluded from this Item 19 the financial performance of our one (1) additional affiliate outlet that opened in September 2024 and was therefore not open for the entirety of the 2024 Measurement Period.

The remaining eleven (11) Franchised Outlets are included in this Item 19 and are referred to as the “Reporting Franchised Outlets.”

We have not audited nor have we independently verified this information. Written substantiation of the data used in preparing this information will be provided upon reasonable request.

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TABLE I:
Reporting Franchised Outlets Monthly Gross Sales for the 2024 Calendar Year ("2024 Measurement Period")

Location Name	January	February	March	April	May	June	July	August	September	October	November	December	Total
Plano/Rich	$60,874	$63,567	$61,420	$69,309	$74,481	$61,969	$69,676	$76,482	$81,283	$81,551	$63,844	$64,941	$829,398
Frisco	$47,310	$35,325	$39,087	$57,596	$57,544	$51,421	$53,991	$54,280	$53,635	$62,311	$47,442	$57,766	$617,707
Oak Cliff	$49,730	$51,105	$37,760	$37,905	$32,275	$17,105	$23,395	$28,329	$37,264	$44,672	$36,337	$33,538	$429,415
Cedar Hill	$30,258	$30,884	$32,412	$33,992	$34,494	$33,715	$34,056	$31,595	$29,760	$38,464	$38,404	$35,022	$403,055
Grand Rapids	$64,275	$60,839	$71,810	$57,995	$62,977	$50,153	$47,593	$60,459	$48,668	$70,081	$61,207	$66,197	$722,254
Grand Rapids 2	$54,068	$55,631	$63,273	$57,267	$59,638	$46,022	$45,510	$59,158	$54,942	$72,593	$55,730	$52,474	$676,307
Raleigh	$95,415	$98,883	$109,484	$109,096	$110,456	$105,694	$105,435	$120,484	$117,812	$127,702	$121,140	$125,291	$1,346,892
Durham	$31,805	$32,961	$36,495	$36,365	$36,819	$35,231	$35,145	$40,161	$39,271	$42,567	$40,380	$41,764	$448,964
Midlothian	$30,251	$32,061	$27,264	$31,790	$37,751	$31,749	$29,863	$37,808	$35,736	$53,648	$52,913	$52,007	$452,840
Chandler	$34,174	$20,858	$23,580	$20,170	$25,302	$23,538	$23,132	$20,104	$27,827	$31,371	$29,133	$30,961	$310,151
Allen	$22,206	$24,094	$27,239	$31,398	$29,989	$31,631	$40,473	$40,624	$40,788	$48,820	$48,238	$41,600	$427,099

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TABLE II:
Monthly Gross Sales for the Affiliate Outlets for the (a) 2024 Calendar Year and (b) Q1 2025

Table II(A): 2024 Monthly Gross Sales for Affiliate Outlets (2024 Measurement Period)

2024		
Month	**Dallas Gross Sales**	**Fort Worth Gross Sales**
January	$111,642.50	$29,835.00
February	$113,582.50	$30,770.00
March	$120,115.00	$34,080.00
April	$124,587.50	$38,530.00
May	$110,165.00	$41,910.00
June	$103,645.00	$41,767.50
July	$113,173.49	$44,212.00
August	$112,358.07	$47,374.22
September	$111,469.57	$40,620.92
October	$134,878.65	$47,750.80
November	$115,902.45	$40,251.79
December	$119,433.48	$36,626.59
TOTALS	$1,390,953.21	$473,728.82

Table II(b): 2025 Q1 Monthly Gross Sales (January through March) for Affiliate Outlets (Partial 2025 Measurement Period)

2025		
Month	**Dallas Gross Sales**	**Fort Worth Gross Sales**
January	$133,449.28	$40,083.58
February	$145,103.31	$45,333.07
March	$138,080.22	$41,422.47

Notes to Item 19:

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

1. Defined Terms.
    a. "**Gross Sales**" means all revenues generated from business conducted at or from the Outlet (including revenues generated by the counseling group, if applicable) during the preceding reporting period, including amounts received from the sale of services, products, merchandise, and tangible property of any nature whatsoever, whether in cash or for credit, and whether collected or

uncollected, as reported to us by the franchised and affiliate-owned units. “Gross Sales” does not include the amount of any applicable sales tax imposed by any federal, state, municipal, or other governmental authority if the taxes are stated separately when the customer is charged and you pay taxes as and when due to the appropriate taxing authority. Also excluded from Gross Sales is the amount of any documented refunds, chargebacks, credits, and allowances given to customers in good faith and in accordance with our operating procedures.

2. Notes to Table II.

a. Table II reflects monthly Gross Sales information for our two (2) Affiliate Outlets, which are located in Texas.
b. The Affiliate Outlets are mature outlets with over ten (10) years of operational history.

3. General.

a. The information presented in this Item 19 is not a projection of what you can expect to achieve in connection with the operation of a Franchised Business, nor a projection of what any included outlet will achieve in the future.
b. The financial performance information presented in this Item 19 does not contain any information regarding costs or expenses associated with opening or operating a Franchised Business. Franchisees or former franchisees listed in Exhibit I to this disclosure document may be one source of this information. You are encouraged to do your own due diligence before investing in this franchise opportunity.
c. The information presented in this Item 19 excludes tax liabilities. You will be responsible for all taxes incurred in connection with the operation of your Franchised Business. You are strongly advised to consult with a tax professional before investing in this franchise opportunity.
d. The revenue and expenses of your business will be directly affected by many factors, including, without limitation: (a) geographic location; (b) advertising effectiveness and market saturation; (c) whether you operation the business personally or hire a manager; (d) employee salaries and benefits; (e) insurance costs; (f) ability to generate customers; (g) customer loyalty; and (h) force majeure events.
e. All amounts are rounded to the nearest dollar unless otherwise indicated.

4. The information presented in this Item 19 is based on unaudited, internally prepared information reported to us by the outlets included in this Item 19. We did not audit or otherwise independently verify this information.

5. You are responsible for developing your own business plan for your Outlet, including capital budgets, financial statements, projections, and other elements appropriate to your particular circumstances. We strongly encourage you to consult with your own accounting, business, and legal advisors in doing so.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with 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 Melanie Wells at 3303 Lee Parkway #102, Dallas, Texas 75219 or via telephone (214) 357-4001, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
Systemwide Outlet Summary
For Years 2022 to 2024

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
FRANCHISE	2022	12	16	+4
	2023	16	16	0
	2024	16	15*	-1
COMPANY-OR-AFFILIATE-OWNED	2022	2	2	0
	2023	2	3	+1
	2024	3	3	0
TOTAL OUTLETS	**2022**	**14**	**18**	**+4**
	2023	**18**	**19**	**+1**
	2024	**19**	**18**	**-1**

*Four (4) of the Franchise Outlets operate under the Non-Traditional Format, which we no longer offer as of the issuance date of this disclosure document.

TABLE 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2022 to 2024

	YEAR	NO. OF TRANSFERS
TEXAS	2022	0
	2023	1
	2024	0
TOTALS	2022	0
	2023	1
	2024	0

TABLE 3
Status of Franchised Outlets
For Years 2022 to 2024

STATE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS OPENED	TERMIN ATIONS	NON-RENEWALS	RE-ACQUIRED BY FRANCHISOR	CEASED OPERATIONS OTHER REASON	OUTLETS AT END OF THE YEAR
ARIZONA	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
LOUISIANA	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	1	0	0	0	0
MICHIGAN	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
NEVADA	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	1	0	0
	2024	0	0	0	0	0	0	0
NEW JERSEY	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
NORTH CAROLINA	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
TEXAS	2022	8	1	0	0	0	0	9
	2023	9	0	0	0	0	0	9
	2024	9	0	0	0	0	0	9
TOTAL OUTLETS	**2022**	**12**	**4**	**0**	**0**	**0**	**0**	**16**
	2023	**16**	**1**	**0**	**0**	**1**	**0**	**16**
	2024	**16**	**0**	**1**	**0**	**0**	**0**	**15**

TABLE 4
Status of Company-Owned and Affiliate-Owned Locations
For Years 2022 to 2024

STATE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEES	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEES	OUTLETS AT END OF THE YEAR
NEVADA	2022	0	0	0	0	0	0
	2023	0	0	1	0	0	1
	2024	1	0	0	1	0	0
TEXAS	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
	2024	2	1	0	0	0	3

TOTAL OUTLETS	**2022**	**2**	**0**	**0**	**0**	**0**	**2**
	2023	**2**	**0**	**1**	**0**	**0**	**3**
	2024	**3**	**1**	**0**	**1**	**0**	**3**

TABLE 5
Projected Openings as of 12/31/24

STATE	FRANCHISE AGREEMENTS SIGNED BUT LOCATION NOT OPENED	PROJECTED FRANCHISES DURING OUR NEXT FISCAL YEAR	PROJECTED OPENINGS IN THIS FISCAL YEAR BY FRANCHISOR
ARIZONA	0	1	0
FLORIDA	0	2	0
GEORGIA	0	2	0
TEXAS	0	1	0
VIRGINIA	1	1	0
TOTAL	**1**	**7**	**0**

A list of our franchisees, as well as a list of franchisees who have left the System in the previous fiscal year or who have not communicated with us within the ten-week period immediately preceding the effective date of this Franchise Disclosure Document is attached as **Exhibits I and J** to this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you are operating and when you leave the System.

There are presently no trademark specific franchisee organizations associated with the franchised system being offered. We have not required any franchisee to sign a confidentiality agreement within the past three years which would restrict their ability to speak openly about their experience with us.

ITEM 21
FINANCIAL STATEMENTS

Exhibit D of this Franchise Disclosure Document contains our audited financial statements for our fiscal years ending December 31, 2024, December 31, 2023, and December 31, 2022. Our fiscal year ends December 31.

ITEM 22
CONTRACTS

Exhibits E, F, H, and K of this Franchise Disclosure Document contain all contracts proposed for use or in use regarding the offer of our franchises, including the following agreements:

Exhibit E to this Franchise Disclosure Document is our form of Franchise Agreement, including the following exhibits:

Exhibit A - Site Selection Addendum
Exhibit B - Personal Guaranty
Exhibit C - Collateral Assignment of Lease

Exhibit D - Conditional Assignment of Franchisee's Telephone Numbers, Facsimile Numbers, and Domain Names
Exhibit E-1 and **E-2** - Confidentiality and Restrictive Covenant Agreements
Exhibit F – Electronic Funds Withdrawal Authorization
Exhibit G - Business Associate Agreement

Exhibit F to this Franchise Disclosure Document is our form of Area Development Agreement.

Exhibit G to this Franchise Disclosure Document is a copy of a Sample Termination and Release Agreement.

Exhibit H to this Franchise Disclosure Document is the State-Specific Addenda to the Franchise Disclosure Document and Franchise Agreement.

Exhibit K to this Franchise Disclosure Document is the Compliance Certification.

ITEM 23
RECEIPTS

Exhibit K of this Franchise Disclosure Document contains a detachable document, in duplicate, acknowledging receipt of this Franchise Disclosure Document by a prospective franchisee. You should sign both copies of the Receipt. You should retain one signed copy for your records and return the other signed copy to: Melanie Wells, wefixbrains, LLC, 3303 Lee Parkway #102, Dallas, Texas 75219.

EXHIBIT A
TO
FRANCHISE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS

LIST OF STATE ADMINISTRATORS

California	California Department of Financial Protection and Innovation TOLL FREE 1-(866) 275-2677 LA Office 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7500 Sacramento Office 1515 K Street, Suite 200 Sacramento, CA 95814-4052 (866) 275-2677 San Diego Office 1350 Front Street, Room 2034 San Diego, CA 92101-3697 (619) 525-4233 San Francisco Office One Sansome Street, Suite 600 San Francisco, CA 94104 (415) 972-8565
Connecticut	Banking Commissioner State of Connecticut Department of Banking 260 Constitutional Plaza Hartford, CT 06103-1800 (860) 240-8299
Florida	Florida Department of Agricultural and Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, Florida 32399-0800 (904) 922-2770
Hawaii	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 500 South Second Street

	Springfield, IL 62706 (217) 782-4465
Indiana	Indiana Secretary of State Securities Division 302 West Washington Street, Room E-11 Indianapolis, IN 46204 (317) 232-6681
Kentucky	Kentucky Office of the Attorney General Consumer Protection Division P.O. Box 2000 Frankford, KY 40602 (502) 573-2200
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
Michigan	Michigan Department of the Attorney General Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117
Minnesota	Minnesota Department of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101-2198 (651) 296-6328
Nebraska	Nebraska Department of Banking and Finance 1200 North Street, Suite 311 P.O. Box 95006 Lincoln, NE 68509-5006 (402) 471-3445
New York	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222
North Dakota	North Dakota Securities Department State Capital, 5th Floor 600 East Boulevard Avenue Bismarck, ND 58505-0510 (701) 328-2910
Oregon	Oregon Department of Consumer and Business Services Division of Finance and Corporate Securities labor and Industries 350 Winter Street, NE, Room 410 Salem, OR 97310-3881 (503) 378-4140
Rhode Island	Rhode Island Division Of Securities

	233 Richmond Street, Suite 232 Providence, RI 02903-4232
South Dakota	South Dakota Department of Labor and Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823
Texas	Statutory Document Section Texas Secretary of State P.O. Box 12887 Austin, TX 78711 (512) 475-1769
Utah	State of Utah Division of Consumer Protection P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601
Virginia	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th floor Richmond, VA 23219 (804) 371-9051
Washington	State of Washington Director, Department of Financial Institutions Securities Division 150 Israel Road, SW Olympia, WA 98501 (360) 902-8760
Wisconsin	Wisconsin Commissioner of Securities 201 W. Washington Ave., 3rd Floor Madison, WI 53703 (608)266-8557

EXHIBIT B
TO
FRANCHISE DISCLOSURE DOCUMENT

LIST OF AGENTS FOR SERVICE OF PROCESS

LIST OF AGENTS FOR SERVICE OF PROCESS

California	California Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 Commissioner 2101 Arena Boulevard Sacramento, CA 95834 Department of Corporations One Sansome Street, Suite 600 San Francisco, CA 94104
Connecticut	Banking Commissioner State of Connecticut Department of Banking 260 Constitutional Plaza Hartford, CT 06103-1800 (860) 240-8299
Hawaii	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 500 South Second Street Springfield, IL 62706 (217) 782-4465
Indiana	Indiana Secretary of State Securities Division 302 West Washington Street, Room E-11 Indianapolis, IN 46204 (317) 232-6681
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
Michigan	Michigan Department of the Attorney General Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117
Minnesota	Minnesota Department of Commerce

	85 7th Place East, Suite 500 St. Paul, MN 55101-2198 (651) 296-6328
New York	Secretary of State 99 Washington Avenue Albany, NY 12231 (212) 416-8211
North Dakota	North Dakota Securities Department State Capital, 5th Floor 600 East Boulevard Avenue Bismarck, ND 58505-0510 (701) 328-2910
Rhode Island	Rhode Island Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903-4232
South Dakota	South Dakota Department of Labor and Regulation Division of Securities 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823
Virginia	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 East Main Street Richmond, VA 23219
Washington	Director, Department of Financial Institutions 150 Israel Road, SW Olympia, WA 98501
Wisconsin	Wisconsin Commissioner of Securities 201 W. Washington Ave., 3rd Floor Madison, WI 53703 (608)266-8557

EXHIBIT C
TO
FRANCHISE DISCLOSURE DOCUMENT

TABLE OF CONTENTS OF OPERATIONS MANUAL

Lifeologie Counseling Owner Operations Manual

Your Guide to Launching, Leading, and Growing a Thriving Practice

Section 1: Introduction to the Franchise

Section 2: Pre-Opening Planning & Launch Requirements

Section 3: Clinical Operations Standards

Section 4: Business Operations & Systems

Section 5: Human Resources & Team Development

Section 6: Marketing & Client Acquisition

Section 7: Compliance, Legal & Ethical Standards

Section 8: Ongoing Operations & Growth

EXHIBIT D
TO
FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

WEFIXBRAINS, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2024

WEFIXBRAINS, LLC
TABLE OF CONTENTS

MUHAMMAD ZUBAIRY, CPA PC
Certified Public Accountant
646.327.7013

INDEPENDENT AUDITOR'S REPORT

To the Member of
WEFIXBRAINS, LLC

Opinion

We have audited the financial statements of WEFIXBRAINS, LLC, which comprises the balance sheet as of December 31, 2024 and 2023, and the related statement of operations and changes in member's (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 WEFIXBRAINS, LLC, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of 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 WEFIXBRAINS, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 GAAS 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 are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, 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 WEFIXBRAINS, LLC’s internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WEFIXBRAINS, LLC’s ability to continue as a going concern for a reasonable period of time.

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

Muhammad Zubairy, CPA
Westbury, NY
March 7, 2025

WEFIXBRAINS, LLC
BALANCE SHEET

ASSETS

	YEARS ENDED DECEMBER 31,	
	2024	**2023**
Current Assets		
Cash	$ 11,875	$ 22,849
Accounts receivable, net	43,459	66,742
Due from related party	220,804	—
Contract assets	199	398
Total Current Assets	276,337	89,989
Contract assets, net of current	1,061	2,703
Fixed assets, net	102	345
Total Assets	$ 277,500	$ 93,037

LIABILITIES AND MEMBER'S (DEFICIT)

	2024	**2023**
Current Liabilities		
Accounts payable and accrued expenses	$ 18,148	$ 21,908
Due to related party	—	37,207
Contract liabilities	22,248	23,937
Total Current Liabilities	40,396	83,052
Contract liabilities, net of current	69,940	104,441
Member's Equity (Deficit)	167,164	(94,456)
Total Liabilities and Member's Equity (Deficit)	$ 277,500	$ 93,037

See notes to financial statements

WEFIXBRAINS, LLC
STATEMENTS OF OPERATIONS AND MEMBER'S EQUITY (DEFICIT)

	YEARS ENDED DECEMBER 31,	
	2024	2023
Revenues		
Franchise fees	$ 36,191	$ 45,289
Royalties	393,475	347,141
Marketing income	232,910	297,828
Technology fees	34,835	23,626
Readiness group income	1,330	1,760
Other income	2,039	19,894
	700,780	735,538
General and Administrative Expenses	631,974	691,220
Net Income	68,806	44,318
Member's Equity (Deficit) - Beginning	(94,456)	(146,938)
Member's contributions (Distributions)	192,814	8,164
Member's Equity (Deficit) - Ending	$ 167,164	$ (94,456)

See notes to financial statements

WEFIXBRAINS, LLC
STATEMENT OF CASH FLOWS

	YEARS ENDED DECEMBER 31,	
	2024	2023
Cash Flows from Operating Activities		
Net Income (loss)	$ 68,806	$ 44,318
Depreciation	243	243
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in assets and liabilities		
Accounts receivable, net	23,283	8,518
Due from Related Party	(220,804)	—
Contract assets	1,841	398
Accounts payable and accrued expenses	(3,760)	9,210
Due to Related Party	(37,207)	(19,994)
Contract liabilities	(36,190)	(45,288)
	(203,788)	(2,595)
Cash Flows from Investing Activities		
Member's (Distributions)	192,814	8,164
	192,814	8,164
Net Increase in Cash	(10,974)	5,569
Cash - Beginning of year	22,849	17,280
Cash - End of year	$ 11,875	$ 22,849

1. THE COMPANY

WEFIXBRAINS, LLC (the Company) was formed during April 2015, for the purpose of selling and operating franchises under the brand name Lifeologie Institute. The Company authorizes franchisees and third-party licensees to use business formats, systems, methods, procedures, designs, layouts, specifications, trade names, and trademarks in the United States.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting-The accompanying financial statements have been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability has incurred, without regard to disbursement of cash.

Franchise Arrangements-The Company's franchise arrangements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. Under this arrangement, franchisees are granted the right to operate a Lifeologie Health and Wellness clinic using the Company's system for a specified number of years.

Concentration of Credit Risk-Financial instruments that potentially expose the Company to concentration of credit risk primarily consist of cash and cash equivalents. The balances in the Company's cash accounts did not exceed the Federal Deposit Insurance Company's (FDIC) insurance limit of $250,000. The Company maintains its cash and cash equivalents with accredited financial institutions.

Use of Estimates-The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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 vary from those estimates.

Taxes on Income-The Company has elected to be taxed as a limited liability corporation for federal and state income tax purposes. Income and expenses for the Company pass through directly to the member and is reported on its individual income tax returns.

3. REVENUE RECOGNITION

The Company records revenue in accordance Accounting Standards Board ("FASB") and Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). The transaction price attributable to performance obligations are recognized as the performance obligations are satisfied. The portion of the franchise fee, if any, that is not attributable to a distinct performance obligation are amortized over the life of the related franchise agreements. Commission paid for franchises are amortized over the life of the franchise agreement. The company adopted ASC-606 and ASU 2021-02 using the modified retrospective method starting with January 1, 2019

4. ACCOUNTS RECEIVABLE

Accounts receivable are reported at the amount management expects to collect from outstanding balances. Differences between the amount due and the amount management expects to collect are reported in the results of operations in the period in which those differences are determined, with an offsetting entry to the allowance for doubtful accounts. Balances that are still outstanding after management has utilized reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to accounts receivable. The net accounts receivable as of December 31, 2024 and 2023, is comprised of $43,459 and $66,742 respectively relating to monthly billing.

5. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful life of the asset, which is five years. Expenditures for repairs and maintenance are charged to expense as incurred. Depreciation expense for the year ended December 31, 2024 and 2023, was $243 and $243 respectively.

6. CONTRACT ASSETS AND LIABILITIES

In compliance with the Financial Accounting Standards Board ("FASB") new accounting standards for revenue recognition ("Topic 606"), the Company records its non-refundable franchise fees, net of amounts earned based on allowable direct services, as deferred revenues, to be recognized over the life of the franchise agreement. The non-refundable franchise fees received but not yet earned as of December 31, 2024 and 2023 were $92,188 and $128,378, respectively.

In compliance with the Financial Accounting Standards Board ("FASB") new accounting standards for revenue recognition ("Topic 606"), the Company records its commissions paid as a prepaid expense, to be recognized over the life of the franchise agreement. The commissions paid but not yet expensed as of December 31, 2024 and 2023 were $1,260 and $3,101, respectively.

7. LEASE

The Company subleases office space through with a lease expiration date of April 3, 2031. Rent expense for the year ended December 31, 2024 and 2023, was $39,556 and $38,573 respectively.

8. MANAGEMENT FEE

The Company entered into a Management Services Agreement with Life Works Group, LLC, a related party who shares common ownership with the Company, to provide personnel to WEFIXBRAINS, LLC. The agreement is ongoing unless and until the agreement is canceled. The Management fee amount is based on actual cost or personal used by WEFIXBRAINS, LLC and does not include any markup. Management fee for the year ending December 31, 2024 and 2023, totaled $352,488 and $436,171 respectively.

9. RELATED PARTY TRANSACTIONS

From time to time, the Company receives advances from related parties or companies with common ownership. These advances bear no interest and are payable upon demand. At December 31, 2024 and 2023 the balance due to a related party was $0 and $37,207 respectively.

From time to time, the Company provides advances to related parties or companies with common ownership. These advances bear no interest and are payable upon demand. At December 31, 2024 and 2023 the balance due from a related party was $220,804 and $0 respectively.

10. SUBSEQUENT EVENTS

The Company evaluates events that have occurred after the balance sheet's date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required further adjustment or disclosure in the financial statements. Subsequent events have been evaluated through March 7, 2025, the date the financial statements were available to be issued.

WEFIXBRAINS, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2023

WEFIXBRAINS, LLC
TABLE OF CONTENTS

MUHAMMAD ZUBAIRY, CPA
Certified Public Accountant
646.327.7013

INDEPENDENT AUDITOR'S REPORT

To the Member of
WEFIXBRAINS, LLC

Opinion

We have audited the financial statements of WEFIXBRAINS, LLC, which comprises the balance sheet as of December 31, 2023, and 2022 and the related statement of operations and changes in member's (deficit), and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of WEFIXBRAINS, LLC as of December 31, 2023, and 2022, and the results of its operations and its cash flows, for the for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 WEFIXBRAINS, LLC, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of 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 WEFIXBRAINS, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 GAAS 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 are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, 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 WEFIXBRAINS, LLC's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WEFIXBRAINS, LLC's ability to continue as a going concern for a reasonable period of time.

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

Muhammad Zubairy, CPA
Westbury, NY
February 22, 2024

WEFIXBRAINS, LLC
BALANCE SHEET

ASSETS

	YEARS ENDED DECEMBER 31, 2023	2022
Current Assets		
Cash	$ 22,849	$ 17,280
Accounts receivable, net	66,742	75,259
Contract assets	398	398
Total Current Assets	89,989	92,937
Contract assets, net of current	2,703	3,101
Fixed assets, net	345	589
Total Assets	$ 93,037	$ 96,627

LIABILITIES AND MEMBER'S (DEFICIT)

	2023	2022
Current Liabilities		
Accounts payable and accrued expenses	$ 21,908	$ 12,698
Due to related party	37,207	57,201
Contract liabilities	23,937	31,628
Total Current Liabilities	83,052	101,527
Contract liabilities, net of current	104,441	142,038
Member's Equity (Deficit)	(94,456)	(146,938)
Total Liabilities and Member's Equity (Deficit)	$ 93,037	$ 96,627

See notes to financial statements

WEFIXBRAINS, LLC
STATEMENTS OF OPERATIONS AND MEMBER'S EQUITY (DEFICIT)

	YEARS ENDED DECEMBER 31,	
	2023	2022
Revenues		
Franchise fees	$ 45,289	$ 38,638
Royalties	347,141	274,247
Marketing income	297,828	213,101
Technology fees	23,626	15,478
Readiness group income	1,760	—
Other income	19,894	527
	735,538	541,991
General and Administrative Expenses	691,220	605,907
Net Income	44,318	(63,916)
Member's Equity (Deficit) - Beginning	(146,938)	(60,816)
Member's contributions (Distributions)	8,164	(22,206)
Member's Equity (Deficit) - Ending	$ (94,456)	$ (146,938)

WEFIXBRAINS, LLC
STATEMENT OF CASH FLOWS

	YEARS ENDED DECEMBER 31,	
	2023	2022
Cash Flows from Operating Activities		
Net Income (loss)	$ 44,318	$ (63,916)
Depreciation	243	243
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in assets and liabilities		
Accounts receivable, net	8,518	(8,723)
Contract assets	398	(1,642)
Accounts payable and accrued expenses	9,210	(3,445)
Due to Related Party	(19,994)	40,230
Contract liabilities	(45,288)	31,062
	(2,595)	(6,191)
Cash Flows from Investing Activities		
Member's (Distributions)	8,164	(22,206)
	8,164	(22,206)
Net Increase in Cash	5,569	(28,397)
Cash - Beginning of year	17,280	45,677
Cash - End of year	$ 22,849	$ 17,280

1. THE COMPANY

WEFIXBRAINS, LLC (the Company) was formed during April 2015, for the purpose of selling and operating franchises under the brand name Lifeologie Institute. The Company authorizes franchisees and third-party licensees to use business formats, systems, methods, procedures, designs, layouts, specifications, trade names, and trademarks in the United States.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting-The accompanying financial statements have been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability has incurred, without regard to disbursement of cash.

Franchise Arrangements-The Company's franchise arrangements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. Under this arrangement, franchisees are granted the right to operate a Lifeologie Health and Wellness clinic using the Company's system for a specified number of years.

Concentration of Credit Risk-Financial instruments that potentially expose the Company to concentration of credit risk primarily consist of cash and cash equivalents. The balances in the Company's cash accounts did not exceed the Federal Deposit Insurance Company's (FDIC) insurance limit of $250,000. The Company maintains its cash and cash equivalents with accredited financial institutions.

Use of Estimates-The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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 vary from those estimates.

Taxes on Income-The Company has elected to be taxed as a limited liability corporation for federal and state income tax purposes. Income and expenses for the Company pass through directly to the member and is reported on its individual income tax returns.

3. REVENUE RECOGNITION

The Company records revenue in accordance Accounting Standards Board ("FASB") and Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). The transaction price attributable to performance obligations are recognized as the performance obligations are satisfied. The portion of the franchise fee, if any, that is not attributable to a distinct performance obligation are amortized over the life of the related franchise agreements. Commission paid for franchises are amortized over the life of the franchise agreement. The company adopted ASC-606 and ASU 2021-02 using the modified retrospective method starting with January 1, 2019

4. ACCOUNTS RECEIVABLE

Accounts receivable are reported at the amount management expects to collect from outstanding balances. Differences between the amount due and the amount management expects to collect are reported in the results of operations in the period in which those differences are determined, with an offsetting entry to the allowance for doubtful accounts. Balances that are still outstanding after management has utilized reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to accounts receivable. The allowance for doubtful accounts as of December 31, 2023, is $0, The net accounts receivable as of December 31, 2023, is comprised of $66,742 relating to monthly billing.

5. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful life of the asset, which is five years. Expenditures for repairs and maintenance are charged to expense as incurred. Depreciation expense for the year ended December 31, 2023, was $243.

6. CONTRACT ASSETS AND LIABILITIES

In compliance with the Financial Accounting Standards Board (“FASB”) new accounting standards for revenue recognition (“Topic 606”), the Company records its non-refundable franchise fees, net of amounts earned based on allowable direct services, as deferred revenues, to be recognized over the life of the franchise agreement. The non-refundable franchise fees received but not yet earned as of December 31, 2023, and 2022 were $128,378 and $173,666, respectively.

In compliance with the Financial Accounting Standards Board (“FASB”) new accounting standards for revenue recognition (“Topic 606”), the Company records its commissions paid as a prepaid expense, to be recognized over the life of the franchise agreement. The commissions paid but not yet expensed as of December 31, 2023, and 2022 were $3,101 and $3,499, respectively.

7. LEASE

The Company subleases office space through with a lase expiration date of December 31, 2023. Minimum future rent payments are $2,662 in 2024. Rent expense for the year ended December 31, 2023, was $38,573.

8. MANAGEMENT FEE

The Company entered into a Management Services Agreement with Life Works Group, LLC, a related party who shares common ownership with the Company, to provide personnel to WEFIXBRAINS, LLC. The agreement is ongoing unless and until the agreement is canceled. The Management fee amount is based on actual cost or personal used by WEFIXBRAINS, LLC and does not include any markup. Management fee for the year ending December 31, 2023, totaled $436,171.

9. RELATED PARTY TRANSACTIONS

The Company Member has common ownership in various other companies. There was no revenue received from related parties for the year ended December 31, 2023.

From time to time, the Company receives advances from related parties or companies with common ownership. These advances bear no interest and are payable upon demand. At December 31, 2023 the balance due to a related party was $37,207.

10. SUBSEQUENT EVENTS

The Company evaluates events that have occurred after the balance sheet's date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required further adjustment or disclosure in the financial statements. Subsequent events have been evaluated through February 22, 2024, the date the financial statements were available to be issued.

EXHIBIT E
TO
FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

WEFIXBRAINS, LLC
FRANCHISE AGREEMENT

DATA SHEET

Franchisee:

Guarantors:

Effective Date:

Approved Location:

Territory:

Telephone Number:

Facsimile Number:

The terms of this Data Sheet are incorporated into the attached Franchise Agreement.

WEFIXBRAINS, LLC
FRANCHISE AGREEMENT

TABLE OF CONTENTS

WEFIXBRAINS, LLC
FRANCHISE AGREEMENT

THIS AGREEMENT (the "**Agreement**" or "**Franchise Agreement**") is entered into and made effective this __ day of ________, 202__ (the "**Effective Date**"), by and between wefixbrains, LLC, a Texas limited liability company with its principal business address of 3303 Lee Parkway #102, Dallas, Texas 75219 ("**Franchisor**") and the Franchisee identified in the attached Data Sheet ("**Franchisee**").

RECITALS

WHEREAS, Franchisor and its principals and affiliates have expended time, effort, and money to develop a system for the operation of franchised businesses that offer various mental health therapy services, including psychotherapy and related therapy services (each franchise is referred to as the "**Franchised Business**");

WHEREAS, Franchisor is engaged in the business of granting franchises to operate a Franchised Business;

WHEREAS, Franchisee desires to enter into an agreement with Franchisor to obtain the right to operate a Franchised Business using the system developed by Franchisor and its principals and affiliates, the distinguishing characteristics of which include but are not limited to distinctive standards and specifications for therapy services provided to certain individuals (each, a "**Client**"), and other products and services, as well as a distinctive concept, proprietary programs, a confidential operations manual and operating system, and procedures for operating a Franchised Business in the manner set forth in this Agreement and in the operations manual provided by Franchisor and modified from time to time (the "**System**");

WHEREAS, Franchisor and its franchisees use various trade names, trademarks, and service marks including, without limitation, the mark LIFEOLOGIE COUNSELING (the "**Proprietary Marks").** The rights to all such Proprietary Marks as are now, or shall hereafter be, designated as part of the System shall be owned exclusively by Franchisor or its affiliates and be used for the benefit of Franchisor, its affiliates and Franchisor's franchisees to identify to the public the source of the services marketed thereunder;

WHEREAS, Franchisee has applied to Franchisor for a franchise to operate a Franchised Business and such application has been approved in reliance upon all of the representations made therein; and

WHEREAS, Franchisee hereby acknowledges that adherence to the terms of this Agreement and Franchisor's standards and specifications are essential to the operation of its Franchised Business and to the operations of the System.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, commitments and understandings contained herein, Franchisor and Franchisee hereby agree as follows:

SECTION 1 GRANT OF FRANCHISE

1.1 Grant and Acceptance. Franchisor hereby grants to Franchisee, upon the express terms and conditions contained in this Agreement, and Franchisee hereby accepts, a franchise for the exclusive right to establish a Franchised Business, and the right to use the System and Proprietary Marks in the operation of the Franchised Business(s). Franchisor has the right to supplement, improve or otherwise modify the System from time to time in Franchisor's sole discretion, and Franchisee agrees to comply with all changes which may include, without limitation, the offer and sale of new or different products or services as Franchisor may specify. Except as specifically provided in this Agreement, the foregoing grant to Franchisee does not include any right to establish an independent website or to establish a URL incorporating the Proprietary Marks or any variation thereof or any right to otherwise distribute, market, or implement Franchisor's services in any channel of distribution not specifically identified in this Agreement.

1.1.1 **Reservation of Rights**. Franchisee expressly understands and agrees that Franchisor and Franchisor's affiliates shall have the right, in Franchisor's sole discretion, to: (i) own and operate Franchised Businesses and license others the right to own and operate Franchised Businesses at any location(s) outside Franchisee's Territory (as defined in Section 1.3 below), under the Proprietary Marks and System; (ii) own and operate Franchised Businesses or license to others the right to own and operate non-competing businesses under different marks at any location(s) inside or outside of Franchisee's Territory; (iii) use the Proprietary Marks and System in connection with selling services and products, promotional and marketing efforts, or related items, in alternative channels of distribution, and via direct marketing such as the Internet, without regard to location; (iv) use the Proprietary Marks to conduct marketing and promotional efforts inside or outside of Franchisee's Territory on behalf of the System; (v) acquire, merge with, engage in joint ventures with, or otherwise affiliate with, and thereafter own and operate and franchise others the right to own and operate, any business of any kind, including businesses that offer services that are similar to those provided by the Franchised Business, within or outside Franchisee's Territory, or be acquired by any type of business; and (vi) use the Proprietary Marks and System, and license others to use the Proprietary Marks and System, to engage in any other activities not expressly prohibited in this Agreement.

1.2 **Approved Location**. Franchisee may operate the Franchised Business only at the approved location identified in the Data Sheet (the "**Approved Location**"). If Franchisor has not approved a location for Franchisee to operate the Franchised Business by the date Franchisee signs this Agreement, the parties shall enter into the Site Selection Addendum attached as **Exhibit A** to this Agreement, the terms of which shall govern the parties 'site selection obligations. Franchisee may not relocate the Franchised Business without Franchisor's prior written consent.

1.3 **Territory**. Franchisee is granted the right to establish and operate a Franchised Business under the System and the Proprietary Marks within mutually determined zip codes in ________________________ ("**Territory**"). Except as otherwise provided in this Agreement, for so long as Franchisee complies with the terms and conditions hereof, Franchisor shall not establish and operate, nor license to any party other than Franchisee the right to establish and operate, a Franchised Business under the System and the Proprietary Marks during the term hereof within the Territory.

1.4. **Other Channels of Distribution**. Franchisee acknowledges and agrees that certain of Franchisor's or its affiliates' products and services, whether now existing or developed in the future, may be distributed in Franchisee's Territory by Franchisor, Franchisor's affiliates, or Franchisor's designees, in such manner and through such channels of distribution as Franchisor, in its sole discretion, shall determine. Such alternate channels of distribution shall include, but are not limited to, the sale of products and services under the Proprietary Marks via the Internet. Franchisee understands that this Agreement grants Franchisee no rights: (i) to distribute such products or services as described in this Section 1.4; or (ii) to share in any of the proceeds received by any such party therefrom; provided that all clients resident within the Territory shall be referred to Franchisee.

1.5 **Franchisor Programs**. Franchisee is required to participate in and comply with Franchisor's standards and specifications with respect to any national membership programs or any other System-wide programs designated by Franchisor ("**Franchisor Programs**"). Franchisor reserves the right to change its standards and specifications with respect to Franchisor Programs, to create new Franchisor Programs, and to discontinue existing Franchisor Programs, in its sole discretion.

1.6 **Counseling Group Under Management Agreement; Mental Health Therapy Services**. If Franchisee is not properly licensed to provide the mental health therapy services to be provided by the Franchised Business, then, subject to state law, prior to commencing operations of the Franchised Business, Franchisee must enter into a management agreement (the "**Management Agreement**") with a counseling group of licensed therapists (the "**Counseling Group**") pursuant to which Franchisee will provide to the Counseling Group management and administrative services, as well as support, consistent with the System, in order to aid the Counseling Group in providing the mental health therapy services at the Franchised Business consistent with all applicable laws and regulations. If required, the Counseling Group shall employ and control the therapists and other staff that will provide the actual mental health therapy services to clients at the Franchised Business. Franchisee shall not provide any actual mental health therapy services, nor will Franchisee supervise, direct, control or suggest to, the Counseling Group or its therapists or employees the manner in which the Counseling Group provides or may provide mental health therapy services to its clients. Franchisee must provide the Management Agreement to Franchisor for Franchisor's review prior to execution. Franchisee shall ensure that the Counseling Group offers all mental health therapy services in accordance with the Management Agreement and System. If Franchisee is working with a Counseling Group, then Franchisee must have a Management Agreement in effect at all times during the operation of the Franchised Business and the term of this Agreement.

SECTION 2 TERM AND RENEWAL

2.1 **Term**. The initial term of the franchise granted under this Agreement is for a period of ten (10) years commencing on the Effective Date.

2.2 **Renewal**. Franchisee has the right to renew this Agreement for successive, additional five (5) year period(s), provided Franchisee has met the following conditions:

2.2.1 Franchisee has notified Franchisor of Franchisee's intention to renew this Agreement in writing no less than ninety (90) days and no more than one-hundred eighty (180) days prior to expiration of the current term;

2.2.2 Franchisee has demonstrated to Franchisor's satisfaction that Franchisee has the right to operate the Franchised Business at the Approved Location for the duration of the renewal term; or, if Franchisee is unable to operate the Franchised Business at the Approved Location, Franchisee has secured a substitute location;

2.2.3 Franchisee has completed, to Franchisor's satisfaction, no later than ninety (90) days prior to the expiration of the then-current term, all maintenance, refurbishing, renovating, updating and remodeling of the Franchised Business premises, and any maintenance or upgrading of required hardware and software, necessary to bring the Franchised Business and all equipment into compliance with Franchisor's then-current System standards and specifications;

2.2.4 Franchisee is not in default under this Agreement, or any other agreement between Franchisee and Franchisor, Franchisor's affiliates, or Franchisor's approved/designated suppliers and vendors; and Franchisee has complied with all such agreements during their respective terms;

2.2.5 Franchisee has satisfied all monetary obligations Franchisee owes Franchisor, Franchisor's affiliates, and Franchisor's approved/designated suppliers and vendors;

2.2.6 Franchisee executes Franchisor's then-current form of franchise agreement for the renewal term, the terms of which may vary materially from the terms of this Agreement and may include, without limitation, increased royalty (brand) fees and advertising obligations;

2.2.7 Franchisee satisfies Franchisor's then-current training or licensing requirements for renewing franchisees at Franchisee's expense, as of the date of such renewal, if any;

2.2.8 Franchisee signs a general release, in the form Franchisor prescribes, in favor of

Franchisor and its affiliates and their respective officers, directors, agents, and employees, for all claims arising out of or related to this Agreement or any related agreements with Franchisor or its affiliates. The release shall not be inconsistent with any applicable state statute regulating franchises; and

2.2.9 Franchisee pays Franchisor a renewal fee equal to five thousand dollars ($5,000).

SECTION 3 FEES

3.1 **Initial Franchise Fee**. In consideration of the franchise granted to Franchisee by Franchisor, Franchisee must pay Franchisor an initial franchise fee of forty thousand dollars ($40,000), payable in full in one lump sum at the time Franchisee signs this Agreement (the "**Initial Franchise Fee**"). The Initial Franchise Fee is non-refundable and is deemed fully earned upon payment in consideration of administrative and other expenses Franchisor incurs in granting the franchise and for Franchisor's lost or deferred opportunity to franchise others.

3.2 **Brand Fee**. Franchisee shall pay Franchisor a monthly brand fee (the "Brand Fee") in an amount equal to One Thousand Dollars ($1,000) per clinician per month, with the total fee not to exceed seven percent (7%) of Gross Sales per month.

3.2.1 **Gross Sales**. "**Gross Sales**" includes all collected revenues Franchisee generates from all business conducted at or from Franchisee's Franchised Business (including revenue generated by the Counseling Group, if applicable) during the preceding reporting period, including amounts received from the sale and delivery of services, products, merchandise, and tangible property of any nature whatsoever, whether in cash or for credit, and whether collected or uncollected. Gross Sales does not include the amount of any applicable sales tax imposed by any federal, state, municipal, or other governmental authority if the taxes are stated separately when the Client is charged and Franchisee pays taxes as and when due to the appropriate taxing authority. Also excluded from Gross Sales is the amount of any documented refunds, chargebacks, credits, and allowances given to Clients in good faith and in accordance with Franchisor's operating procedures.

3.3 **Gross Sales Reports**. Franchisee must send Franchisor a signed gross sales report ("**Gross Sales Reports**") on the tenth (10th) day of each month for the preceding month. The Gross Sales Report must outline Franchisee's Gross Sales earned during the previous month, Franchisee's calculation of the Brand Fee, and any other financial or operational information Franchisor may require. Franchisor may change the form and content of the Gross Sales Reports from time to time.

3.4 **Manner of Payment.** Payment of the Brand Fee and any other monthly fees owed to Franchisor shall be made on a monthly basis following receipt of the Gross Sales Reports, and shall be by an electronic funds transfer program (the "**EFT Program**") under which Franchisor automatically deducts all payments owed to Franchisor or its affiliates under this Agreement, or any other agreement between Franchisee and Franchisor or its affiliates, from Franchisee's bank account. Franchisee shall deposit all revenues from operation of Franchisee's Franchised Business into one bank account within seven (7) days of receipt, including cash, checks, and credit card receipts. Before opening Franchisee's Franchised Business, Franchisee shall provide Franchisor with Franchisee's bank name, address and account number, a voided check from such bank account, and shall sign and give to Franchisor and Franchisee's bank all documents, including Exhibit F to this Agreement, necessary to effectuate the EFT Program and Franchisor's ability to withdraw funds from such bank account via electronic funds transfer. Franchisee shall immediately notify Franchisor of any change in Franchisee's banking relationship, including changes in account numbers. Franchisor reserves the right to require Franchisee to pay any fees due under this Agreement by such other means as Franchisor may specify from time to time. If the Gross Sales Report has not been received within the time period required by this Agreement and Franchisor is otherwise unable to determined Franchisee's

Gross Sales during the preceding period, then Franchisor may process an EFT for the subject month based on the most recent Gross Sales Report provided by Franchisee to Franchisor, provided that if a Gross Sales Report for the subject month is subsequently received and reflects (i) that the actual amount of the fee due was more than the amount of the EFT, then Franchisor shall be entitled to withdraw additional funds through EFT from Franchisee's designated bank account for the difference; or (ii) that the actual amount of the fee due was less than the amount of the EFT, then Franchisor shall credit the excess amount to the payment of Franchisee's future obligations.

3.5 **Insufficient Funds**. As part of Franchisee's participation in the EFT Program, if the funds in Franchisee's bank account are insufficient to cover any amounts due under this Agreement on the date such funds are due, in addition to the overdue amount, Franchisee must also pay Franchisor a fee of one hundred dollars ($100) for each such instance when a payment is due under this Agreement and the funds in Franchisee's bank account are insufficient to cover the full amount of that payment, and additionally the amount due shall bear interest from the due date until paid at eighteen percent (18%) interest per year compounded annually, or at the highest rate permitted by your state's law (the "**Insufficient Funds Fee**"). Should any EFT not be honored by Franchisee's bank for any reason, Franchisee agrees that Franchisee shall be responsible for that payment and any service charge, in addition to the Insufficient Funds Fee.

3.6 **Failure to Pay Fees in a Timely Manner**. Upon any late payment or underpayment of any charges or fees Franchisee owes Franchisor or Franchisor's affiliates, Franchisee will pay Franchisor a fee of One Hundred Dollars ($100) for each day the fee remains unpaid, and the amount due shall bear interest from the due date until paid eighteen percent (18%) interest per year compounded annually, or at the highest rate permitted by your state's law (the "**Late Payment Fee**"). Nothing contained in this Section shall prevent Franchisor from exercising, in Franchisor's sole judgment, any other rights or remedies available to Franchisor under this Agreement.

3.7 **Taxes on Payments**. In the event any taxing authority, wherever located, imposes any future tax, levy or assessment on any payment Franchisee makes to Franchisor (other than income, franchise, margins or similar taxes on Franchisor's income) Franchisee must, in addition to all payments due to Franchisor, pay such tax, levy or assessment.

3.8 **No Right to Set off.** Franchisee will not be allowed to set off amounts owed to Franchisor for royalties or other amounts due under this Agreement against any monies owed by Franchisor to Franchisee, and such right of set off is hereby expressly waived by Franchisee.

3.9 **Marketing and Technology Fees**. Franchisee is currently required to engage Franchisor's designated provider(s) of web marketing services and other technology services, and to pay initial set-up and recurring fees at the times and in the manner prescribed by such provider(s). Notwithstanding the foregoing, upon a change to the System, Franchisor reserves the right to designate and/or reasonably change the amount, scope, or manner of payment of the marketing and/or technology fees, including the party to whom payment is made, at any time upon providing reasonable notice to Franchisee.

3.10 **Brand Marketing Fund**. Franchisor has established a brand marketing fund (the "Fund") for the benefit of the System and the Franchisor's brand generally and requires Franchisee to pay two percent (2%) of Gross Sales per month (the "Fund Contribution"), which will be payable at the same time and in the same manner as the Brand Fee.

SECTION 4 PROPRIETARY MARKS

4.1 Franchisee's Use of the Proprietary Marks and Other Proprietary Material.

4.1.1 Franchisee must use only the Proprietary Marks that Franchisor designates, and must use them only in the manner Franchisor authorizes and permits, which specifically includes an appropriate sub-license of the Proprietary Marks and other intellectual property and Confidential Information to be provided to Franchisee pursuant to this Agreement to the Counseling Group.

4.1.2 Franchisee must use the Proprietary Marks only for the operation of the Franchised Business at the Approved Location and for advertising the Franchised Business.

4.1.3 Franchisee will use all Proprietary Marks without prefix or suffix and in conjunction with the symbols "TM," "SM," "S," or "R," as applicable. Franchisee may not use the Proprietary Marks in connection with the offer or sale of any services or products that Franchisor has not authorized for use in connection with the System. Franchisee may not use the Proprietary Marks as part of Franchisee's corporate or another legal name. Franchisee's corporate name and all fictitious names under which Franchisee proposes to do business must be approved by Franchisor in writing before use. Franchisee must use Franchisee's corporate or limited liability company name either alone or followed by the initials "D/B/A" and the business name that Franchisor approves. Franchisee must promptly register at the office of the county in which Franchisee's Franchised Business is located, or such other public office as provided for by the laws of the state in which Franchisee's Franchised Business is located, as doing business under such assumed business name.

4.1.4 Franchisee (or the Counseling Group) must identify itself as the owner of the Franchised Business (in the manner Franchisor prescribes) in conjunction with any use of the Proprietary Marks including, without limitation, on invoices, order forms, receipts, Client forms and questionnaires, business stationery, and advertisements, as well as at such conspicuous locations as Franchisor may designate in writing at the Franchised Business premises.

4.1.5 Franchisee's right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement or otherwise in writing by Franchisor, and any unauthorized use thereof will constitute an infringement of Franchisor's rights.

4.1.6 Franchisee will not use the Proprietary Marks to incur any obligation or indebtedness on Franchisor's behalf.

4.1.7 Franchisee will execute all documents Franchisor deems necessary to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

4.1.8 Franchisee must promptly notify Franchisor of any suspected unauthorized use of the Proprietary Marks or any proprietary software Franchisor may now or hereafter designate for use in connection with the System, any challenge to the validity of the Proprietary Marks, or any challenge to Franchisor's ownership of, Franchisor's right to use and to license others to use, or Franchisee's right to use, the Proprietary Marks, proprietary software, or Franchisor's operations manual (collectively the "**Proprietary Material**"). Franchisee acknowledges that Franchisor has the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Material, including any settlement thereof. Franchisor has the right, but not the obligation, to take action against uses by others that may constitute infringement of Franchisor's rights to the Proprietary Material. Franchisor shall defend Franchisee against any third-party claim, suit, or demand arising out of Franchisee's use of the Proprietary Material where such third-party asserts that Franchisor has infringed upon the third-party's intellectual property. Franchisor has the right, though not the obligation to bear the cost of such defense, including the cost of any judgment or settlement. If Franchisor, in Franchisor's sole discretion, determines that Franchisee has not used the Proprietary Material in accordance with this Agreement and a third-party clam of infringement resulting from such use is brought, Franchisee will bear the cost of such defense, including the cost of any judgment or settlement. In the event of any litigation relating to Franchisee's use of the Proprietary Material, Franchisee will execute any and all documents and do such acts as may, in Franchisor's opinion, be necessary to carry out such defense or prosecution including, without limitation, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of Franchisee's use of the Proprietary Material in a manner inconsistent with the terms of this Agreement, Franchisor agrees to reimburse Franchisee for Franchisee's out-of-pocket costs in performing such acts.

4.1.9 Franchisee expressly understands and acknowledges that:

4.1.9.1 Franchisor or its affiliates or licensors warrant that such persons own all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them, and Franchisor has the right to use, and license others to use, the Proprietary Marks;

4.1.9.2 The Proprietary Marks are valid and serve to identify the System and those who are authorized to operate under the System;

4.1.9.3 During the term of this Agreement and after its expiration or termination, Franchisee will not directly or indirectly contest the validity of, or Franchisor's ownership of, or right to use and to license others to use, the Proprietary Marks or any other Proprietary Material;

4.1.9.4 Franchisee's use of the Proprietary Material does not give Franchisee any ownership interest or other interest in or to the Proprietary Material;

4.1.9.5 Any and all goodwill arising from Franchisee's use of the Proprietary Material will inure solely and exclusively to Franchisor's benefit, and upon transfer, expiration or termination of this Agreement, (unless a transfer is approved by Franchisor) no monetary amount will be assigned as attributable to any goodwill associated with Franchisee's use of the System, the Proprietary Marks, or any other Proprietary Material;

4.1.9.6 Except as specified in Section 1 hereof, the license of the Proprietary Marks granted to Franchisee hereunder is nonexclusive and Franchisor retains the right, among others: (i) to use the Proprietary Marks itself in connection with selling products and services; (ii) to grant other licenses for the Proprietary Marks; and (iii) to develop and establish other systems using the Proprietary Marks, similar proprietary marks, or any other proprietary marks, and to grant licenses thereto without providing any rights therein to Franchisee, as provided by Article I; and

4.1.9.7 Franchisor has the right to substitute different proprietary marks for use in identifying the System and the businesses operating thereunder. Franchisee must discontinue using all Proprietary Marks that Franchisor has notified Franchisee, in writing, have been modified or discontinued within ten (10) days of receiving written notice and, at Franchisee's sole cost and expense, must promptly begin using such additional, modified or substituted Proprietary Marks.

SECTION 5 CONFIDENTIAL INFORMATION

5.1 **Nondisclosure.** During the term of this Agreement, Franchisee will receive information which Franchisor considers its confidential information ("**Confidential Information**"), including but not limited to operating procedures, advertising materials and marketing techniques, copyrighted materials, any information contained in the Operations Manual (as defined in Section 6.1 of this Agreement), trade secrets, price marketing mixes, training methods, and other methods, techniques and know-how concerning the operation of the Franchised Business that may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee's operation of the Franchised Business. Franchisee will not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, partnership, association, corporation, or limited liability company any Confidential Information. Subject to HIPAA and any other applicable laws or regulations, Franchisee acknowledges and agrees that certain information, including (i) current, prior and prospective Client names and addresses, (ii) information about credit extensions to Clients, (iii) Client service history, (iv) rates charged to Clients (subsections (i)-(iv) collectively "**Client Lists**"), and (v) sources of suppliers and purchasing arrangements with suppliers, also constitute the trade secrets and Confidential Information of Franchisor. Notwithstanding the foregoing, to the extent that HIPAA or any other related laws or regulations prohibit the ownership or transmission of certain Client information, Franchisor acknowledges that such information does not constitute Franchisor's Confidential Information. Franchisee may divulge Confidential Information only to such of Franchisee's employees as must have access to it in order to operate the Franchised Business. Any and all information, knowledge, know-how, techniques, and other data that Franchisor designates as confidential will be deemed Confidential Information for purposes of this Agreement. Franchisee acknowledges and agrees that Franchisor and its principals and affiliates have expended considerable time, effort, and money to develop the System, that the enumerated Confidential Information is not well known outside of the System, that the Confidential Information is of great value to the Franchisor, and that Franchisor is implementing this non-disclosure policy in an effort to protect its trade secrets and Confidential Information. Franchisee acknowledges that in the event of the actual or threatened breach of this Section 5.1, Franchisor's harm will be irreparable and that Franchisor has no adequate remedy at law to prevent such harm.

5.2 **Employees**. Franchisee must require that Franchisee's officers, directors, managers, clinicians, and any personnel having access to any of Franchisor's Confidential Information, including the licensed therapists of the Counseling Group (if applicable), execute covenants that they will maintain the confidentiality of information they receive in connection with their work at the Franchised Business. Such covenants shall be in a form satisfactory to Franchisor including, without limitation, specific identification of Franchisor as a third-party beneficiary of such covenants with independent rights to enforce them.

5.3 **New Concepts**. If Franchisee, Franchisee's employees, or Franchisee's principals develop any new concept, process or improvement in the operation or promotion of the Franchised Business, including improvements to existing services or products, or any software used in connection with the Franchised Business, Franchisee shall promptly notify Franchisor and provide Franchisor with all necessary related information, without compensation. Any such concept, process or improvement shall become Franchisor's sole property and Franchisor shall be the sole owner of all patents, patent applications, trademarks, copyrights and other intellectual property rights related thereto. Franchisee and Franchisee's principals hereby assign to Franchisor any rights Franchisee may have or acquire therein, including the right to modify such concept, process or improvement, and otherwise waive and/or release all rights of restraint and moral rights therein and thereto. Franchisee and Franchisee's principals agree to assist Franchisor in obtaining and enforcing the intellectual property rights to any such concept, process or improvement in any and all countries and further agree to execute and provide Franchisor with all necessary documentations for obtaining and enforcing such rights. Franchisee and Franchisee's principals hereby irrevocably designate and appoint Franchisor as Franchisee's agent and attorney-in-fact to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any such concept, process or improvement. In the event that the foregoing provisions of this Section 5.3 are found to be invalid or otherwise unenforceable, Franchisee and Franchisee's principals hereby grant to Franchisor a worldwide, perpetual, non- exclusive, fully-paid license to use and sublicense the use of the concept, process or improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe Franchisee's rights therein.

SECTION 6 FRANCHISOR'S OBLIGATIONS

6.1 **Operations Manual**. Franchisor will loan Franchisee one copy of Franchisor's proprietary and confidential operations manual, along with any other manual Franchisor may now or hereafter designate for use in operating a Franchised Business (collectively, the "**Operations Manual**"). Franchisee shall operate the Franchised Business in strict compliance with the Operations Manual, as it may be reasonably changed from time to time upon giving thirty (30) days prior written notice to Franchisor. The Operations Manual shall remain confidential and Franchisor's exclusive property. Franchisee shall not disclose, duplicate or make any unauthorized use of any portion of the Operations Manual. The provisions of the Operations Manual constitute provisions of this Agreement as if fully set forth herein. Franchisee shall ensure that Franchisee's copy of the Operations Manual is current and up to date, and shall keep a copy of the Operations Manual on the Franchised Business' premises. If there is a dispute relating to the contents of the Operations Manual, the master copy, which Franchisor maintains at Franchisor's corporate headquarters, will control.

6.2 **Start-up and Ongoing Equipment and Supplies**. Franchisor shall provide to Franchisee specifications and requirements for and designate sources of supply from which Franchisee agrees to purchase certain start-up equipment, furniture, and supplies necessary for the build out and ongoing operation of the Franchised Business; provided that if such suppliers cannot readily provide the requested item, Franchisee shall be free to select alternative suppliers, provided that such suppliers are approved by the Franchisor.

6.3 **Ongoing Assistance**. Franchisor will provide Franchisee continuing consultation and advice as Franchisor deems necessary and appropriate in its sole discretion regarding the management and operation of the Franchised Business. Franchisor will provide such assistance, in Franchisor's discretion, by telephone, facsimile, intranet communication and on-site visits. If Franchisee requires and requests additional on-site assistance from Franchisor, subject to the availability of Franchisor's personnel, Franchisor will provide Franchisee with such assistance at Franchisor's then current rate for providing on-site assistance. Franchisee shall be responsible for Franchisor's costs in providing additional on-site assistance, including travel, meal, lodging, and payroll expenses.

6.4 **Toll-Free Telephone Number**. Franchisor has the right, but not the obligation, to establish and maintain a toll-free telephone number for the purpose of accepting and confirming Client appointments nationwide, customer service, and follow-up and satisfaction surveys. If Franchisor establishes a toll-free number, Franchisee must comply with Franchisor's procedures for implementing this service as Franchisor specifies in the Operations Manual or otherwise in writing.

6.5 **Annual Conference and Additional Conferences**. Franchisor may, in Franchisor's discretion, hold an annual conference at a location to be selected by Franchisor ("**Annual Conference**"). Franchisor shall determine the topics and agenda for such conference to serve the purpose of, among other things, updating franchisees on new developments affecting franchisees, exchanging information between franchisees and Franchisor's personnel regarding Franchised Business operations and programs, and recognizing franchisees for their achievements. Franchisor may require Franchisee to attend the Annual Conference and to pay Franchisor's then-current registration fee. All expenses, including Franchisee's and Franchisee's employees 'transportation to and from the Annual Conference, and lodging, meals, and salaries during the Annual Conference, are Franchisee's sole responsibility. In addition to the Annual Conference, Franchisor may, in Franchisor's discretion, hold semi-annual or quarterly meetings for the purpose of updating franchisees on new developments and exchanging information with franchisees. Franchisor may require Franchisee to attend such meetings and to pay Franchisor's then-current registration fee, if such a fee exists.

6.6 **Additional Training**. Franchisor may, in Franchisor's sole discretion, hold refresher and ongoing training courses, or training courses upon a significant change to the System, in order to provide additional assistance to franchisees. Franchisor may require Franchisee and Franchisee's employees to attend such training at its then-current fee for providing such training. All expenses, including Franchisee and Franchisee's employee's transportation, meal, and lodging expenses to attend such training shall be Franchisee's sole responsibility.

SECTION 7 FRANCHISEE'S OBLIGATIONS

7.1 **Site Location and Lease Approval.** Franchisee must secure real estate, by purchase or lease, for the operation of the Franchised Business within six (6) months of signing this Agreement. If Franchisor has not approved a location for Franchisee to operate the Franchised Business by the date Franchisee signs this Agreement, the parties shall enter into the Site Selection Addendum, the terms of which shall govern the parties' site selection obligations. Franchisor has the right to review, evaluate and approve Franchisee's proposed lease for the Approved Location (the "**Lease**") prior to execution. Franchisor may condition Franchisor's approval of any proposed Lease on, among other things, Franchisee and Franchisee's landlord's execution of a Collateral Assignment of Lease (attached as **Exhibit C** to this Agreement). Franchisee must deliver an executed copy of the Lease and the Collateral Assignment of Lease to Franchisor within ten (10) days of Franchisor's request, if applicable. Neither Franchisor's review of the Lease nor Franchisor's acceptance of the site Franchisee has selected constitutes a representation or guarantee that Franchisee will succeed at the selected Approved Location or an expression of Franchisor's opinion regarding the terms of the Lease. Franchisor encourages Franchisee to seek independent counsel from a lawyer or business adviser to assist Franchisee in selecting a location and negotiating a lease for the Franchised Business premises.

7.1.1 The Franchised Business shall conform to Franchisor's standards and specifications for the appearance, layout, and design of a Franchised Business.

7.1.2 **Relocation**. Franchisee may not relocate the Franchised Business without Franchisor's prior written consent, which consent may not be unreasonably withheld, conditioned or delayed. If, for any reason, the Lease term is shorter than the term of this Agreement and the Lease cannot be renewed or extended, or Franchisee cannot continue for any other reason to occupy the Approved Location, Franchisee must relocate Franchisee's Franchised Business to a mutually acceptable site within Franchisee's Territory to complete the unexpired portion of the term of this Agreement. Franchisee must notify Franchisor of Franchisee's intention to relocate and procure a site acceptable to Franchisor within ninety (90) days prior to closing operations at Franchisee's current Approved Location. Franchisee must obtain a lease acceptable to Franchisor for Franchisee's new Approved Location, build out the new Approved Location to Franchisor's standards and specifications, and open for business at the new Approved Location within thirty (30) days of closing business at Franchisee's existing Approved Location. Franchisor reserves the right to condition its approval of Franchisee's proposed relocation on Franchisee's payment of a relocation fee in an amount equal to five thousand dollars ($5,000). Franchisee shall also be solely responsible for any expenses incurred by Franchisor in approving the new Approved Location, including any travel, meal, lodging, and payroll expenses, and all costs related to buildout.

7.2 **Training**. Franchisee (or Franchisee's principal, as applicable), and Franchisee's Key Manager if Franchisee delegates a Key Manager in accordance with Section 7.6.5 below, must attend and successfully complete Franchisor's general initial training program as set forth in Section 8 below.

7.3 **Opening Requirements**. Franchisee shall open the Franchised Business for business within nine (9) months from the date Franchisor signs this Agreement. Franchisee may not open the Franchised Business before: (i) successful completion of the initial training program in accordance with Section 8 of this Agreement; (ii) Franchisee purchases all required insurance; (iii) Franchisee obtains all required licenses, permits and other governmental approvals; (iv) Franchisor provides its written approval of the location and Lease of Franchisee's Franchised Business; and (v) Franchisee complies with Franchisor's pre-opening staffing requirements, if applicable, including any requirements to provide Franchisor with satisfactory evidence that Franchisee has obtained all required licenses to provide services through the Franchised Business and that all subcontractors, employees and/or interns have the correct licensure to provide such services. If Franchisee is not a licensed therapist, then Franchisee must (subject to state law) (a) enter into a Management Agreement with a Counseling Group prior to opening the Franchised Business for business and (b) ensure that all therapists in the Counseling Group obtain all required licenses, permits and certifications in the state where the Franchised Business is located. Franchisee must send Franchisor a written notice identifying Franchisee's proposed opening date at least thirty (30) days before opening. Franchisor may conduct a pre-opening inspection of Franchisee's Franchised Business and Franchisee agrees to make any changes Franchisor requires before opening. By virtue of opening Franchisee's Franchised Business, Franchisee acknowledges that Franchisor has fulfilled all of Franchisor's pre- opening obligations to Franchisee.

7.4 **Purchasing Requirements.**

7.4.1 **Compliance with Standards**. Franchisee acknowledges and agrees that Franchisee's obligations set forth in this Agreement and the Operations Manual are reasonable and necessary for the operation of the Franchised Business and to maintain uniformity throughout the System. Franchisee shall adhere to the standards and specifications set forth in this Agreement and the Operations Manual and any revisions or amendments to same (after having been given thirty (30) days prior written notice of any such amendment). Franchisee shall use signs, furnishings, supplies, fixtures and equipment which comply with Franchisor's then-current standards and specifications (including, without limitation, standards and specifications for providing psychotherapy and related services, and other equipment, furnishings, fixtures and signage which Franchisor establishes from time to time). Franchisor has the right to change Franchisor's standards and specifications in Franchisor's discretion. Franchisee acknowledges that Franchisee may incur an increased cost to comply with such changes at Franchisee's expense.

7.4.2 **Designated and Approved Suppliers**. Recognizing that preservation of the System depends upon product and service uniformity and the maintenance of Franchisor's trade dress, Franchisee agrees to purchase certain signs, furnishings, supplies, fixtures, computer hardware and software, and other equipment from Franchisor or from approved or designated third party suppliers as Franchisor shall specify, from time to time, in the Operations Manual and otherwise in writing. Franchisee hereby acknowledges that Franchisor, Franchisor's affiliate and/or a third party may be one of several, or the only, approved supplier of any item. Franchisee further acknowledges and agrees that Franchisor and/or Franchisor's affiliates have the right to realize a profit on any items that Franchisor, Franchisor's affiliates or Franchisor's designated and approved suppliers supply to Franchisee.

7.4.3 **Supplier Approval**. In the event Franchisee wishes to purchase any unapproved item, and/or acquire approved items from an unapproved supplier, Franchisee must provide Franchisor the name, address and telephone number of the proposed supplier, a description of the item Franchisee wishes to purchase, and the purchase price of the item, if known. At Franchisor's request, Franchisee must provide Franchisor, for testing purposes, a sample of the item Franchisee wishes to purchase. If Franchisor incurs any costs in connection with testing a particular product or evaluating an unapproved supplier at Franchisee's request, Franchisee or the supplier must reimburse Franchisor for Franchisor's reasonable testing costs, regardless of whether Franchisor subsequently approves the item or supplier. Nothing in the foregoing shall be construed to require Franchisor to approve any particular supplier. Franchisor may base Franchisor's approval of any such proposed item or supplier on considerations relating not only directly to the item or supplier itself, but also indirectly to the uniformity, efficiency, and quality of operation Franchisor deems necessary or desirable in Franchisor's System as a whole. Franchisor has the right to receive payments from suppliers on account of their dealings with Franchisee and other franchisees and to use all amounts Franchisor receives without restriction (unless instructed otherwise by the supplier) for any purposes Franchisor deems appropriate. Nothing herein shall require Franchisor to approve an unreasonable number of suppliers for a given item, which approval might, in Franchisor's reasonable judgment, result in higher costs or prevent the effective or economical supervision of approved suppliers. Franchisor may revoke Franchisor's approval of particular products or suppliers when Franchisor determines, in Franchisor's sole discretion, that such products or suppliers no longer meet Franchisor's standards. Upon receipt of written notice of such revocation, Franchisee must cease purchasing products from such supplier. Franchisee must use products and services purchased from approved suppliers solely in connection with the operation of Franchisee's Franchised Business and not for any competitive business purpose.

7.4.4 **System Suppliers**. Franchisor may establish business relationships, from time to time, with suppliers who may produce, among other things, signage, computer and point of sale systems, furnishings, supplies, fixtures, equipment and inventory according to Franchisor's proprietary standards and specifications and private label goods which Franchisor has authorized and prescribed for sale by System franchisees ("**System Suppliers**"). Franchisee recognizes that such products are essential to the operation of the Franchised Business and to the System generally. Franchisee further recognizes that Franchisee's failure to pay System Suppliers may interfere with such suppliers 'willingness to supply the System which may result in other System franchisees 'inability to obtain products or ability to obtain products only on less favorable credit terms. Accordingly, Franchisee agrees to pay System Suppliers as and when due.

7.5 **Authorized Services**. Franchisee shall offer for sale all products and services which Franchisor designates for the System, including any ancillary products and services which Franchisor prescribes. Franchisee further agrees to only sell those products and services which Franchisor prescribes. Franchisee may not offer any other products or services for sale, rent or lease without having received Franchisor's prior written authorization. Franchisee shall at all times maintain the Franchised Business's furniture, equipment, computer system and supplies in good repair as specified in the Operations Manual or otherwise in writing.

7.6 **Operations**.

7.6.1 Franchisee must operate the Franchised Business for at least those months, hours and days that Franchisor specifies in the Operations Manual, subject to closure for casualties, storms and other force majeure events.

7.6.2 Franchisee must maintain the Franchised Business premises in a clean, safe and attractive manner, and in accordance with all applicable requirements of law, including all federal, state and local health and privacy laws or regulations, and the Operations Manual. Franchisee and Franchisee's employees must give prompt, courteous and efficient service to clients and otherwise operate the Franchised Business so as to preserve, maintain and enhance the reputation and goodwill of the System.

7.6.2.1 Franchisee shall provide psychotherapy and psychotherapeutic, as well as other approved services strictly in accordance with Franchisor's techniques and processes for providing such services, as Franchisor may state in the Operations Manual or otherwise in writing. Such services may only be sold using Franchisor's marketing plan and concept. Franchisee acknowledges that such operational procedures are integral to the System and failure to strictly adhere to such procedures shall be detrimental to the System and Proprietary Marks and shall constitute a default of this Agreement.

7.6.2.2 Franchisee must ensure that it complies with all local, state and federal laws governing the operation of a Franchised Business and the provision of the approved services thereunder, including obtaining the correct licenses and permits. Franchisee shall be solely responsible for such compliance. Franchisee is also solely responsible for ensuring that Franchisee's clinicians obtain and maintain all required licenses.

7.6.3 Franchisee must employ a sufficient number of qualified, competent personnel, offer prompt, courteous and efficient service to the public, and otherwise operate the Franchised Business in compliance with the System so as to preserve, maintain and enhance the reputation and goodwill of the System. If applicable, Franchisee must also ensure that the Counseling Group has employed a sufficient number of licensed therapists to provide quality services to clients. All employees engaged in the operation of Franchisee's Franchised Business during working hours shall dress conforming to Franchisor's standards (including uniforms, if Franchisor so requires), and shall present a neat and clean appearance in conformance with Franchisor's reasonable standards and shall render competent, efficient service to the Clients of the Franchised Business. Franchisee shall not employ any person in a position that requires a license unless that person is currently licensed by all applicable authorities and a copy of the license or permit is in the Franchised Business's files.

7.6.4 Franchisee agrees to conduct the Franchised Business in accordance with the Operations Manual. Franchisee shall immediately train and instruct Franchisee's employees in accordance with the Operations Manual, and shall continue such training and instruction as long as each employee is employed. The Operations Manual shall set forth the practices, procedures, and methods to be utilized in operating a Franchised Business, and Franchisor may require Franchisee to conform Franchisee's practices to national programs, which Franchisor has designed and promulgated as part of Franchisor's System, including changes in products and services offered, membership or related programs, and promotional campaigns.

7.6.5 Franchisee (or at least one of Franchisee's principals if Franchisee is a corporation, partnership or limited liability company) must personally supervise the day-to-day operations of the Franchised Business. Franchisee (or at least one of Franchisee's principals if Franchisee is a corporation, partnership or limited liability company) must devote Franchisee's personal full-time attention and best efforts to the management and operation of the Franchised Business. Franchisee may, however, delegate the day-to-day operation of Franchisee's Franchised Business to a manager ("**Key Manager**"). Franchisee's Key Manager must successfully complete Franchisor's initial training program before assuming any managerial responsibility. Franchisee's Franchised Business must, at all times, have as a member of its staff at least one (1) individual who has successfully completed Franchisor's initial training program as set forth in Section 8.1. Franchisee shall keep Franchisor informed at all times of the identity of any employee acting as Key Manager of a Franchised Business. In the event that a Key Manager resigns or is otherwise terminated from Franchisee's Franchised Business, Franchisee shall hire a replacement who meets Franchisor's then current standards for Key Managers within thirty (30) days after termination or resignation of the prior Key Manager. The new Key Manager must complete initial training to Franchisor's satisfaction within sixty (60) days of hiring, subject to the availability of Franchisor's personnel. Any Key Manager(s) shall devote full time and best efforts to the day- today operation and management of the Franchised Business and shall not engage in any other business activity without Franchisor's prior written consent.

7.6.6 Prior to opening the Franchised Business, Franchisee must demonstrate to Franchisor's satisfaction that Franchisee has sufficiently staffed the positions of office manager and clinical director, and that such positions are filled by individuals that meet Franchisor's then-current standards and specifications, as set forth in the Operations Manual or otherwise in writing. Franchisee or Franchisee's Key Manager can fill one of these positions, but one person cannot fill multiple positions unless approved in advance by Franchisor.

7.6.7 Franchisee must at all times maintain such working capital as may be reasonably necessary to enable Franchisee to properly and fully carry out and perform all of Franchisee's duties, obligations and responsibilities hereunder and to operate the Franchised Business in a businesslike, proper and efficient manner.

7.6.8 If Franchisee is not a licensed therapist, then Franchisee, subject to state law, must enter into a Management Agreement with a Counseling Group that will provide the mental health therapy services from the Franchised Business. The Counseling Group will employ the licensed therapists who will provide the actual mental health therapy services, and Franchisee will not provide any mental health therapy services, nor will Franchisee supervise, direct or control the Counseling Group, its therapists, or the manner in which it provides mental health therapy services to clients. Franchisee must ensure that the Counseling Group offers all mental health therapy services in accordance with the Management Agreement and the System, and does not offer any services that Franchisor has not authorized.

7.7 **Site Evaluation**. Franchisee agrees, that in order to maintain the high quality and uniform standards associated with the System and to protect its goodwill and reputation, Franchisee will permit Franchisor during business hours, to inspect Franchisee's Franchised Business, confer with Franchisee and Franchisee's employees and Clients, check inventories, methods and perform any other inspection which Franchisor deems necessary to protect the standards of quality and uniformity of the System and Franchisee's performance under this Agreement. Franchisee is obligated to make changes to Franchisee's operations based upon any inspections by Franchisor.

7.8 **Computer Software and Hardware**.

7.8.1 **Computer System**. Franchisor shall have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware be used by Franchisee, including without limitation, (i) a compatible "back office" computer system that complies with Franchisor's standards and specifications and is capable of operating Franchisor's designated proprietary software; (ii) a designated point of sale system (the "**POS System**"), if Franchisor makes such a POS System part of its proprietary operating system; (iii) printers and other peripheral hardware or devices; (iv) archival back-up systems; (v) Internet access mode and speed; and (vi) physical, electronic, and other security systems (collectively, the "**Computer System**").

7.8.2 **Required Software**. Franchisor shall have the right, but not the obligation, to develop or designate: (i) computer software program(s) Franchisee must use in connection with any component of the Computer System (the "**Required Software**"), which Franchisee shall install at Franchisee's expense; (ii) updates, supplements, modifications, or enhancements to the Required Software, which Franchisee shall install at Franchisee's expense; (iii) the tangible media upon which Franchisee records data; and (iv) the database file structure of the Computer System.

7.8.3 **Compliance with Requirements**. At Franchisor's request, Franchisee shall purchase or lease, and thereafter maintain, the Computer System and the Required Software. Franchisee agrees to pay all fees associated with the use of Required Software, which may be payable to Franchisor or Franchisor's approved or designated suppliers. Franchisee expressly agrees to strictly comply with Franchisor's standards and specifications for all items associated with Franchisee's Computer System and any Required Software, including any security software. Franchisee agrees, at its own expense, to keep its Computer System in good maintenance and repair and install such upgrades, additions, changes, modifications, substitutions, and/or replacements to Franchisee's Computer System or Required Software as Franchisor directs from time to time in writing. Franchisee agrees its compliance with this Section 7.8.3 shall be at Franchisee's sole cost and expense.

7.8.4 **Franchisor's Access**. Franchisor may require that Franchisee's Computer System be programmed to automatically transmit data and reports about the operation of the Franchised Business to Franchisor. Franchisor shall also have the right to, at any time without notice, electronically connect with Franchisee's Computer System to monitor or retrieve data stored on the Computer System or for any other purpose Franchisor deems necessary, understanding that all parties shall comply with HIPAA regulations. There are no contractual limitations on Franchisor's right to access the information and data on Franchisee's Computer System. Franchisee shall deliver to Franchisor all access codes, static internet protocol ("**IP**") addresses and other information to facilitate Franchisor's access to the data described in this Section within thirty (30) days of opening the Franchised Business.

7.8.5 **Proprietary Software**. Franchisor may in the future designate a proprietary software program for use in the System (the "**Proprietary Software**"). Franchisor will also retain a proprietary interest in all databases, lists, templates, programs and any other software components that have been created and/or customized by Franchisor using the Computer System and/or Required Software. The Proprietary Software may conduct, among other things, scheduling, billing, record-keeping, reporting, and related functions. Franchisee must obtain the computer hardware necessary to implement the Proprietary Software into the Franchised Business, and comply with all specifications and standards prescribed by Franchisor regarding the Proprietary Software as provided in the Operations Manual or otherwise in writing. This Proprietary Software will be Franchisor's proprietary product, and the information collected therefrom will be deemed Franchisor's Confidential Information. Franchisee agrees to sign Franchisor's or Franchisor's designee's then-current form of software license agreement for any Proprietary Software Franchisor may now or in the future create, pay any license fees associated with use of Proprietary Software, and upgrade the Proprietary Software as Franchisor designates.

7.8.6 **Computer Network**. Franchisee is required to participate in any System-wide computer network, intranet system, or extranet system that Franchisor implements and may be required by Franchisor to use such computer network, intranet system, or extranet system to, among other things: (i) submit Franchisee's reports due under this Agreement to Franchisor online; (ii) view and print portions of the Operations Manual, including any updates or modifications thereto; (iii) download approved local advertising materials; (iv) communicate with Franchisor and other System franchisees; and (v) complete any initial or ongoing training. Franchisee agrees to use the facilities of any such computer network, intranet system or extranet system in strict compliance with the standards, protocols, and restrictions that Franchisor prescribes, including those related to the encryption of confidential information and prohibitions against the transmission of libelous, derogatory or defamatory statements.

7.9 **Personal Conduct**. Franchisee agrees to refrain from committing any act or pursuing any course of conduct that tends to bring Franchisor's Proprietary Marks into disrepute.

7.10 **Best Efforts**. Franchisee must use best efforts to promote the Franchised Business and increase the demand for the services of the Franchised Business within the Territory. All of Franchisee's advertising and promotion shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee agrees to refrain from any business or advertising practice which may be injurious to the Franchised Business or the goodwill associated with the Proprietary Marks and System.

7.11 **Telephone and Facsimile Numbers and Domain Names**. Franchisee must obtain a new facsimile number, telephone number and telephone listing at Franchisee's expense, to be listed under the "LIFEOLOGIE COUNSELING" name and not under Franchisee's corporate, partnership, or individual name, to be used exclusively in connection with Franchisee's operation of the Franchised Business. Upon the expiration, transfer or termination of this Agreement for any reason, Franchisee shall terminate Franchisee's use of such facsimile number, telephone number and listing, as well as any domain name granted under Section 12.3.2 of this Agreement, or any other online page or listing containing any of the Proprietary Marks, and shall assign same to Franchisor or Franchisor's designee. Franchisee shall execute the Conditional Assignment of Telephone Numbers, Facsimile Numbers, and Domain Names attached as Exhibit D to this Agreement.

7.12 **Payment of Debts**. Franchisee is solely responsible for selecting, retaining and paying Franchisee's employees, the payment of all invoices for the purchase of goods and services used in connection with operating the Franchised Business, and determining whether, and on what terms, to obtain any financing or credit which Franchisee deems advisable or necessary for the opening and operation of a Franchised Business. Franchisee agrees to pay all current obligations and liabilities to suppliers, lessors and creditors on a timely basis. Franchisee agrees to indemnify Franchisor in the event that Franchisor is held responsible for debts owed by Franchisee if Franchisor elects to pay any of Franchisee's obligations in order to preserve the relationship between System Suppliers and System franchisees. Franchisee agrees to make prompt payment of all federal, state and local taxes, including but not limited to individual and corporate taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, FICA taxes, and personal property and real estate taxes, arising from Franchisee's operation of a Franchised Business. Franchisee agrees to indemnify and hold Franchisor harmless in the event that Franchisor is held responsible for these taxes.

7.13 **Compliance with Applicable Laws**. Franchisee is solely responsible for complying, and ensuring that the Counseling Group (if applicable) is in compliance, with all applicable federal, state and local laws, ordinances and regulations regarding the operation of the Franchised Business (including, without limitation, all government regulations relating to offering psychotherapy or mental health services including applicable state laws, HIPAA and the Affordable Care Act, and laws governing occupational hazards and health, consumer protection, trade regulation, worker's compensation, unemployment insurance, withholding and payment of federal and state income taxes and social security taxes and sales, use and property taxes, the applicable provisions of the Americans with Disabilities Act ("**ADA**"), and all relevant federal, state or local licensing requirements). Franchisee will have sole authority and control over the day-to-day operations of the Franchised Business and Franchisee's employees and/or independent contractors. Franchisee agrees to be solely responsible for all employment decisions and to comply with all state, federal, and local hiring laws and functions of the Franchised Business, including without limitation, those related to hiring, firing, training, wage and hour requirements, compensation, promotion, record-keeping, supervision, and discipline of employees, paid or unpaid, full or part-time. At no time will Franchisee or Franchisee's employees be deemed to be employees of Franchisor or Franchisor's affiliates.

7.14 **Health and Safety Standards**. Franchisee shall meet and maintain the highest health and safety standards and ratings applicable to the operation of the Franchised Business. Franchisee shall furnish to Franchisor within two (2) days of its receipt thereof, a copy of all health inspection reports and any violation or citation which indicates Franchisee's failure to maintain federal, state, or local health or safety standards in the operation of the Franchised Business. Franchisee's failure to cure such violations within the period to cure required by law shall constitute grounds for immediate termination pursuant to Section 15 of this Agreement.

7.15 **Trade Secrets and Confidential Information**. Franchisee must maintain the confidentiality of all Confidential Information as set forth in Section 5 of this Agreement.

7.16 **Image**. Franchisee acknowledges that Franchisor has developed the System to offer services which will distinguish the Franchised Business from other competitive businesses. Franchisee agrees to offer services and to conduct the Franchised Business in such a manner which will serve to emulate and enhance the image Franchisor intended for the System. Franchisee further acknowledges and agrees that each aspect of the System is important not only to Franchisee but also to Franchisor and to other System franchisees in order to maintain the highest operating standards, achieve system- wide uniformity and increase the demand for psychotherapy services rendered by System franchisees. Franchisee agrees to comply with the pricing and marketing strategies and other standards, specifications and requirements Franchisor sets forth in order to uniformly convey the distinctive image of a Franchised Business. Franchisee shall, in the operation of the Franchised Business and in selling merchandise items, use only such displays, labels, forms, and stationary imprinted with the Proprietary Marks and colors as prescribed from time to time by Franchisor.

7.17 **Pending Actions**. Franchisee shall notify Franchisor, in writing, within five (5) days of the commencement of any action, suit or proceeding and the issuance of any order, suit or proceeding of any court, agency or other government instrumentality, including the receipt of any notice or citation, which may adversely affect the operation or financial condition of Franchisee or the Franchised Business.

7.18 **Standard Maintenance and System Conformity**. Franchisee agrees to repair, refinish, repaint, replace, and/or otherwise redo the Franchised Business's signs, furnishings, fixtures, decor, equipment and any other tangible part or property of the Franchised Business at Franchisee's sole expense at such times as Franchisor may reasonably direct. Franchisor has the right to direct Franchisee to remodel, re-equip, and otherwise refurbish the Approved Location in the manner necessary to bring it into conformance with other franchises of the type Franchisor and Franchisor's franchisees are opening at the time of such direction.

SECTION 8 TRAINING

8.1 **Initial Training Program**. Franchisee's office manager and clinical director must attend and complete, to Franchisor's satisfaction, Franchisor's initial tuition-free training program. Up to three (3) people may attend this training program without incurring any tuition fee, but any additional trainees that Franchisor approves will be charged a tuition fee of one thousand dollars ($1,000) per person. Franchisor's approval of any such additional trainees will be subject to availability and training capacity. If Franchisee is a partnership, corporation or limited liability company, at least one (1) of the trainees must be Franchisee's general partner, principal shareholder, or member and/or manager as appropriate. Additionally, if Franchisee designates a Key Manager in accordance with Section 7.6.5, the Key Manager must also attend and complete, to Franchisor's satisfaction, Franchisor's initial tuition-free training program. The required training lasts approximately five (5) days and all training shall be held at Franchisor's headquarters in Dallas, Texas, or another site designated by Franchisor. All training-related expenses, including Franchisee and Franchisee's employees' transportation to and from the training site, lodging, meals, and salaries during training, are Franchisee's sole responsibility. Franchisee's trainees shall attend and complete Franchisor's initial training program to Franchisor's satisfaction at least four (4) weeks prior to the opening of Franchisee's Franchised Business. Should any trainee fail to complete the initial training program to Franchisor's satisfaction, the respective person may repeat the course, or in the case of the Key Manager, Franchisee may send a replacement (the "**Replacement Personnel**") to the next available initial training program. Franchisor may charge for such Replacement Personnel attending an initial training program. Failure by Franchisee, Franchisee's Key Manager, or any Replacement Personnel to complete the initial training program to Franchisor's satisfaction within the time period prescribed in this Agreement shall constitute a default of this Agreement and Franchisor may terminate this Agreement.

8.2 **Training Other Employees**. Franchisee's other employees may be trained by Franchisee or at Franchisee's request, and subject to the availability of Franchisor's personnel, Franchisor may train Franchisee's additional personnel at Franchisor's then-current tuition rate. All training related expenses for Franchisee's additional teaching personnel, including transportation to and from the training site, lodging, meals, and salaries during training, are Franchisee's sole responsibility. Franchisor will provide Franchisee with training materials for Franchisee to use in training Franchisee's personnel. Only Franchisor's provided training materials may be used by Franchisee in training Franchisee's personnel. Updated training materials will be provided to Franchisee by Franchisor upon written request. All training materials provided to Franchisee by Franchisor shall at all times remain Franchisor's property, and Franchisee agrees not to challenge Franchisor's or Franchisor's affiliates' title or rights in or to the training materials. Franchisee may not make any disclosure, duplication or other unauthorized use of any portion of the training materials.

8.3 **Additional Training Programs and On-Site Assistance**. To assist Franchisee in the operation of Franchisee's Franchised Business, Franchisor may offer additional training programs and/or on-site assistance to Franchisee, Franchisee's Key Manager, and/or Franchisee's clinical director. Franchisor may require Franchisee's attendance at these programs and/or courses up to five (5) days per year. Franchisee is responsible for the expenses of Franchisee, Franchisee's Key Manager, and Franchisee's employees, including transportation to and from the training site and lodging, meals, and salaries during such training. Franchisor also reserves the right to require that Franchisee, Franchisee's Key Manager, or any other person working at Franchisee's Franchised Business complete on-line training at any time, and failure to complete such on-line training within the timeframes prescribed by Franchisor shall constitute a default of this Agreement.

SECTION 9 INSURANCE

Franchisee agrees to purchase/procure and maintain such insurance covering the operation and location of the Franchised Business as Franchisor designates in the Operations Manual or updated otherwise in writing from time to time. Franchisee agrees to provide Franchisor with proof of coverage on demand. Franchisee agrees to obtain these insurance policies from insurance carriers approved by Franchisee's landlord. and that are licensed and admitted in the state in which Franchisee operates its Franchised Business. All insurance policies must: (i) name Franchisor (and Franchisor's members, officers, directors, and employees) as additional insureds; and (ii) contain a waiver by the insurance carrier of all subrogation rights against Franchisor. Furthermore, Franchisee shall be required to provide ten (10) days prior written notice of the termination, expiration, cancellation or modification of any insurance policy. Franchisor's acceptance of an insurance carrier does not constitute Franchisor's representation or guarantee that the insurance carrier will be capable of meeting claims during the term of the insurance policy. Franchisee agrees to carry such insurance as may be required by the lease of the Approved Location or by any of Franchisee's lenders or equipment lessors. Franchisee must submit a certification of insurance which demonstrates compliance with this Section. If Franchisee fails to comply with the minimum insurance requirements set forth herein, Franchisor has the right to obtain such insurance and keep same in force and effect and Franchisee shall pay Franchisor, on demand, the premium cost thereof and administrative costs of eighteen percent (18%) in connection with Franchisor's obtaining the insurance. Franchisor has the right to increase or otherwise modify the minimum insurance requirements upon thirty (30) days prior written notice to Franchisee, and Franchisee shall comply with any such modification within the time specified in said notice.

SECTION 10 FINANCIAL RECORDS AND REPORTS

Franchisee must retain for at least seven (7) fiscal years all financial records for the operation of the Franchised Business in accordance with generally accepted accounting principles and must provide Franchisor with: (i) monthly Gross Sales Reports signed by Franchisee and in the form Franchisor specifies, which contains the information set forth in Section 3.3 of this Agreement and such other additional information which Franchisor deems necessary to properly evaluate Franchisee's progress; (ii) annual compiled financial reports and operating statements in the form Franchisor specifies, prepared by a certified public accountant or state licensed public accountant, within ninety (90) days after the close of each of Franchisee's fiscal years; (iii) state and local sales tax returns or reports and federal, state and local income tax returns for each year in which Franchisee's Franchised Business is operated, within fifteen (15) days following their filing; and (iv) such other reports as Franchisor may from time to time require, in the form and at the time Franchisor prescribes. Franchisee's fiscal year must be on a calendar year basis. To assist Franchisee in recording and keeping accurate and detailed financial records for reports and tax returns, Franchisor, at Franchisor's discretion, may specify the form in which the business records are to be maintained, provide a uniform set of business records for Franchisee to use, and specify the type of equipment to be used in connection with the Franchised Business. Franchisee acknowledges that Franchisor shall have the right to require Franchisee to utilize a computer-based POS System that is fully compatible with any computer program or system which Franchisor, in Franchisor's discretion, may employ. If Franchisor requires such computerized cash registers, all sales information shall be recorded on such equipment. Franchisor shall have full access to all of Franchisee's data, computer system, and related information by means of direct access. If Franchisee is five (5) days late in submitting any report described above or otherwise required by Franchisor, Franchisee shall be required to pay to Franchisor one hundred dollars ($100) in connection with each such late report ("**Late Report Fee**").

SECTION 11 BOOKS AND RECORDS

Franchisee must maintain accurate business records, reports, accounts, books and data relating to the operation of Franchisee's Franchised Business. Franchisor and Franchisor's designees have the right to inspect and/or audit Franchisee's business records at any time during normal business hours, to determine whether Franchisee is current with suppliers and is otherwise operating in compliance with the terms of this Agreement and the Operations Manual. If any audit reveals that Franchisee has understated Franchisee's Brand Fees or marketing payments, or Franchisee's Local Advertising Requirement expenditures, by more than two percent (2%), or if Franchisee has failed to submit timely reports and/or remittances for any two (2) reporting periods within any twelve (12) month period, Franchisee must pay the reasonable cost of such audit and/or inspection, including the cost of outside auditors and attorneys (to the extent Franchisor incurs such costs), together with amounts due for Brand Fees and other fees as a result of such underreporting and/or failure to submit reports, along with all late fees and interest which may otherwise be due under this Agreement.

SECTION 12 ADVERTISING

Recognizing the value of advertising and promotion, and the importance of the standardization of advertising and promotion programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

12.1 **Generally**. Generally, with regard to advertising for the Franchised Business, Franchisee shall place or display at the Approved Location (interior and exterior) only such signs, emblems, lettering, logos and displays and advertising materials as Franchisor approves in writing from time to time. Franchisee shall submit to Franchisor, at least fifteen (15) business days prior to publication or use, samples of any sales, promotional, and advertising materials Franchisee desires to use, including, but not limited to, signage, print, radio, television and internet advertising, which Franchisor has not previously approved. Within ten (10) business days of Franchisor's receipt of any proposed advertising materials from Franchisee, Franchisor shall notify Franchisee in writing of Franchisor's approval or disapproval of the materials. Franchisee shall not use any advertising or promotional materials for which Franchisor has not given Franchisor's prior written approval. All advertising shall prominently display the Proprietary Marks and shall comply with any standards for use of the Proprietary Marks Franchisor establishes as set forth in the Operations Manual or otherwise in writing. Franchisor may require Franchisee to discontinue the use of any advertising or marketing material, within time frames prescribed by Franchisor, at Franchisee's sole cost and expense.

12.2 **Territorial Advertising Restriction**. Franchisee is not permitted to solicit Clients and/or advertise within any other territory or protected area that has been granted to any of Franchisor's affiliates or Franchisor's franchisees. Notwithstanding the foregoing, Franchisee may accept Clients from any location at Franchisee's Franchised Business, provided Franchisee did not solicit such Clients by advertising in the territory or protected area granted to any of Franchisor's affiliates or Franchisor's franchisees. Franchisee may not advertise the Franchised Business or any products or services offered by the Franchised Business via the Internet or any other means of e-commerce, except as permitted in Section 12.3.

12.3 **Internet Website**. Franchisee must have and maintain adequate hardware and software to support high speed Internet at bandwidth capable of supporting exceptional telehealth. Franchisee is prohibited, however, from establishing any website or other presence on the Internet, except as provided herein.

12.3.1 Franchisor may, but is not obligated to, establish an Internet website that provides information about the System and the services offered by Franchised Businesses. In the event Franchisor exercises its right to create such a website, Franchisor shall have sole discretion and control over the website (including timing, design, contents and continuation).

12.3.2 Franchisor may, but is not obligated to, create interior pages on its website(s) that contain information about the Franchised Business and other Lifeologie franchised businesses. If Franchisor does create such pages, Franchisor may require Franchisee to prepare all or a portion of the page for the Franchised Business, at Franchisee's expense, using a template that Franchisor provides. All such information will be subject to Franchisor's approval prior to posting.

12.3.3 Except as approved in advance in writing by Franchisor, Franchisee must not establish or maintain a separate website, splash page, profile or other presence on the Internet, or otherwise advertise on the Internet or any other public computer network in connection with the Franchised Business, including any profile on Facebook, Twitter, LinkedIn, TikTok, YouTube, Pinterest, Instagram, or any other social media and/or networking site. If such approval is granted by Franchisor, Franchisee must: (i) establish and operate such World Wide Web or Internet site in accordance with System standards and any other policies Franchisor designates in the Operations Manual or otherwise in writing from time to time; and (ii) utilize any templates that Franchisor provides to Franchisee to create and/or modify such site(s).

12.3.4 Franchisee acknowledges that Franchisor and/or Franchisor's affiliates are the lawful, rightful and sole owner of the Internet domain name wefixbrains.com as well as any other Internet domain names registered by Franchisor and/or Franchisor's affiliates, and unconditionally disclaims any ownership interest in such domain names and any Internet domain names similar thereto. Franchisee agrees not to register any Internet domain name in any class or category that contains words used in or similar to any Proprietary Marks or brand name owned by Franchisor or Franchisor's affiliates or any abbreviation, acronym, phonetic variation or visual variation of those words.

12.3.5 Franchisor shall have the right to modify the provisions of this Section.

12.4 **Opening Event**. Upon opening the Franchised Business, Franchisee must host an opening event at Franchisee's Franchised Business, in accordance with Franchisor's standards and specifications. Franchisor must approve Franchisee's opening event plans in advance. Franchisee may expend additional sums on advertising its opening at its sole discretion, subject to Section 12.1 above.

12.5 **Regional Advertising and Promotional Cooperative**. Franchisor will have the right, in Franchisor's discretion, to designate any geographical area for purposes of establishing a regional advertising and promotional cooperative ("**Cooperative**"), and to determine whether a Cooperative is applicable to the Franchised Business. If a Cooperative is established applicable to the Franchised Business, Franchisee must participate in the Cooperative. The following provisions will apply to each Cooperative:

12.5.1 Each Cooperative will be organized and governed in a form and manner, and will commence operation on a date, approved in advance by Franchisor;

12.5.2 Each Cooperative will be organized for the exclusive purpose of administering regional advertising programs and developing, subject to Franchisor's approval, standardized advertising materials for use by the members in local marketing;

12.5.3 No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without Franchisor's prior approval. All such plans and materials must be submitted to Franchisor in accordance with the procedure set forth in Section 12.1 hereof;

12.5.4 The Cooperative's activities and contributions will be agreed upon by a majority vote of the member franchisees in the Cooperative. All Cooperative contributions will be credited against the Local Advertising Requirement (as defined in Section 12.6 below). The Cooperative may, by the majority vote of its members, require a Cooperative contribution in excess of the Local Advertising Requirement;

12.5.5 Each member franchisee must submit to the Cooperative, on a monthly basis for the preceding month, its respective contribution as provided in this Agreement together with such other statements or reports as Franchisor may require or as may be required by the Cooperative with Franchisor's approval; and

12.5.6 Franchisor may grant to Franchisee, in Franchisor's sole discretion, an exemption for any length of time from the requirement of membership in a Cooperative, upon written request from Franchisee stating reasons supporting such exemption. Franchisor's decision concerning such request for exemption will be final.

12.6 **Local Advertising Requirement**. Franchisor reserves the right, upon thirty (30) days' written notice to Franchisee, to require Franchisee to expend a minimum of one percent (1%) of Gross Sales each calendar month as Franchisee's "Local Advertising Requirement." When required, Franchisee must expend the Local Advertisement Requirement each month that the Franchised Business is open and operating in connection with the local advertising and promotion of the Franchised Business within the Territory. Franchisor reserves the right to require Franchisee expend any portion of these funds on (a) products or services Franchisor directs or approves, or (b) services that you must acquire from an approved supplier, which may be Franchisor or one of its affiliates. Upon Franchisor's request, Franchisee must provide Franchisor with invoices or other proof of its monthly expenditures on local advertising and marketing. Franchisee must ensure that: (i) the Franchised Business has a dedicated phone line for use in connection with the Franchised Business only; and (ii) the Franchised Business is listed in the appropriate Internet-based directories that Franchisor designates.

12.7 **Brand Marketing Fund Contribution**. Franchisor has established a System-wide brand marketing fund (the "Fund") designed to promote, market, and otherwise develop the System, Proprietary Marks and brand generally. Franchisor requires Franchisee to contribute to this Fund on a monthly basis in an amount equal to two percent (2%) of Gross Sales per month. All payments by Franchisee to the Fund are non-refundable upon payment, and Franchisor will account separately for all sums paid to the Fund. The Fund will be maintained and administered by Franchisor or Franchisor's designee as follows:

12.7.1 Franchisor will use the Fund and all contributions to it and any earnings on it, exclusively for preparing, directing, conducting, placing, and administering advertising, marketing, public relations, and/or promotional programs and materials, and any other activities, that Franchisor believes would enhance the image of the System and Proprietary Marks.

12.7.2 Franchisor is not obligated to spend monies from the Fund in any particular Franchisee's market in proportion to the payments to the Fund made by the Franchisee in that market. Franchisor does not represent that it will spend any particular amount of advertising funds locally, regionally, or nationally.

12.7.3 The Fund may be used to meet any and all costs of maintaining, administering, directing, and preparing advertising. This includes, among other things, direct mail advertising, marketing surveys and other public relations activities, developing and maintaining the Franchisor's website, employing advertising and public relations agencies, purchasing promotional items, and providing other marketing materials and services to the Franchised Businesses operating under the System. These costs may include the proportionate salary share of Franchisor's employees that devote time and render services for advertising and promotion or the administration of the Fund, including administrative costs, salaries, and overhead expenses related to administering the Fund and its programs. No part of the Fund shall be used by Franchisor to defray any of its general operating expenses, other than those reasonably allocable to the advertising described in this Section or other activities reasonably related to the administration or direction of the Fund.

12.7.4 Franchisor shall administratively segregate all contributions to the Fund on its books and records. All such payments to the Fund may be deposited in Franchisor's general operating account, may be commingled with Franchisor's general operating funds, and may be deemed an asset of Franchisor, subject to Franchisor's obligation to expend the monies in the Fund in accordance with the terms hereof. Franchisor may, in its sole discretion, elect to accumulate monies in the Fund for such periods of time, as it deems necessary or appropriate, with no obligation to expend all monies received in any fiscal year during that fiscal year. In the event Franchisor's expenditures for the Fund in any fiscal year shall exceed the total amount contributed to the Fund during such fiscal year, Franchisor shall have the right to be reimbursed to the extent of such excess contributions from any amounts subsequently contributed to the Fund or to use such excess as a credit against its future contributions. The parties do not intend that the Fund be deemed a trust.

12.7.5 Franchisor will, on an annual basis, account for the operation of the Fund and prepare an unaudited financial statement evidencing such accounting that will be available to Franchisee, upon Franchisee's written request on or before March 31 of each year during the Term, one hundred twenty (120) days after the Franchisor's fiscal year end.

12.7.6 Franchisor may dissolve, suspend, modify and/or reinstate the Fund at any time after it is established.

SECTION 13 INDEPENDENT CONTRACTOR; INDEMNIFICATION

13.1 **Independent Contractor Status**. Franchisee is an independent contractor responsible for full control over the internal management and daily operation of Franchisee's Franchised Business, and neither party to this Agreement is the agent, principal, partner, employee, employer or joint venture partner of the other party. Franchisee may not act or represent itself, directly or by implication, as Franchisor's agent, partner, employee or joint venture partner, and Franchisee may not incur any obligation on Franchisor's behalf or in Franchisor's name. All stationery, business cards and contractual agreements entered into by Franchisee shall contain Franchisee's corporate or fictitious name and a conspicuously displayed notice in the place Franchisor designates, that Franchisee operates Franchisee's Franchised Business as an independently owned and operated Franchised Business and that Franchisee independently owns and operates the Franchised Business as a System franchisee. Nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name; and Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall Franchisor be liable by reason of any of Franchisee's acts or omissions in the operation of the Franchised Business or for any claim or judgment arising therefrom against Franchisee or Franchisor. Neither this Agreement nor Franchisor's course of conduct is intended, nor may anything in this Agreement (nor Franchisor's course of conduct) be construed to state or imply that Franchisor is the employer (or joint employer) of Franchisee's employees and/or independent contractors.

13.2 **Indemnification**. Franchisee and Franchisee's principals agree to indemnify, defend and hold harmless Franchisor, Franchisor's affiliates and their respective shareholders, directors, officers, employees, agents, successors and assignees ("**Indemnitees**") and to reimburse them for all claims, obligations, liabilities and damages, including any and all taxes, directly or indirectly arising out of, in whole or in part: (i) the operation of Franchisee's Franchised Business, including the use, condition, construction and buildout, equipping, decorating, maintenance or operation of the Franchised Business premises, the sale of any products and services, including the provision of psychotherapy services, the hiring and licensing of Franchisee's staff, and Franchisee's advertising; (ii) the use of the Proprietary Marks and other Proprietary Material; (iii) the transfer of any interest in this Agreement or Franchisee's Franchised Business in any manner not in accordance with this Agreement; (iv) the infringement, alleged infringement, or any other violation or alleged violation by Franchisee or any of Franchisee's principals of any patent, mark or copyright or other proprietary right owned or controlled by third parties; or (v) libel, slander or any other form of defamation of Franchisor, the System or any franchisee operating under the System, by Franchisee or by any of Franchisee's principals. For purposes of this indemnification, "**Claims**" shall mean and include all obligations, actual, consequential, punitive and other damages, and costs reasonably incurred in the defense of any action, including attorneys', attorney assistants 'and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether or not such claims exceed the amount of insurance coverage available through Franchisee to Franchisor. Franchisor shall have the right to defend any such claim against it in such manner as Franchisor deems appropriate or desirable in Franchisor's sole discretion. Such an undertaking by Franchisor shall, in no manner or form, diminish Franchisee's and each of Franchisee's principals' obligations to indemnify the Indemnitees and to hold them harmless. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

SECTION 14 SALE OR TRANSFER

14.1 **Transfer**. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Franchisor has entered into this Agreement in reliance on Franchisee's personal attributes and financial capacity. Therefore, Franchisee shall not sell, transfer, assign or encumber Franchisee's interest in this Agreement or the Franchised Business without Franchisor's prior written consent. Any sale, transfer, assignment or encumbrance made without Franchisor's prior written consent shall be voidable at Franchisor's option and shall subject this Agreement to termination as specified herein.

14.2 **Death or Disability.**

14.2.1 **Representative's Right to Continue as Franchisee**. In the event of Franchisee's death, disability or incapacitation (or the death, disability or incapacitation of Franchisee's principal or personal guarantor), Franchisee's legal representative, or Franchisee's partner's or guarantor's respective legal representative, as applicable, shall have the right to continue the operation of the Franchised Business as a franchisee under this Agreement if: (i) within forty-five (45) days from the date of death, disability or incapacity (the "**45-Day Period**"), such person has obtained Franchisor's prior written approval and has executed Franchisor's then-current franchise agreement for the unexpired term of the franchise, or has furnished a personal guaranty of any partnership, corporate or limited liability company Franchisee's obligations to Franchisor and Franchisor's affiliates; and (ii) such person successfully completes Franchisor's training program (which Franchisor will provide at Franchisor's then-current tuition rate). Such assignment by operation of law will not be deemed in violation of this Agreement, provided such heirs or legatees accept the conditions imposed by the franchise agreement and are acceptable to Franchisor.

14.2.2 **Franchised Business Operation During and After 45-Day Period**. Franchisor is under no obligation to operate the Franchised Business, or incur any obligation on behalf of any incapacitated franchisee, during or after the 45-Day Period. If necessary, Franchisee (or Franchisee's legal representative, as applicable) shall appoint a previously approved acting interim manager to operate the Franchised Business during the 45-Day Period. In the event of Franchisee's death, disability, absence or otherwise, Franchisor may (but is not required to) operate Franchisee's Franchised Business on Franchisee's behalf and at Franchisee's expense for such period of time (and under such terms and conditions) as Franchisor determines, including paying out the assets and/or revenues of the Franchised Business to cover any or all past, current and/or future obligations of the Franchised Business (including any amounts owed to Franchisor and/or any affiliate) in such priorities as Franchisor determines from time-to-time in Franchisor's sole and absolute discretion. Franchisor may pay itself a reasonable amount to reimburse Franchisor for Franchisor's management services and other costs. Franchisor may obtain approval of a court or mediator for any such arrangements, the attorneys 'fees and other costs incurred in connection with obtaining such approval to be charged against the assets and/or revenues of Franchisee's Franchised Business. Franchisee (and/or Franchisee's estate) will indemnify Franchisor against any costs and/or liabilities incurred by it in connection with, or related in any way to, the operation (or otherwise) of Franchisee's Franchised Business.

14.3 **Ownership Changes**. A sale, transfer or assignment requiring Franchisor's prior written consent shall be deemed to occur: (i) if Franchisee attempts to sell, transfer, assign, or encumber any portion of the Franchised Business or any interest in this Agreement or the Franchised Business; (ii) if Franchisee is a corporation, upon any assignment, sale, pledge or transfer of any fractional portion of Franchisee's voting stock or any increase in the number of outstanding shares of Franchisee's voting stock which results in a change of ownership, (iii) if Franchisee is a partnership, upon the assignment, sale, pledge or transfer of any fractional portion of Franchisee's partnership interest; or (iv) if Franchisee is a limited liability company, upon the assignment, sale, pledge or transfer of any fraction portion of Franchisee's interest in the limited liability company. Any new partner, shareholder, or member or manager will be required to personally guarantee Franchisee's obligations under this Agreement.

14.3.1 **Right of First Refusal**. If Franchisee proposes to transfer either this Agreement or all, or substantially all, of the assets used in connection with the Franchised Business or any interest in Franchisee's Lease to any third party (other than to a corporation or limited liability company as set forth in Section 14.4 hereof), Franchisee shall first offer to sell such interest to Franchisor on the same terms and conditions as offered by such third party. Franchisee shall obtain from the third party and provide Franchisor a statement in writing, signed by the third party and Franchisee, of the terms of the offer ("**Letter of Intent**"). If Franchisor elects not to accept the offer within a thirty (30) day period after receipt of the Letter of Intent, Franchisee shall have a period not to exceed sixty (60) days to complete the transfer described in the Letter of Intent subject to the conditions for approval set forth in Section 14.3.2 hereof. Franchisee shall effect no other sale or transfer as contemplated under the Letter of Intent without first complying with this Section 14.3.1. Any material change in the terms of the offer shall be deemed a new proposal subject to Franchisor's right of first refusal. So long as Franchisee has obtained Franchisor's prior written consent, which shall not be unreasonably withheld, a transfer in accordance with Section 14.4, or a transfer as a result of the death, disability or incapacitation of a shareholder or partner, in accordance with the provisions set forth in Section 14.2, is not subject to Franchisor's first right of refusal.

14.3.2 **Conditions for Approval**. Franchisor may condition Franchisor's approval of any proposed sale or transfer under this Section 14 (unless otherwise provided herein) upon satisfaction of the following occurrences:

14.3.2.1 All of Franchisee's accrued monetary obligations to Franchisor, Franchisor's affiliates, and Franchisor's designated/approved suppliers and vendors, are satisfied;

14.3.2.2 Franchisee must cure all existing defaults under this Agreement, or any other agreement between Franchisee and Franchisor, Franchisor's affiliates, or Franchisor's designated/approved suppliers and vendors, within the period permitted for cure, and must have substantially complied with such agreements during their respective terms;

14.3.2.3 Franchisee and Franchisee's principals (if Franchisee is a partnership, corporation or limited liability company), and the transferee (if it has had any previous relationship with Franchisor or Franchisor's affiliates), must execute a general release under seal, in a form satisfactory to Franchisor; provided, however, the release shall not be inconsistent with any applicable state statute regulating franchising;

14.3.2.4 Franchisee or transferee shall provide Franchisor a copy of the executed purchase agreement relating to the proposed transfer with all supporting documents and schedules, including transferee's assumption of and agreement to faithfully perform all of Franchisee's obligations under this Agreement, and the parties must make such revisions to the purchase agreement as may be reasonably requested by Franchisor in order to protect the Proprietary Material or Franchisor's rights under this Agreement;

14.3.2.5 The transferee shall demonstrate to Franchisor's satisfaction that it meets Franchisor's educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the business to be transferred; and has adequate financial resources and capital to meet the performance obligations under this Agreement; however, transferee shall not be in the same business as Franchisor either as licensor, franchisor, independent operator or licensee of any other business that is similar in nature or in competition with Franchisor, except that the transferee may be an existing franchisee of ours;

14.3.2.6 The transferee shall execute Franchisor's then-current form of franchise agreement for the unexpired term of this Agreement, or for a full new term, as determined by Franchisor in its sole discretion;

14.3.2.7 Franchisee or transferee must pay Franchisor a transfer fee of ten thousand dollars ($10,000);

14.3.2.8 The transferee shall satisfactorily complete Franchisor's training program at the transferee's expense within the timeframe Franchisor sets forth;

14.3.2.9 Franchisee (and Franchisee's principals if Franchisee is a partnership, corporation or limited liability company), and the members of their respective families must comply with the post-termination provisions of this Agreement;

14.3.2.10 Transferee must obtain, within the time limits set by Franchisor, and maintain thereafter, all permits and licenses required for the operation of the Franchised Business;

14.3.2.11 To the extent required by the terms of any leases or other agreements, the lessors or other parties must have consented to the proposed transfer;

14.3.2.12 The transfer must be made in compliance with any laws that apply to the transfer, including state and federal laws governing the offer and sale of franchises;

14.3.2.13 The purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation of the Franchised Business and performance under its franchise agreement;

14.3.2.14 Franchisee must request that Franchisor provide the prospective transferee with Franchisor's current form of franchise disclosure document and acknowledge that Franchisor shall not be liable for any representations not included in the franchise disclosure document;

14.3.2.15 Franchisor's approval of the transfer shall not constitute a waiver of any claims Franchisor may have against the transferring party;

14.3.2.16 Franchisor shall have the right to disclose to any prospective transferee such revenue reports and other financial information concerning Franchisee and Franchisee's Franchised Business as Franchisee has supplied Franchisor hereunder; and

14.3.2.17 In any event, Franchisor may withhold or condition Franchisor's consent to any transfer as Franchisor deems appropriate based on the circumstances of the transfer or otherwise.

14.4 **Transfer to a Corporation or Limited Liability Company.** If Franchisee is an individual and desires to assign its rights under this Agreement to a corporation or limited liability company, and if all of the following conditions are met, Franchisor will consent to the transfer without assessing the transfer fee set forth in Section 14.3.2.7, and such assignment will not be subject to Franchisor's right of first refusal in Section 14.3.1:

14.4.1 The corporation or limited liability company is newly organized and its activities are confined to operating the Franchised Business;

14.4.2 Franchisee is, and at all times remains, the owner of fifty-one percent (51%) of the outstanding shares of the corporation or a controlling interest in the limited liability company;

14.4.3 The corporation or limited liability company agrees in writing to assume all of Franchisee's obligations hereunder; and

14.4.4 All stockholders of the corporation, or members of the limited liability company, as applicable, personally guarantee prompt payment and performance by the corporation or limited liability company of all its obligations to Franchisor and Franchisor's affiliates, under this Agreement and any other agreement between Franchisee and Franchisor and/or Franchisor's affiliates. All such personal guarantors agree to be bound by the restrictions upon Franchisee's activities upon transfer, termination or expiration and non-renewal of this Agreement as if each were an individual party to this Agreement in his or her individual capacity.

14.5 **Franchisor's Right to Transfer.** Franchisor has the right to sell, transfer, assign and/or encumber all or any part of Franchisor's assets and Franchisor's interest in, and rights and obligations under, this Agreement in Franchisor's sole discretion.

SECTION 15 BREACH AND TERMINATION

15.1 **Automatic Termination.** This Agreement shall automatically terminate without notice or an opportunity to cure upon the occurrence of any of the following:

15.1.1 **Voluntary Bankruptcy.** If Franchisee makes an assignment for the benefit of creditors, files a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent, files or acquiesces in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consents to or acquiesces in the appointment of a trustee or receiver for Franchisee or the Franchised Business.

15.1.2 **Involuntary Bankruptcy.** If proceedings are commenced to have Franchisee adjudicated bankrupt or to seek Franchisee's reorganization under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within sixty (60) days, or a trustee or receiver is appointed for Franchisee or the Franchised Business without Franchisee's consent, and the appointment is not vacated within sixty (60) days.

15.1.3 **Unauthorized Transfer.** If Franchisee purports to sell, transfer or otherwise dispose of any interest in this Agreement, in Franchisee (if Franchisee is an entity), or in the Franchised Business, in violation of Section 14 hereof.

15.2 **With Notice and Without Opportunity to Cure**. Franchisor has the right to terminate this Agreement upon written notice to Franchisee but without providing Franchisee an opportunity to cure for any of the following breaches or defaults:

15.2.1 **Criminal Acts**. If Franchisee or Franchisee's principals are convicted of or plead guilty or no contest to any felony, or take part in any criminal misconduct relevant to the operation of Franchisee's Franchised Business.

15.2.2 **Fraud**. If Franchisee or Franchisee's principals commit any fraud or misrepresentation in the operation of Franchisee's Franchised Business.

15.2.3 **Misrepresentation**. If Franchisee or Franchisee's principals make any misrepresentation or omission in connection with Franchisee's franchise application, including but not limited to any financial misrepresentation.

15.2.4 **Failure to Complete Training**. If Franchisee fails to complete initial training as provided in Section 8.1.

15.2.5 **Repeated Breaches**. If Franchisor sends Franchisee three (3) or more written notices to cure pursuant to Sections 15.3 or 15.4 hereof in any twelve (12) month period, regardless of whether such breaches were subsequently cured.

15.2.6 **Breach of Other Agreements**. If Franchisee or Franchisee's principals materially breach any other agreement with Franchisor or any of Franchisor's affiliates, or the Lease, or threaten any material breach of any such agreement or the Lease and fail to cure such breach within any permitted period for cure.

15.2.7 **Misuse of the Proprietary Marks or Confidential Information**. If Franchisee or Franchisee's principals materially violate any provision hereof pertaining to Proprietary Marks or Confidential Information or misuse the Proprietary Marks or Confidential Information.

15.2.8 **Violation of Health or Privacy Laws**. If Franchisee or Franchisee's principals or employees violate any health, privacy, safety, or sanitation law, ordinance or regulation, or operate the Franchised Business in a manner that presents a health or safety hazard to Clients, or the general public and any such violation is not cured within any applicable cure period provided by law.

15.2.9 **Violation of In-term Restrictive Covenant**. If Franchisee violates the in- term restrictive covenant contained in Section 17.1.

15.2.10 **Liens**. If a levy of writ of attachment or execution or any other lien is placed against Franchisee or any of Franchisee's principals or any of their assets, which is not released or bonded against within thirty (30) days.

15.2.11 **Insolvency**. If Franchisee or any of Franchisee's principals become insolvent.

15.2.12 **Abandonment**. If Franchisee voluntarily or otherwise abandons the Franchised Business. The term "abandon" includes any conduct which indicates a desire or intent to discontinue the Franchised Business in accordance with the terms of this Agreement and shall apply in any event Franchisee fails to operate the Franchised Business as a System business at the Approved Location for a period of one (1) week without Franchisor's prior written approval.

15.2.13 **Unauthorized Products or Services.** If Franchisee offers any unauthorized and unapproved products or services at or from the Franchised Business.

15.2.14 **Unapproved Purchases.** Except as provided in this agreement, if Franchisee orders or purchases supplies, signs, furnishings, fixtures, equipment or inventory from an unapproved supplier.

15.2.15 **Misuse of Web Page, Intranet or Extranet, or Software.** If Franchisee misuses or makes unauthorized use of Franchisor's proprietary or approved software, or any web page, intranet, or extranet system provided for use in connection with the operation of Franchisee's Franchised Business.

15.2.16 **Insurance.** If Franchisee fails to maintain insurance or fails to repay Franchisor for insurance paid for by it, or otherwise fails to adhere to the requirements of Section 9.

15.2.17 **Government Actions.** If any government action is taken against Franchisee that results in any obligation upon Franchisor which in Franchisor's sole judgment is uneconomical, not in the best interests of Franchisor, or would result in Franchisor having an unintended relationship or obligation.

15.2.18 **Anti-Terrorist Activities.** If Franchisee fails to comply with the provisions of Section 22.7.

15.2.19 **Personal Use of Franchised Business Property.** If Franchisee takes for Franchisee's own personal use any assets or property of the Franchised Business, including but not limited to employee taxes, FICA, insurance or benefits.

15.2.20 **Insufficient Funds.** If there are insufficient funds in Franchisee's bank account to cover a check or EFT payment to Franchisor three (3) or more times within any twelve (12) month period.

15.2.21 **Under-reporting of Gross Sales.** If any audit reveals that Franchisee has understated Franchisee's Brand Fees or marketing payments, or Franchisee's Local Advertising Requirement expenditures, by more than two percent (2%), or if Franchisee has failed to submit timely reports and/or remittances for any two (2) reporting periods within any twelve (12)-month period, as described in Section 11.

15.3 **Upon 15 Days' Notice to Cure.** Franchisor has the right to terminate this Agreement if any of the following defaults remains uncured upon receiving notice and expiration of a fifteen (15) day cure period:

15.3.1 **Nonpayment.** If Franchisee fails to pay as and when due any sums owed to Franchisor, any of Franchisor's affiliates, or any of Franchisor's suppliers or vendors.

15.3.2 **Endorsement of Checks.** If Franchisee fails to immediately endorse and deliver to Franchisor any payments due to Franchisor from any third party that are erroneously made to Franchisee.

15.3.3 **Failure to Open.** If Franchisee fails to commence operations of Franchisee's Franchised Business within the time period prescribed in Section 7.3 of this Agreement.

15.3.4 **Interruption of Service.** If Franchisee fails to maintain the prescribed months, days or hours of operation at the Franchised Business.

15.3.5 **Quality Control**. If Franchisee fails to maintain the strict quality controls reasonably required by this Agreement and/or the Operations Manual.

15.3.6 **Other Conduct Reflecting Adversely on System**. If Franchisee conducts itself in a manner that, although not criminal, reflects adversely on the System, the Proprietary Marks, or the services offered through the System.

15.3.7 **Failure to Personally Supervise Franchised Business Operations or Employ Adequate Personnel**. If Franchisee fails, in Franchisor's sole discretion, to personally supervise day-to-day operation of the Franchised Business or fails to employ a sufficient number of qualified, competent personnel as Franchisor requires from time to time, which shall include Franchisee's failure to maintain a clinical director meeting Franchisor's standards and specifications.

15.3.8 **Licenses and Permits**. If Franchisee fails to procure or maintain any material licenses, certifications, or permits necessary for the operation of Franchisee's Franchised Business.

15.3.9 **Government Regulations**. If Franchisee fails, after notification of non-compliance by federal, state or local government authorities, to comply with any law or regulation applicable to the Franchised Business.

15.4 **Upon 30 Days' Notice to Cure**. If Franchisee fails to perform or comply with any one or more of the terms or conditions of this Agreement, the Operations Manual, or any ancillary agreements between Franchisee and Franchisor or Franchisor's affiliates, Franchisor may provide written notice to Franchisee to cure said non-compliance within thirty-days. Failure to cure said non-compliance within said thirty-day period, Franchisor may terminate this Agreement without further notice.

15.5 **Step-In Rights**. In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right or any other rights Franchisor may have against Franchisee, upon a failure to cure any default within the applicable time period (if any), Franchisor has the right, but not the obligation, to enter upon the Franchised Business premises and exercise complete authority with respect to the operation of the Franchised Business until such time as Franchisor determines, in Franchisor's sole discretion, that the default has been cured and Franchisee is otherwise in compliance with this Agreement. In the event Franchisor exercises the rights described in this Section, Franchisee must reimburse Franchisor for all reasonable costs and overhead, if any, incurred in connection with its operation of Franchisee's Franchised Business including, without limitations, costs of personnel for supervising and staffing the Franchised Business and their travel, meal, and lodging accommodations. If Franchisor undertakes to operate the Franchised Business pursuant to this Section, Franchisor shall indemnify and hold Franchisor (and Franchisor's representative(s) and employees) harmless from and against any fines, claims, suits or proceedings which may arise out of Franchisor's operation of the Franchised Business.

15.6. **Liquidated Damages**. Upon termination of the Franchise Agreement (i) by Franchisor due to Franchisee's material default of this Franchise Agreement or (ii) following Franchisee's purported termination without cause, Franchisee agrees to pay to Franchisor within fifteen (15) days after the effective date of this Franchise Agreement's termination, in addition to the amounts owed hereunder, liquidated damages equal to the average monthly Brand Fee due and owing to Franchisor for the period preceding the effective date of the termination multiplied by (a) 36, or (n) the number of months remaining in the Term of this Franchise Agreement had it not been terminated, whichever is less.

15.7 **Nonwaiver**. Franchisor's delay in exercising or failing to exercise any right or remedy under this Agreement or Franchisor's acceptance of any late or partial payment due hereunder shall not constitute a waiver of any of Franchisor's rights or remedies against Franchisee.

SECTION 16 RIGHTS AND DUTIES UPON TERMINATION OR EXPIRATION

16.1 **Franchisee's Obligations**. Upon termination of this Agreement, regardless of the cause, or upon expiration and nonrenewal or transfer of this Agreement, Franchisee must subject to the expiration of any applicable cure period, at Franchisee's cost and expense:

16.1.1 Cease immediately all operations under this Agreement;

16.1.2 Pay Franchisor immediately all unpaid fees and pay Franchisor, Franchisor's affiliates, and Franchisor's approved and designated suppliers and vendors, all other monies owed;

16.1.3 Discontinue immediately the use of the Proprietary Marks;

16.1.4 Immediately return the Operations Manual, any proprietary software, Client Lists (to the extent permitted under HIPAA or other applicable laws), and all other Proprietary Material and Confidential Information Franchisor provided to Franchisee and immediately and permanently cease use of such information and materials;

16.1.5 Immediately cease using all telephone numbers and telephone and internet listings used in connection with the operation of the Franchised Business and direct the telephone and/or internet company to transfer all such numbers and listings to Franchisor or Franchisor's designee pursuant to the Conditional Assignment of Telephone Numbers, Facsimile Numbers, and Domain Names attached hereto as **Exhibit D** or, if Franchisor directs, to disconnect the numbers and cancel the listings;

16.1.6 Immediately vacate the Franchised Business premises if Franchisor exercised Franchisor's rights pursuant to the Collateral Assignment of Lease;

16.1.7 Promptly surrender all stationery, printed matter, signs, advertising materials and other items containing the Proprietary Marks and all items which are a part of the trade dress of the System, as Franchisor directs;

16.1.8 Cease to hold itself out as Franchisor's franchisee;

16.1.9 Take such action as shall be necessary to amend or cancel any assumed name, business name or equivalent registration which contains any trade name or other Proprietary Mark Franchisor licensed to Franchisee and furnish Franchisor evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) calendar days after the termination, expiration or transfer of this Agreement;

16.1.10 Permit Franchisor to make final inspection of Franchisee's financial records, books, and other accounting records within six (6) months of the effective date of termination, expiration, or transfer;

16.1.11 Comply with the post-termination covenants, including but not limited to those set forth in Section 17 hereof, all of which shall survive the transfer, termination or expiration of this Agreement;

16.1.12 Cease to use in advertising or in any other manner, any methods, procedures or techniques associated with Franchisor or the System; and

16.1.13 Execute from time to time any necessary papers, documents, and assurances to effectuate the intent of this Section 16.

16.2 **Power of Attorney**. Franchisee hereby irrevocably appoints Franchisor as Franchisee's attorney-in-fact to execute in Franchisee's name and on Franchisee's behalf all documents necessary to discontinue Franchisee's use of the Proprietary Marks and the Confidential Information.

16.3 **Option to Purchase Personal Property**. Upon the termination or expiration of this Agreement, Franchisor, or Franchisor's designee will also have the option, but not the obligation, to purchase any personal property used in connection with operation of Franchisee's Franchised Business by providing Franchisee written notice of Franchisor's election within sixty (60) calendar days after such termination or expiration and by paying Franchisee the book value for such personal property within sixty (60) calendar days of such notice. For purposes of this paragraph, "book value" means the amount Franchisee actually paid for the personal property less depreciation (calculated by using the straight-line depreciation method on a ten (10) year depreciation schedule irrespective of the depreciation method or schedule Franchisee uses for accounting purposes). Notwithstanding the foregoing, to the extent that Franchisor exercises Franchisor's right to purchase any personal property subject to a lease or finance agreement, the purchase price of such personal property will equal the amount of Franchisee's remaining obligations under the lease or finance agreement, as applicable. Franchisor will be entitled to offset the purchase price by the amount of money owed by Franchisee to Franchisor for any payments necessary to acquire clear title to property or for any other debt. If Franchisor exercises Franchisor's option to purchase, pending the closing of such purchase, Franchisor has the right to appoint a manager to maintain operation of the Franchised Business, or Franchisor may require that Franchisee close the Franchised Business during such period without removing any assets. Franchisee is required to maintain in force all insurance policies required under this Agreement until the date of such closing. Franchisor has the unrestricted right to assign this option to purchase the Franchised Business. Franchisor will be entitled to all customary warranties and representations in connection with Franchisor's purchase of Franchisee's property, including, without limitation, representations and warranties as to ownership and condition of and title to the property; liens and encumbrances on the property; validity of contracts and agreements; and liabilities affecting the property, contingent or otherwise.

16.4 **Exclusions**. Franchisor may exclude from the personal property purchased under Section 16.3 cash or its equivalent and any equipment, signs, inventory, materials and supplies that are not reasonably necessary (in function or quality) to the Franchised Business's operation or that Franchisor has not approved as meeting standards for the Franchised Business.

16.5 **Damages, Costs, and Expenses**. In the event of termination for any default by Franchisee, Franchisee shall promptly pay to Franchisor all damages, costs and expenses, including reasonable attorneys 'fees, incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of Franchisee's personal property, furnishings, equipment, signs, fixtures and inventory related to the operation of the Franchised Business.

SECTION 17 COVENANTS

Franchisee acknowledges that as a participant in Franchisor's System, Franchisee will receive proprietary and Confidential Information and materials, trade secrets, and the unique methods, procedures and techniques which Franchisor has developed. Therefore, to protect Franchisor and all of Franchisor's franchisees, Franchisee agrees as follows:

17.1 **During the Term of This Agreement**. During the term of this Agreement, neither Franchisee, Franchisee's officers, directors, principals, nor any member of the immediate family of Franchisee or Franchisee's officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation:

17.1.1 Own, maintain, engage in, lend money to, extend credit to, have any interest in, or be employed as an officer, director, executive, or principal of any other multi-disciplinary collaborative practice offering psychotherapy and related services or any business offering similar services offered or authorized for sale by System franchisees (a "**Competitive Business**"); provided, however, that this Section does not apply to Franchisee's operation of any other Franchised Business;

17.1.2 Employ or seek to employ any person who is at that time employed by Franchisor, Franchisor's affiliates or any other System franchisee, or otherwise directly or indirectly induce or seek to induce such person to leave his or her employment thereat; or

17.1.3 Divert or attempt to divert any business or Clients of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System.

17.2 **After the Term of This Agreement**.

17.2.1 For a period of two (2) years after the expiration and nonrenewal, transfer or termination of this Agreement, regardless of the cause, neither Franchisee, Franchisee's officers, directors, principals, nor any member of the immediate family of Franchisee or Franchisee's officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation enter into any business competing in whole or in part with Franchisor in granting franchises or licenses to operate a Competitive Business.

17.2.2 For a period of two (2) years after the expiration, transfer or termination of this Agreement, regardless of the cause, neither Franchisee, Franchisee's officers, directors, principals, nor any member of the immediate family of Franchisee or Franchisee's officers, directors, or principals may, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person, partnership or corporation:

17.2.2.1 Own, maintain, engage in, lend money to, extend credit to, have any interest in, or be employed as an officer, director, executive, or principal of any Competitive Business: (i) at the Franchised Business premises; (ii) within the Territory; or (iii) within a radius of twenty-five (25) miles of the perimeter of (a) the Territory being granted hereunder or (b) any other protected territory licensed by Franchisor, or any System business operated by Franchisor or Franchisor's affiliates, as of the date of expiration or termination of this Agreement;

17.2.2.2 Solicit business from Clients of Franchisee's former Franchised Business, or use the Client Lists for any competitive purposes whatsoever;

17.2.2.3 Contact any of Franchisor's suppliers or vendors for any competitive business purpose; or

17.2.2.4 Solicit any of Franchisor's employees, or the employees of Franchisor's affiliates, or any other System franchisee, to discontinue employment.

17.2.3 Notwithstanding anything to the contrary in this Agreement, the covenants in this Section 17.2 shall not prohibit a licensed therapist from providing therapy services as an independent therapist to Clients that contact such person for therapy services without any direct or indirect solicitation on the part of the therapist.

17.3 **Intent and Enforcement.** It is the parties' intent that the provisions of this Section 17 be judicially enforced to the fullest extent permissible under applicable law. Accordingly, the parties agree that any reduction in scope or modification of any part of the covenants contained herein shall not render any other part unenforceable. In the event of the actual or threatened breach of this Section 17 by Franchisee, any of Franchisee's principals, or any member of the immediate family of Franchisee or Franchisee's principals, Franchisor shall be entitled to an injunction restraining such person from any such actual or threatened breach. Franchisee agrees that in the event of the actual or threatened breach of this Section 17, Franchisor's harm will be irreparable and that Franchisor has no adequate remedy at law to prevent such harm. Franchisee acknowledges and agrees on Franchisee's own behalf and on behalf of the persons who are liable under this Section 17 that each has previously worked or been gainfully employed in other careers and that the provisions of this Section 17 in no way prevent any such person from earning a living. Franchisee further acknowledges and agrees that the time limitation of this Section 17 shall be tolled during any default under this Section.

17.4 **Employees and Therapists**. Franchisee shall ensure that Franchisee's managers, employees, and any members of their immediate families who have access to Franchisor's Confidential Information, execute a Confidentiality and Restrictive Covenant Agreement, in the form attached as **Exhibit E-1** to the Franchise Agreement, or as Franchisor, in Franchisor's sole discretion, otherwise prescribes. Franchisee shall also ensure that therapists working at Franchisee's Franchised Business execute a Confidentiality and Restrictive Covenant Agreement in the form attached as **Exhibit E-2** to the Franchise Agreement, or as Franchisor, in Franchisor's sole discretion, otherwise prescribes. Each agreement must be executed prior to the applicable person beginning work at the Franchised Business, and Franchisee must furnish Franchisor a copy of each executed agreement upon request.

17.5 **No Defense**. Franchisee hereby agrees that the existence of any claim Franchisee may have against Franchisor (other than fraud), whether or not arising from this Agreement, shall not constitute a defense to Franchisor's enforcement of the covenants contained in this Section 17. Franchisee agrees to pay all costs and expenses (including reasonable attorneys' fees) which Franchisor incurs in connection with the enforcement of this Section 17.

SECTION 18 DISPUTE RESOLUTION

18.1 **Choice of Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas (without reference to its conflict of laws principals).

18.2 **Internal Dispute Resolution**. The parties have reached this Agreement in good faith and with the belief that it is advantageous to each of them. In recognition of the strain on time, unnecessary expense and wasted resources potentially associated with litigation and/or arbitration, and in the spirit of cooperation, the parties pledge to try to resolve any dispute amicably, without litigation or arbitration. Accordingly, Franchisee must first bring any claim or dispute between Franchisee and Franchisor to Franchisor's President and/or Chief Executive Officer, after providing notice as set forth in Section 21 of this Agreement, and make every effort to resolve the dispute internally. Franchisee must exhaust this internal dispute resolution procedure before Franchisee may bring Franchisee's dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.

18.3 **Mediation**. Other than an Excluded Claim brought by Franchisor or a Franchisor Related Party (as defined herein), and with the exception of injunctive relief or specific performance actions, before the filing of any arbitration, Franchisee and Franchisor agree to mediate any dispute, controversy or claim between Franchisor and/or any of Franchisor's affiliates, officers, directors, managers, members, owners, guarantors, employees or agents (each a "Franchisor Related Party"), on the one hand, and Franchisee and/or any of Franchisee's affiliates, officers, directors, managers, shareholders, members, owners, guarantors, employees or agents (each a "Franchisee Related Party"), including without limitation, in connection with any dispute, controversy or claim arising under, out of, in connection with or in relation to: (a) this Agreement; (b) the parties' relationship; or (c) the events occurring prior to the entry into this Agreement. Good faith participation in these procedures to the greatest extent reasonably possible, despite lack of cooperation by one or more of the other parties, is a precondition to maintaining any arbitration or legal action, including any action to interpret or enforce this Agreement. This agreement to first attempt resolution of disputes internally and through mediation shall survive termination or expiration of this Agreement.

Mediation will be conducted in Dallas, Texas (or, if Franchisor's corporate headquarters is no longer in Dallas, Texas, the county where Franchisor's corporate headquarters is then-located). Persons authorized to settle the dispute must attend each mediation session in person. The party seeking mediation (the "Initiating Party") must commence mediation by sending the other party/parties a written notice of its request for mediation (the "Mediation Notice"). The Mediation Notice must specify, to the fullest extent possible, the nature of the dispute, the Initiating Party's version of the facts surrounding the dispute, the amount of damages and the nature of any injunctive or other such relief such party claims, and must identify one or more persons with authority to settle the dispute for the Initiating Party. Upon receipt of the Mediation Notice, the parties will endeavor, in good faith, to resolve the dispute outlined in the Mediation Notice. If the parties have been unable to resolve any such dispute within thirty (30) days after the date the Mediation Notice is provided by the Initiating Party to the other party, either party may initiate a mediation procedure in accordance with this provision. The parties agree to participate in the mediation proceedings in good faith with the intention of resolving the dispute if at all possible, within sixty (60) days of the notice from the party seeking to initiate the mediation procedures. The parties agree to participate in the mediation procedure to its conclusion, as set forth in this section.

The mediator shall advise the parties in writing of the format for the meeting or meetings. If the mediator believes it will be useful after reviewing the position papers, the mediator shall give both himself or herself and the authorized person designated by each party an opportunity to hear an oral presentation of each party's views on the matter in dispute. The mediator shall assist the authorized persons to negotiate a resolution of the matter in dispute, with or without the assistance of counsel or others. To this end, the mediator is authorized both to conduct joint meetings and to attend separate private caucuses with the parties. All mediation sessions will be strictly private. The mediator must keep confidential all information learned unless specifically authorized by the party from which the information was obtained to disclose the information to the other party.

The mediation may be concluded: (a) by the signing of a settlement agreement by the parties; (b) by the mediator's declaration that the mediation is terminated; or (c) by a written declaration of either party, no earlier than at the conclusion of a full day's mediation, that the mediation is terminated. Even if the mediation is terminated without resolving the dispute, the parties agree not to terminate negotiations and not to begin any arbitration or legal action or seek another remedy before the expiration of five (5) days following the mediation. A party may begin arbitration within this period only if the arbitration might otherwise be barred by an applicable statute of limitations or in order to request an injunction from a Court of competent jurisdiction to prevent irreparable harm.

The fees and expenses of the mediator shall be shared equally by the parties. The mediator may not later serve as a witness, consultant, expert, or counsel for any party with respect to the dispute or any related or similar matter in which either of the parties is involved. The mediation procedure is a compromise negotiation or settlement discussion for purposes of federal and state rules of evidence. The parties agree that no stenographic, visual, or audio record of the proceedings may be made. Any conduct, statement, promise, offer, view, or opinion, whether oral or written, made in the course of the mediation by the parties, their agents or employees, or the mediator is confidential and shall be treated as privileged. No conduct, statement, promise, offer, view, or opinion made in the mediation procedure is discoverable or admissible in evidence for any purpose, not even impeachment, in any proceeding involving either of the parties. However, evidence that would otherwise be discoverable or admissible shall not be excluded from discovery or made inadmissible simply because of its use in the mediation.

18.4 **Arbitration**. With the exception of "Excluded Claims" (as defined below), and if not resolved by the negotiation and mediation procedures set forth in Sections 18.2 and 18.3 above, any dispute, controversy or claim between Franchisee and/or any Franchisee Related Party, on the one hand, and Franchisor and/or any Franchisor Related Party, on the other hand, including, without limitation, any dispute, controversy or claim arising under, out of, in connection with or in relation to: (a) this Agreement, (b) the parties' relationship, (c) the events leading up to the entry into this Agreement, (d) the Territory, (e) the scope or validity of the arbitration obligation under this Agreement, (f) any System standard; and/or (g) any claim based in tort or any theory of negligence shall be submitted to binding arbitration under the authority of the Federal Arbitration Act and must be determined by arbitration administered by the American Arbitration Association pursuant to its then-current commercial arbitration rules and procedures.

Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action, associational claim, or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. In the event a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate shall become null and void and the parties shall submit all claims to the jurisdiction of the courts.

The arbitration must take place in Dallas, Texas (or, if our corporate headquarters is no longer in Dallas, Texas, the county where our corporate headquarters is then-located). The arbitration will be heard before one arbitrator. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least five (5) years of significant experience in franchise law. Any issue as to whether a matter is subject to arbitration will be determined by the arbitrator. A judgment may be entered upon the arbitration award by any state or federal court in Dallas, Texas.

In connection with any arbitration proceeding, each party will submit or file any claim which would constitute a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding will be forever barred. The decision of the arbitrator will be final and binding on all parties to the dispute; however, the arbitrator may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages; (3) certify a class or a consolidated action; or (4) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. The arbitrator shall have the right to make a determination as to any procedural matters that a court of competent jurisdiction would be permitted to make in the state in which our main office is located. Further, the arbitrator shall decide all factual, procedural, or legal questions relating in any way to the dispute between the parties, including, without limitation, questions relating to whether Sections 18.2, 18.3, or 18.4 is applicable and enforceable as against the parties; the subject matter, timeliness, and scope of the dispute; any available remedies; and the existence of unconscionability and/or fraud in the inducement.

The arbitrator can issue summary orders disposing of all or part of a claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships, and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, etc., by any court having jurisdiction.

The arbitrator shall have subpoena powers limited only by the laws of the State of Texas. The parties ask that the arbitrator limit discovery to the greatest extent possible consistent with basic fairness in order to minimize the time and expense of arbitration. The parties to the dispute shall otherwise have the same discovery rights as are available in civil actions under the laws of the State of Texas. All other procedural matters shall be determined by applying the statutory, common laws, and rules of procedure that control a court of competent jurisdiction in the State of Texas.

Other than as may be required by law, the entire arbitration proceedings (including, without limitation, any rulings, decisions or orders of the arbitrator), shall remain confidential and shall not be disclosed to anyone other than the parties to this Agreement.

The judgment of the arbitrator on any preliminary or final arbitration award shall be final and binding and may be entered in any court having jurisdiction.

Franchisor reserves the right, but has no obligation, to advance Franchisee's share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so shall not be deemed to have waived or relinquished Franchisor's right to seek recovery of those costs against Franchisee.

Exceptions to Mediation and/or Arbitration (the "Excluded Claims")

Notwithstanding Section 18.3 or 18.4, the parties agree that the following claims will not be subject to internal dispute resolution, mediation, or arbitration:

(a) any action for declaratory or equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief pursuant to Section 18.9 below, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder;

(b) any action in ejectment or for possession of any interest in real or personal property; or

(c) any claim by Franchisor and/or any Franchisor Related Party: (a) relating to Franchisee's failure to pay any fee due to Franchisor and/or its affiliates under this Agreement or any other agreement; (b) relating to Franchisee's or any Franchisee Related Party's failure to comply with the confidentiality and non-competition covenants set forth in this Agreement; (c) relating to Franchisee's indemnification obligations under this Agreement; and/or (d) relating to Franchisee's use of the Marks and/or the System, including, without limitation, claims for violations of the Lanham Act.

18.5 **Selection of Venue**. Except for Franchisor's right to seek injunctive relief in any court of competent jurisdiction as set forth in Section 18.9, the parties expressly agree to the jurisdiction and venue of any state court of general jurisdiction in Dallas, Texas and the jurisdiction and venue of the United States District Court for the Eastern District of Texas. Franchisee acknowledges that this Agreement has been entered into in the State of Texas, and that Franchisee is to receive valuable and continuing services emanating from Franchisor's headquarters in Dallas, Texas, including but not limited to training, assistance, support and the development of the System. In recognition of such services and their origin, Franchisee hereby irrevocably consents to the personal jurisdiction of the state and federal courts of Texas as set forth above.

18.6 **Third Party Beneficiaries**. Franchisor's principals, officers, directors, shareholders, agents and employees are express third party beneficiaries of the provisions of this Agreement, including the mediation provision set forth in this Section 18, each having authority to specifically enforce the right to mediate/litigate claims asserted against such person(s) by Franchisee.

18.7 **Prior Notice of Claims**. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, Franchisee must notify Franchisor within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

18.8 **No Right to Offset**. Franchisee shall not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of Franchisor's alleged nonperformance or as an offset against any amount Franchisor or any of Franchisor's affiliates allegedly may owe Franchisee under this Agreement or any related agreements.

18.9 **Injunctive Relief**. Nothing in this Agreement shall prevent Franchisor from seeking to obtain injunctive relief, without posting a bond, against threatened conduct that will cause Franchisor loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary and permanent injunctions in any court of competent jurisdiction. If injunctive relief is granted, Franchisee's only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Franchisee expressly waives all claims for damages Franchisee incurred as a result of the wrongful issuance.

18.10 **Limitation of Action**. Franchisee further agrees that no cause of action arising out of or under this Agreement may be maintained by Franchisee against Franchisor unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one (1) year after Franchisee becomes aware of facts or circumstances reasonably indicating that Franchisee may have a claim against Franchisor hereunder, whichever occurs sooner, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

18.10.1 Franchisee hereby waives the right to obtain any remedy based on alleged fraud, misrepresentation, or deceit by Franchisor, including, without limitation, rescission of this Agreement, in any mediation, judicial, or other adjudicatory proceeding arising hereunder, except upon a ground expressly provided in this Agreement, or pursuant to any right expressly granted by any applicable statute expressly regulating the sale of franchises, or any regulation or rules promulgated thereunder.

18.11 **Waiver of Punitive Damages**. Franchisee hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against the Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise and agrees that in the event of a dispute, that the Franchisee's recovery is limited to actual damages. If any other term of this agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

18.12 **Waiver of Jury Trial and Class Action Waiver.** The parties to this agreement hereby agree to waive trial by jury in any action, proceeding or counterclaim, whether at law or equity, regardless of which party brings suit. This waiver shall apply to any matter whatsoever between the parties hereto which arises out of or is related in any way to this agreement, the performance of either party, and/or the operation of the franchised business. The parties also hereby agree that all proceedings will be conducted on an individual, not a class-wide basis, and that any proceeding between franchisee, franchisee's guarantors, and franchisor or its affiliates, principals or employees may not be consolidated with any other proceeding between franchisor and any other person or entity.

SECTION 19 REPRESENTATIONS

19.1 **No Authority**. No salesperson, representative or other person has the authority to bind or obligate franchisor except franchisor's Authorized officer by a written document. Franchisee acknowledges that no representations, promises, inducements, guarantees, or warranties of any kind were made by franchisor or on franchisor's behalf which have led franchisee to enter into this agreement. Franchisee understands that whether franchisee succeeds as a franchisee is dependent upon franchisee's efforts, business judgments, the performance of franchisee's staff, market conditions and variable factors beyond franchisor's control or influence. Franchisee further understands that some franchisees are more or less successful than other franchisees and that franchisor has made no representation that franchisee will do as well as any other franchisee.

19.2 **Receipt.** Franchisee acknowledges receipt of franchisor's Franchise Disclosure Document at least fourteen (14) calendar days prior to the execution of this agreement. Franchisee further acknowledges that franchisee received a completed copy of this agreement, and all related agreements attached to the franchise disclosure document, with any changes to such agreements unilaterally and materially made by franchisor, at least seven (7) calendar days prior to the date on which this agreement and all related agreements were executed.

19.3 **Opportunity for Review by Franchisee's Advisors.** Franchisee acknowledges that franchisor has recommended, and that franchisee has had the opportunity to obtain, review of this agreement and franchisor's franchise disclosure document by franchisee's lawyer, accountant and/or other business advisor prior to execution hereof.

19.4 **Execution of Agreement**. Each of the undersigned parties warrants that it has the full authority to sign and execute this agreement. If franchisee is a partnership, corporation, or limited liability company, the person executing this agreement on behalf of such entity warrants to franchisor, both individually and in his capacity as partner or officer, that all of the partners of the partnership, all of the shareholders of the corporation, or all of the members and managers of the limited liability company, as applicable, have read and approved this agreement, including any restrictions which this agreement places upon rights to transfer their interest in the partnership, corporation, or limited liability company.

SECTION 20 GUARANTEE OF PRINCIPALS AND THEIR SPOUSES

If Franchisee is a corporation, or subsequent to execution hereof Franchisee assigns this Agreement to a corporation, all shareholders and their spouses (or if Franchisee is a partnership, or subsequent to execution hereof Franchisee assigns this Agreement to a partnership, all general partners and their spouses, or if Franchisee is a limited liability company, or subsequent to execution hereof Franchisee assigns this Agreement to a limited liability company, all members and managers and their spouses) hereby personally and unconditionally guarantee without notice, demand, or presentment, the payment of all of Franchisee's monetary obligations under this Agreement, and any other agreement between Franchisee and Franchisor and/or Franchisor's affiliates, as if each were an original party to this or any other agreement in his or her individual capacity. All such personal guarantors further agree to be bound by the restrictions upon Franchisee's activities upon transfer, termination, or expiration and non-renewal of this Agreement, as if each were an original party to this Agreement in his or her individual capacity. All such personal guarantors and their spouses must execute a continuing personal Guaranty in the form attached hereto as **Exhibit B**. If Franchisee is an individual, Franchisee's spouse must execute a continuing personal Guaranty in the form attached hereto as **Exhibit B**.

SECTION 21 NOTICES

All notices and requests to be given under this Agreement are to be in writing, and delivered by either hand delivery or overnight mail by a recognized carrier offering a delivery receipt, to the following addresses (which may be changed by written notice):

Franchisee's Address:	______________________________________ ______________________________________

Franchisor's Address:	wefixbrains, LLC Attn: Melanie Wells 3303 Lee Parkway #102 Dallas, Texas 75219
With a copy to:	Fisher Zucker, LLC Attn: JoyAnn Kenny 21 South 21st Street Philadelphia, PA 19103

SECTION 22 MISCELLANEOUS

22.1 **Entire Agreement.** This Agreement contains the entire agreement of the parties. There are no representations either oral or written, except those contained in this Agreement. This Agreement may not be modified except by a written document signed by both parties. Nothing in the Agreement is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to you.

22.2 **Construction of Language**. The language of this Agreement shall be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as Franchisee, their obligations and liabilities shall be joint and several. Headings are for reference purposes and do not control interpretation. Reference to Franchisee's "immediate family" means Franchisee's spouse, parents, children and siblings and Franchisee's spouse's parents, children and siblings. Reference to Franchisee's "principals" means Franchisee's partners, officers, directors, shareholders, members and managers, as applicable. References to "**Franchisor**" and "**Franchisee**" include the party's successors, assigns or transferees.

22.3 **Severability**. If any provision of this Agreement is deemed invalid or inoperative for any reason, that provision shall be deemed modified to the extent necessary to make it valid and operative or, if it cannot be so modified, it shall then be severed, and the remainder of that provision shall continue in full force and effect as if this Agreement had been signed with the invalid portion so modified or eliminated; provided, however, that if any part of this Agreement relating to payments to Franchisor or any of its affiliates or protection of the Proprietary Marks or the Confidential Information, including the Operations Manual and Franchisor's other trade secrets, is declared invalid or unenforceable, then Franchisor at Franchisor's option may terminate this Agreement immediately upon written notice to Franchisee.

22.4 **State Law Applies**. If any provision of this Agreement, including but not limited to its provisions for transfer, renewal, termination, notice of termination, or cure rights, is inconsistent with any valid law or regulation of the state in which the Franchised Business is located, then the valid law or regulation of that state applicable to the franchise shall supersede any provision of this Agreement that is less favorable to Franchisee.

22.5 **Additional Documentation**. Franchisee must from time to time, subsequent to the date first set forth above, at Franchisor's request and without further consideration, execute and deliver such other documentation or agreement and take such other action as Franchisor reasonably may require in order to effectuate the transactions contemplated herein. In the event that Franchisee fails to comply with the provisions of this Section, Franchisee hereby appoints Franchisor as Franchisee's attorney-in-fact to execute any and all documents on Franchisee's behalf reasonably necessary to effectuate the transactions contemplated herein.

22.6 **Force Majeure**. Neither Franchisee, Franchisor, nor Franchisor's affiliates will be liable for loss or damage deemed to be in breach of this Agreement or any related agreement if its failure to perform its obligations is not the fault nor within the reasonable control of the person due to perform but results from, without limitation, fire, flood, natural disasters, acts of God, governmental acts or orders, or civil disorders. Any delay resulting from any such cause will extend the time of performance for the period of such delay or for such other reasonable period of time as the parties agree in writing or will excuse performance, in whole or in part, as Franchisor deems reasonable.

22.7 **Anti-Terrorist Activities**. Franchisee certifies that neither Franchisee, nor Franchisee's owners, principals, employees or anyone associated with Franchisee is listed in the Annex to Executive Order 13224 (the "Annex"). Franchisee agrees not to hire or have any dealings with a person listed in the Annex. Franchisee certifies that Franchisee has no knowledge or information that, if generally known, would result in Franchisee, Franchisee's owners, principals, employees, or anyone associated with Franchisee being listed in the Annex. Franchisee agrees to comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with the Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee certifies, represents, and warrants that none of Franchisee's property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and Franchisee's owners or principals are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all such Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that Franchisee's indemnification responsibilities as provided in Section 13.2 of this Agreement pertain to Franchisee's obligations under this Section 22.7. Any misrepresentation by Franchisee under this Section or any violation of the Anti-Terrorism Laws by Franchisee, Franchisee's owners, principals or employees shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee has entered into with Franchisor or one of Franchisor's affiliates in accordance with the terms of Section 15.2.18 of this Agreement. As used herein, "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies lists and any other requirements of any governmental authority (including without limitation, the United States Department of Treasury Office of Foreign Assets Control) addressing or in any way relating to terrorist acts or acts of war.

22.8 **Attorneys' Fees**. If Franchisee is in breach or default of any monetary or non-monetary material obligation under this Agreement or any related agreement between Franchisee and Franchisor and/or Franchisor's affiliates, and Franchisor engages an attorney to enforce Franchisor's rights (whether or not formal judicial proceedings are initiated), Franchisee must pay all reasonable attorneys 'fees, court costs and litigation expenses Franchisor incurs. If Franchisee institutes any legal action to interpret or enforce the terms of this Agreement, and Franchisee's claim in such action is denied or the action is dismissed, Franchisor is entitled to recover Franchisor's reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against same, and to have such an amount awarded as part of the judgment in the proceeding.

SECTION 23 ACKNOWLEDGEMENTS

23.1 **Independent Investigation**. Franchisee acknowledges that Franchisee has conducted an independent investigation of the Franchised Business contemplated by this Agreement and recognizes that it involves business risks which make the success of the venture largely dependent upon Franchisee's business abilities and efforts. Franchisee acknowledges that Franchisee has been given the opportunity to clarify any provision of this Agreement that Franchisee may not have initially understood and that Franchisor has advised Franchisee to have this Agreement reviewed by an attorney.

23.2 **No Guarantee of Earnings**. Franchisee acknowledges that Franchisor and any of Franchisor's representatives and/or agents with whom Franchisee has met have not made and are not making any guarantees as to the extent of Franchisee's success in Franchisee's Franchised Business, and have not and are not in any way representing or promising any specific amounts of earnings or profits in association with Franchisee's Franchised Business.

23.3 **Receipt of Disclosure Document**. Franchisee acknowledges that this Agreement and Franchisor's franchise disclosure document have been in Franchisee's possession for at least fourteen (14) calendar days before Franchisee signed this Agreement and that any material changes to this Agreement were in writing in this Agreement for at least seven calendar (7) days before Franchisee signed this Agreement.

23.4 **No Personal Liability**. Franchisee agrees that fulfillment of any and all of Franchisor's obligations written in this Agreement or based on any oral communications which may be ruled to be binding in a court of law shall be Franchisor's sole responsibility and none of Franchisor's principals, employees, agents, representatives, nor any other individuals associated with Franchisor's franchise company shall be personally liable to Franchisee for any reason. This is an important part of this Agreement. Franchisee agrees that nothing that Franchisee believes Franchisee has been told by Franchisor or Franchisor's representatives shall be binding unless it is written in this Agreement. This is an important part of this Agreement. Do not sign this Agreement if there is any question concerning its contents or any representations made.

IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.

FRANCHISEE:

______________________________	______________________________
Individual	Name of Business Entity
______________________________	
Print Name	
______________________________	
Title	

FRANCHISOR:
WEFIXBRAINS, LLC

By: ______________________________

Print Name: ______________________________

Title: ______________________________

EXHIBIT A
to
WEFIXBRAINS, LLC
FRANCHISE AGREEMENT

SITE SELECTION ADDENDUM

wefixbrains, LLC (“**Franchisor”)** and _________________________, (“**Franchisee**”) have this _______ day of ___________, 2025, entered into the attached Franchise Agreement for the operation of a Lifeologie franchised business using Franchisor’s proprietary marks and franchise system (the “**Franchised Business**”), and desire to supplement its terms, as set forth below. The parties therefore agree as follows:

1. Within six (6) months after Franchisee receives notice of approval of the Franchise Agreement, Franchisee must obtain a site, at Franchisee’s expense, for the Franchised Business, which site Franchisor will approve as hereinafter provided. The site must be within the following non-exclusive site-selection territory:

____

(the “**Site Selection Territory**”)

2. Franchisee’s failure to obtain a site for the Franchised Business within the time required in Paragraph 1 shall constitute a default under the Franchise Agreement and this Site Selection Addendum. Time is of the essence.

3. Prior to Franchisee’s acquisition by lease or purchase of a site for the Franchised Business, Franchisee must submit to Franchisor, in the form Franchisor specifies, a completed site review form, such other information or materials as Franchisor may reasonably require, and a letter of intent or other evidence satisfactory to Franchisor which confirms Franchisee’s favorable prospects for obtaining the proposed site. Franchisor will have up to thirty (30) days after receipt of such information and materials from Franchisee to approve or disapprove, in Franchisor’s sole discretion, the site as a location for the Franchised Business. No proposed site will be deemed approved unless Franchisor has expressly approved it in writing.

4. Franchisor will furnish to Franchisee such site selection guidelines, consultation and on-site evaluation as Franchisor deems advisable as part of Franchisor’s evaluation of Franchisee’s request for site approval. Franchisor shall not, however, provide on-site evaluation for any proposed site prior to Franchisor’s receipt of the information and materials required by Paragraph 3 hereof. If Franchisor deems on-site evaluation necessary and appropriate, Franchisor shall conduct up to one (1) on-site evaluation at Franchisor’s cost. For each additional on-site evaluation (if any), Franchisee shall reimburse Franchisor for Franchisor’s reasonable expenses including, without limitation, the costs of travel, lodging, and meals.

5. If Franchisee will be occupying the Franchised Business premises under a lease, Franchisee shall, upon Franchisor’s request, prior to the execution of the lease, submit the lease to Franchisor for Franchisor’s approval. Franchisor’s approval of the lease may be conditioned upon Franchisee’s execution of a Collateral Assignment of Lease in the form Franchisor prescribes, as well as the inclusion or exclusion of certain required provisions.

6. Franchisee shall furnish Franchisor a copy of any executed lease within ten (10) days after receiving such a request from Franchisor.

7. After Franchisor has approved a site for the Franchised Business in writing and Franchisee has acquired the site pursuant to this Site Selection Addendum, the site shall constitute the Approved

Location referred to in Section 1.2 of the Franchise Agreement.

8. Franchisee hereby acknowledges and agrees that Franchisor's approval of a site does not constitute an assurance, representation or warranty or any kind, express or implied, as to the suitability of the site for the Franchised Business or for any other purpose. Franchisor's approval of the site indicates only that Franchisor believes the site complies with acceptable minimum criteria established by Franchisor solely for Franchisor's purposes as of the time of the evaluation Franchisor shall not be responsible for the failure of a site approved by Franchisor to meet Franchisee's expectations as to revenue or operational criteria. Franchisee further acknowledges and agrees that Franchisee's acceptance of a franchise for the operation of the Franchised Business at the site is based on Franchisee's own independent investigation of the suitability of the site.

9. This Site Selection Addendum constitutes an integral part of the Franchise Agreement between the parties hereto, and terms of this Site Selection Addendum shall be controlling with respect to the subject matter hereof. Except as modified or supplemented by this Site Selection Addendum, the terms of the Franchise Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum on the day and year first above written.

FRANCHISEE:	FRANCHISOR:
______________________________________ (Individual, Partnership or Corporation Name)	WEFIXBRAINS,LLC
By: ___________________________________	By: ___________________________________
Print Name: ___________________________	Print Name: ___________________________
Title: ________________________________	Title: ________________________________

EXHIBIT B
to
WEFIXBRAINS, LLC
FRANCHISE AGREEMENT
PERSONAL GUARANTY

NOTE: IF FRANCHISEE IS A CORPORATION, EACH OF FRANCHISEE'S SHAREHOLDERS AND THEIR SPOUSES MUST EXECUTE THE FOLLOWING UNDERTAKING. IF FRANCHISEE IS A PARTNERSHIP, EACH OF FRANCHISEE'S GENERAL PARTNERS AND THEIR SPOUSES MUST EXECUTE THE FOLLOWING UNDERTAKING. IF FRANCHISEE IS A LIMITED LIABILITY COMPANY, EACH OF FRANCHISEE'S MEMBERS AND MANAGERS AND THEIR SPOUSES MUST EXECUTE THE FOLLOWING UNDERTAKING. IF FRANCHISEE IS AN INDIVIDUAL, FRANCHISEE'S SPOUSE MUST EXECUTE THE FOLLOWING UNDERTAKING.

ARTICLE I
PERSONAL GUARANTY

The undersigned persons (individually and collectively "you") hereby represent to wefixbrains, LLC ("**Franchisor**") that you are all of the shareholders of ____________________ ("**Franchisee**"), or all of the general partners of Franchisee, or all of the members and managers of Franchisee, or the spouse of Franchisee or any such shareholder, general partner, or member or manager of Franchisee, as the case may be. In consideration of the grant by Franchisor to Franchisee as provided in the foregoing franchise agreement (the "**Franchise Agreement**"), each of you hereby agree, in consideration of benefits received and to be received by each of you, jointly and severally, and for yourselves, your heirs, legal representatives and assigns, to be firmly bound by all of the terms, provisions and conditions of the foregoing Franchise Agreement, and any other agreement between Franchisee and Franchisor and/or its affiliates, and do hereby unconditionally guarantee the full and timely performance by Franchisee of each and every obligation of Franchisee under the aforesaid Franchise Agreement or other agreement between Franchisor and Franchisee, including, without limitation, any indebtedness of Franchisee arising under or by virtue of the aforesaid Franchise Agreement, and that you (jointly and individually) will not permit or cause any change in the percentage of Franchisee owned, directly or indirectly, by any person, without first obtaining the written consent of Franchisor prior to said proposed transfer, which consent must not be unreasonably withheld, and without first paying or causing to be paid to Franchisor the transfer fee provided for in said Franchise Agreement, if applicable, and without otherwise complying with the transfer provisions of the foregoing Franchise Agreement. You further agree to be bound by the in-term and post-term non-competition and non-solicitation covenants set forth in Section 17 of the Franchise Agreement, as well as all other restrictive covenants set forth therein, including but not limited to those concerning confidentiality (Section 5.1 of the Franchise Agreement) and indemnification (Section 13.2 of the Franchise Agreement). You agree that this personal guaranty (the "**Guaranty**") will be governed by the dispute resolution procedures set forth in Section 18 of the Franchise Agreement.

ARTICLE II
MISCELLANEOUS

1. **Acknowledgment**. You acknowledge that this Guaranty is not a franchise agreement and does not confer upon you any rights to use the Franchisor's Proprietary Marks or its System.

2. **Governing Law**. This Guaranty shall be deemed to have been made in and governed by the laws of the State of Texas (without reference to its conflict of laws principals).

3. **Third Party Beneficiaries**. Franchisor's officers, directors, shareholders, agents and/or employees are express third party beneficiaries of the Franchise Agreement and this Guaranty, and the mediation provisions contained herein, each having authority to specifically enforce the right to mediate and litigate claims asserted against such person(s) by you.

4. **Jury Trial and Class Action Waiver. YOU HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS GUARANTY, THE FRANCHISE AGREEMENT, AND/OR THE OPERATION OF THE FRANCHISED BUSINESS. THE PARTIES ALSO HEREBY AGREE THAT ALL PROCEEDINGS WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S GUARANTORS, AND FRANCHISOR OR ITS AFFILIATES, PRINCIPALS OR EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER PERSON OR ENTITY.**

5. **Attorneys' Fees**. If you or Franchisee is in breach or default of any monetary or non- monetary material obligation under this Guaranty, the Franchise Agreement, or any related agreement between Franchisee and Franchisor and/or Franchisor's affiliates, and Franchisor engages an attorney to enforce Franchisor's rights (whether or not formal judicial proceedings are initiated), you and Franchisee must pay all reasonable attorneys' fees, court costs and litigation expenses Franchisor incurs. If you or Franchisee institutes any legal action to interpret or enforce the terms of this Guaranty or the Franchise Agreement, and such claim in such action is denied or the action is dismissed, Franchisor is entitled to recover Franchisor's reasonable attorneys 'fees, and all other reasonable costs and expenses incurred in defending against same, and to have such an amount awarded as part of the judgment in the proceeding.

6. **Nonwaiver**. Franchisor's failure to insist upon strict compliance with any provision of this Guaranty and the Franchise Agreement shall not be a waiver of Franchisor's right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by Franchisor respecting any breach or default shall not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Guaranty shall be cumulative. Franchisor's election to exercise any remedy available by law or contract shall not be deemed a waiver or preclude exercise of any other remedy.

7. **Severability**. The parties agree that if any provisions of this Guaranty may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision shall have the meaning which renders it valid and enforceable. The language of all provisions of this Guaranty shall be construed according to its fair meaning and not strictly construed against either party. The provisions of this Guaranty are severable, and this Guaranty shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable.

8. **Construction of Language**. Any term defined in the Franchise Agreement which is not defined in this Guaranty will be ascribed the meaning given to it in the Franchise Agreement. The language of this Guaranty will be construed according to its fair meaning, and not strictly for or against either party. All words in this Guaranty refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

9. **Successors**. References to "Franchisor," "Franchisee," "the undersigned," or "you" include the respective parties 'successors, assigns or transferees.

10. **No Personal Liability**. You agree that fulfillment of any and all of Franchisor's obligations written in the Franchise Agreement or based on any oral communications which may be ruled to be binding in a court of law shall be Franchisor's sole responsibility and none of Franchisor's principals, employees, agents, representatives, nor any other individuals associated with Franchisor's franchise company shall be

personally liable to you for any reason.

PERSONAL GUARANTORS:	**SPOUSES:**
By: ___________________________________	By: ___________________________________
Print Name: ___________________________	Print Name: ___________________________
By: ___________________________________	By: ___________________________________
Print Name: ___________________________	Print Name: ___________________________

EXHIBIT C
to
WEFIXBRAINS, LLC
FRANCHISE AGREEMENT
COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned ("**Assignor**") hereby assigns and transfers to wefixbrains, LLC, a Texas limited liability company with its principal business address of 3303 Lee Parkway #102, Dallas, Texas 75219 ("**Assignee**"), all of Assignor's right, title and interest as tenant in, to and under that certain lease, respecting premises commonly known as ____(the "**Lease**"). This Assignment is for collateral purposes only and except as specified herein, Assignee has no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms hereof and assumes the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein and that Assignor has not previously assigned or transferred, and is not obligated to assign or transfer, any of its interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under the franchise agreement to operate a Lifeologie franchised business between Assignee and Assignor (the "**Franchise Agreement**"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, or upon expiration or termination of the Franchise Agreement or this Agreement, Assignee has the right and is hereby empowered to take possession of the premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor will have no further right, title or interest in the Lease. Assignor hereby authorizes the lessor under the Lease (the "**Lessor**") to disclose to Assignee, upon its request, sales and other information furnished to the Lessor by Assignor.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it must elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the purpose of effecting such extension or renewal.

ASSIGNOR:

DATED: ________________________________

CONSENT AND AGREEMENT OF LESSOR

The undersigned Lessor under the aforedescribed Lease hereby:

a) Agrees to notify Assignee in writing of and upon the failure of Assignor to cure any default by Assignor under the Lease;

b) Agrees that Assignee has the right, but not the obligation, to cure any default by Assignor under the Lease within thirty (30) days after delivery by Lessor of notice thereof in accordance with paragraph (a) above;

c) Consents to the foregoing Collateral Assignment of Lease and agrees that if Assignee takes possession of the premises demised by the Lease and confirms to Lessor the assumption of the Lease by Assignee as tenant thereunder, Lessor must recognize Assignee as tenant under the Lease, provided that Assignee cures within the thirty (30)-day period the defaults, if any, of Assignor under the Lease; and

d) Agrees that Assignee may further assign the Lease to a person or entity who must agree to assume the tenant's obligations under the Lease and who is reasonably acceptable to Lessor and upon such assignment Assignee will have no further liability or obligation under the Lease as assignee, tenant or otherwise.

LESSOR:

By:

Print Name:

Title:

Date:

EXHIBIT D
to
WEFIXBRAINS, LLC
FRANCHISE AGREEMENT

CONDITIONAL ASSIGNMENT OF FRANCHISEE'S TELEPHONE NUMBERS, FACSIMILE NUMBERS AND DOMAIN NAMES

________________________________, doing business as a Lifeologie Counseling franchisee (the "**Assignor**"), in exchange for valuable consideration provided by wefixbrains, LLC (the "**Assignee**"), receipt of which is hereby acknowledged, hereby conditionally assigns to Assignee all telephone numbers, facsimile numbers, domain names, as well as any listings associated therewith, utilized by Assignor in the operation of its Lifeologie Counseling franchised business located at ____ (collectively, the "**Assigned Property**").

The conditional agreement will become effective automatically upon termination or expiration of Assignor's franchise agreement. Upon the occurrence of that condition, Assignor must do all things required by the telephone company, domain name registrar, and/or any other third party to assure the effectiveness of the assignment of Assigned Property as if the Assignee had been originally issued such Assigned Property and the usage thereof.

Assignor agrees to pay the telephone company and/or domain name registrar, on or before the effective date of assignment, all amounts owed for the use of the Assigned Property up to the date this Assignment becomes effective. Assignor further agrees to indemnify Assignee for any sums Assignee must pay the telephone company, domain name registrar, or any other third party to effectuate this assignment, and agrees to fully cooperate with the telephone company and/or domain name registrar, as well as the Assignee, in effectuating this assignment.

ASSIGNOR:
By: ____
Print Name: ______________________________________
Title: ____
Date: ____

ASSIGNEE:
By: ____
Print Name: ______________________________________
Title: ____
Date: ____

EXHIBIT E-1
to
WEFIXBRAINS, LLC
FRANCHISE AGREEMENT

CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT
(For Franchisee's managers and employees)

In consideration of my being an employee at the Lifeologie Counseling franchised business (the "**Franchised Business**"), operated by ______________________________________ (the "**Franchisee**") and located at ____, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that the Franchisee has acquired the right from wefixbrains, LLC (the "**Company**") to establish and operate the Franchised Business and the right to use in the operation of the Franchised Business the Company's trade names, trademarks and service marks (the "**Proprietary Marks**") and the Company's unique and distinctive format and system relating to the establishment and operation of Franchised Business (the "**System**"), as they may be changed, improved and further developed from time to time in the Company's sole discretion. I further agree and acknowledge:

1. The Company possesses certain proprietary and confidential information and trade secrets relating to the operation of the System, which include, without limitation, operating procedures, advertising materials and marketing techniques, copyrighted materials, any information contained in the Company's Operations Manual (the "**Manual**"), trade secrets, price marketing mixes, training methods, and other methods, techniques and know-how concerning the of operation of the Franchised Business (the "**Confidential Information**"). Any and all information, knowledge, knowhow, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

2. Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

3. In my position with the Franchisee, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me the training program and subsequent ongoing training, the Manual and other general assistance during the term of this Agreement. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term hereof, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

4. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties with the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or is easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

5. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company, own, maintain, engage in, be employed by, or have any interest

in any other business offering psychotherapy services and/or any business offering similar services offered or authorized for sale by System franchisees, except for another Franchised Business operating under the System and Proprietary Marks.

6. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

7. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

8. This Agreement shall be construed under the laws of the State of Texas. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

Signature: ______________________________

Print Name: ______________________________

Date ______________________________

ACKNOWLEDGED BY FRANCHISEE

Signature: ______________________________

Print Name: ______________________________

EXHIBIT E - 2
to
WEFIXBRAINS, LLC
FRANCHISE AGREEMENT

CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT
(For therapists of Franchisee's Franchised Business)

In consideration of my being a therapist working at the Lifeologie Counseling franchised business (the "**Franchised Business**"), operated by (the "**Franchisee**") and located at ____and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that the Franchisee has acquired the right from wefixbrains, LLC (the "**Company**") to establish and operate the Franchised Business and the right to use in the operation of the Franchised Business the Company's trade names, trademarks and service marks (the "**Proprietary Marks**") and the Company's unique and distinctive format and system relating to the establishment and operation of Franchised Businesses (the "**System**"), as they may be changed, improved and further developed from time to time in the Company's sole discretion. I further agree and acknowledge:

1. The Company possesses certain proprietary and confidential information and trade secrets relating to the operation of the System, which include, without limitation, operating procedures, advertising materials and marketing techniques, copyrighted materials, any information contained in the Company's Operations Manual (the "**Manual**"), trade secrets, price marketing mixes, training methods, and other methods, techniques and know-how concerning the operation of the Franchised Business (the "**Confidential Information**"). Any and all information, knowledge, knowhow, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

2. In my position as a therapist at the Franchisee's Franchised Business, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me the training program and subsequent ongoing training, the Manual, and other general assistance during the term of this Agreement. I will not acquire any interest in the Confidential Information, other than the right to utilize it in carrying out my responsibilities as a therapist at the Franchised Business, and I acknowledge that the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

3. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties with the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or is easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

4. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company own, maintain, engage in, be employed by, or have any interest in any other business offering psychotherapy and related services and/or any business offering similar services offered or authorized for sale by System franchisees, except for another Franchised Business operating under the System and Proprietary Marks.

5. For a period of two (2) years after the date I am no longer employed as therapist with the Franchisee, regardless of cause, I will not, within a radius of twenty-five (25) miles surrounding the Franchisee's territory (as defined by the franchise agreement between Franchisee and the Company): (i) directly or indirectly solicit (by telephone, email or otherwise) any former patients of the Franchised Business to perform psychotherapy services or any other services that are similar to the services provided at the Franchised Business; or (ii) use, in any manner, any customer list created by me or other employees of Franchisee while employed with Franchisee to solicit or service any former clients. However, in the event a former client directly contacts me without any effort on my part, I will be permitted to perform any psychotherapy services requested by such former client.

6. I agree that each of the foregoing covenants (in Sections 4 and 5) shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

7. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement. This Agreement shall be construed under the laws of the State of Texas. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

Signature: ______________________________

Print Name: ______________________________

Date ______________________________

ACKNOWLEDGED BY FRANCHISEE

Signature: ______________________________

Print Name: ______________________________

EXHIBIT F
TO
WEFIXBRAINS, LLC
FRANCHISE AGREEMENT

ELECTRONIC FUNDS WITHDRAWAL AUTHORIZATION

Bank Name :

ABA# :

Acct. No. :

Acct. Name :

Effective as of the date of the signature below, ("**Franchisee**") hereby authorizes wefixbrains, LLC ("**Company**") or its designee to withdraw funds from the above-referenced bank account, electronically or otherwise, to make the following payments to Company under the Franchise Agreement for the franchise located at

____
____: (1) all Brand Fees, (2) all Brand Marketing Fund contributions, and (3) all other fees or other amounts due to the Company or Company's affiliate under the franchise agreement or any related agreement executed by Franchisee and Company. Such withdrawals shall occur on a monthly basis, or on such other schedule as Company shall specify in writing. Company is also authorized to deposit funds into the above-referenced account, electronically or otherwise. This authorization shall remain in full force and effect until terminated in writing by Company. Franchisee shall provide Company, in conjunction with this authorization, a voided check from the above-referenced account.

FRANCHISEE

By: ______________________________

Print Name: ______________________________

Title: ______________________________

Date: ______________________________

EXHIBIT G
TO
WEFIXBRAINS, LLC
FRANCHISE AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

Business Associates Agreement

Lifeoologie Counseling Business Vendor Confidentiality Agreement

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This document is required to be signed by the Business Associate and maintained on file by Lifeologie Counseling, in compl iance with the Omnibus Rule of 2013, and Effective March 26, 2013.

BUSINESS VENDORS ARE URGED TO GET AND USE THEIR OWN SUBCONTRACTORS' AGREEMENTS.

Term

The Term of this Agreement shall be effective as of ______________________________________ (Today's Date), and shall terminate upon the date that Covered Entity terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner.

Definitions

The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Healthcare Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protec ted Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

Specific definitions:

(a) Business Associate . ***"Business Associate"*** shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean _________________________________**(Name of Business Associate)** .

(b) Covered Entity . ***"Covered Entity"*** shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean ____________________________________**(Name of Covered Entity)** .

(c) HIPAA Rules. ***"HIPAA Rules"*** shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

Obligations and Activities of Business Associate __________________________________**(Name of Business Associate)** agrees to:

(a) Not use or disclose protected health information other than as permitted or required by the Agreement or as required by law;

(b) Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to ePHI electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by the Agreement;

(c) Report to Covered Entity any use or disclosure of PHI protected health information not provided for by the Agreement of which it becomes aware, including breaches of unsecured protected health information as required at 45 CFR 164.410, and any security incident of which it becomes aware; The Business Associate, <u>will report these immediately or not more than 5 business days after such a discovery.</u>

The Business Associate <u>will handle breach notifications to individuals, the HHS Office for Civil Rights (OCR), and potentially the media</u>, on behalf of the Covered Entity <u>as its own breach</u>. Reporting is made to: HHS at this link:

http://www.hhs.gov/ocr/privacy/hipaa/administrative/breachnotificationrule/brinstruction.html

(d) In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any Subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information;

(e) Make available PHI (protected health information) in a designated record set to the "Covered Entity" as necessary to satisfy Covered Entity's obligations under 45 CFR 164.524;

The Business Associate will respond to a request for access that the Business Associate receives directly from an individual for responsive business purpose, this will be either ***via email (read - receipt option) and/or via registered mail, within 5 business days of a request.***

(f) The Business Associate will make any amendment(s) to PHI protected health information in a designated record set as directed or agreed to by the Covered Entity pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR 164.526; and:

The Business Associate will respond to a **<u>request for amendment</u>** when received directly from the individual either ***via email, (read - receipt option) and /or via registered mail, within 5 days*** of a request and the Business Associate will forward the individual's request to the Covered Entity **<u>with any amendments</u>** to the information in the designated record set will be incorporated.

(g) Maintain and make available the information required to provide an **<u>accounting of disclosures</u>** to the Covered Entity and also to the Individual, as necessary to satisfy Covered Entity's obligations under 45 CFR 164.528;

The Business Associate will respond to a request for accounting of disclosures when received directly from the individual either via ***email, (read - receipt option) and/or via registered mail, either, within 5 days of a request and the Business Associate will forward the individual's request to the Covered Entity*** with any **<u>Accounting of Disclosures</u>** to the information in the designated record set will be incorporated.

(h) To the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s); and

(i) The Business Associate will make its internal practices, books, and records available to legal inspectors, The HHS and Covered Entity for purposes of determining compliance with the HIPAA Rules.

Permitted Uses and Disclosures by Business Associate

(a) Business Associate may only use or disclose PHI protected health information pertaining only to situations that deem it necessary to perform the services set forth in the Business Associates & Covered Entities governing Service Agreement / Contract.

In addition to other permissible purposes, the Business Associate is authorized to use PHI protected health information to de - identify the information in accordance with 45 CFR 164.514(a) - (c). The Business Associate may *de-identify the information*, permitted uses and disclosures by means legal and necessary to formulate this identity.

(b) Business Associate may use or disclose PHI protected health information as required by law.

(c) Business Associate agrees to make uses and disclosures and requests for PHI protected health information in timely and legal fashion consistent with Covered Entity's minimum necessary policies and procedures, which are defined as: the least effort and information disclosure necessary to complete this task.

(d) Business Associate may not use or disclose PHI protected health information in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity except for the specific uses and disclosures set forth below:

(e) Business Associate may use PHI protected health information for the proper management and administration to carry out the legal responsibilities of the Business Associate, provided the disclosures are required by law and that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed. Notifications will be made to the Business Associate of any instances in which the confidentiality of the PHI information has been breached.

(f) Business Associate may provide data aggregation services relating to the healthcare operations of the Covered Entity.

Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions

(a) Covered Entity may notify Business Associate of any limitation(s) in the Notice of Privacy Practices of Covered Entity under 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI protected health information.

(b) Covered Entity shall notify Business Associate of any changes in, or revocation of, the permission by an individual to use or disclose his or her PHI protected health information, to the extent that such changes may affect Business Associate's use or disclosure of PHI protected health information.

(c) Covered Entity shall notify Business Associate of any restriction on the use or disclosure of protected health information that covered entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI protected health information.

Permissible Requests by Covered Entity

Covered Entity *shall not request* Business Associate to use or disclose protected health information in any manner that would not be permissible under Subpart E of 45 CFR Part 164 if done by Covered Entity. The exception would be if the Business Associate will use or disclose PHI protected health information for, data aggregation or management and administration and legal responsibilities of the Business Associate.

Termination

(a) Termination for Cause. Business Associate authorizes termination of this Agreement by Covered Entity, if Covered Entity determines Business Associate has violated a material term of the Agreement (and Business Associate has not cured the breach or ended the violation within the time specified by Covered Entity).

(b) Obligations of Business Associate Upon Termination.

Business Associate shall retain no copies of the protected health information except to use or disclose PHI protected health information for its own management and administration or to carry out its legal responsibilities and the Business Associate needs to retain PHI protected health information for such purposes after termination of the agreement.

Upon termination of this Agreement for any reason, Business Associate, with respect to PHI protected health information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, shall:

1. Retain only that PHI protected health information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
2. Return to covered entity or destroy the remaining PHI protected health information that the Business Associate still maintains in any form;
   Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to ePHI electronic protected health information to prevent use or disclosure of the PHI protected health information, other than as provided for in this Section, for as long as Business Associate retains the PHI protected health information;
3. Not use or disclose the PHI protected health information retained by Business Associate other than for the purposes for which such PHI protected health information was retained and subject to the same conditions set in the *Permitted Uses and Disclosures by Business Associate sections (e) and (f) of this document*, applied prior to termination; and
4. Return to Covered Entity or destroy the PHI protected health information retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

The Business Associate may be asked by the Covered Entity to transmit the PHI protected health information to another Business Associate of the Covered Entity at termination. The Business Associate would comply, confirm the transfer and then ensure the destruction of PHI protected health information created, received, or maintained by subcontractors.

(c) Survival. The obligations of Business Associate under this Section shall survive the termination of this Agreement.

Miscellaneous (Optional)

(a) Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable law or law changes.

(b) Interpretation. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules by the Business Associates legal counsel.

Name of Practice

____

Signature

____

Print name and title

Name of Business Associate

____

Signature

____

Print name and title

BUSINESS ASSOCIATES ADDENDUM

(VENDOR SIGNATURE PAGE)

THIS ADDENDUM (hereafter "Addendum") is entered into this _________ day of ________________, 20_____, by and between _______________________________ (hereafter "Business Associate") and _______________________________ (hereafter "Healthcare Facility"), for themselves and their respective successors and assigns.

WHEREAS, the parties hereto desire to modify the aforementioned Agreement to set forth the terms and conditions under which information created or received by Business Associate on behalf of this Healthcare Facility (hereafter collectively referred to as protected health information or "PHI") may be used or disclosed under the Health Insurance Portability and Accountability Act "Omnibus Rule" of 2013 and regulations enacted thereunder (hereafter "HIPAA");

THEREFORE, both parties, for valuable consideration from each party to the other, the receipt and sufficiency of which is hereby acknowledged, do hereby mutually agree that the Agreement shall continue in full force and effect with the following modifications and additions, to wit: (additions or modifications state below, must comply with HIPAA Omnibus Rules):

____
____
____
____
____

1. Except as amended by this Addendum, all terms, conditions and covenants of the Agreement are valid, shall remain in full force and effect, and hereby are ratified and confirmed.

2. Any inconsistencies between this Addendum and the Agreement shall be governed by this Addendum.

3. A copy of this Addendum shall be as effective as the original.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date first written above.

Name of Practice	**Name of Business Associate**
____	____
Signature	*Signature*
____	____
Print name and title	*Print name and title*

REVOCATION

Return completed form to: (add Covered Entity information here):

Please be advised that I, the undersigned, do hereby revoke that certain Authorization, Consent and Acknowledgement between ____ (hereafter "Healthcare Facility") and ____ (hereafter "Business Associate"), dated the _______ day of _____________________, 20___.

This revocation will take effect upon actual receipt by the Healthcare Facility unless the Healthcare Facility, its employees or agents already have acted based on the underlying Authorization, Consent or Acknowledgement. A signed, dated copy of this Revocation shall be as effective as the original.

Acknowledgment by:

Business Associate: _____________________________________ Date: __________________
(Print name and sign)

Acknowledgment by:

Healthcare Facility's ____ Date: __________________
(Print name and sign)

OFFICE USE ONLY

Date revocation received by Practice: _______________________

The last Party to sign this Agreement must ensure that the final signature copy gets to each signing.

Both parties retain on file.

EXHIBIT F
TO
FRANCHISE DISCLOSURE DOCUMENT

AREA DEVELOPMENT AGREEMENT

DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") entered into this ____ day of _____, 202__ (the "Effective Date"), between: (i) wefixbrains, LLC, a Texas limited liability company with its principal place of business at 3303 Lee Parkway #102, Dallas, Texas 75219 (the "Franchisor"); and (ii) ____________________ , a ________________ formed company with a business address at _______________ (the "Developer").

BACKGROUND

A. Franchisor and its affiliate/principals, as a result of the expenditure of time, skill, effort, and money, have developed and own a unique system (the "System") related to the establishment, development, opening, and operation of franchised therapy businesses (each, a "Franchised Business") that provide psychotherapy and various other mental health therapy services and related products (the "Approved Services" and "Approved Products," respectively).

B. Franchisor's System is comprised of various distinguishing elements, including without limitation: proprietary methodology and procedures for the establishment and operation of a Franchised Business; site selection guidance and criteria; specifications for the design, layout and construction of the interior of the Franchised Business; standards and specifications for the furniture, fixtures and equipment located within a Franchised Business; established relationships with approved or designated suppliers for certain products and services; and standards and specifications for advertising, bookkeeping, sales, marketing, and other aspects of operating a Franchised Business. The parties agree and acknowledge that Franchisor may change, improve, further develop, or otherwise modify the System from time to time as it deems appropriate in its discretion. Developer hereby acknowledges and agrees that: (i) while the System and Franchisor's related materials contain information that, in isolated form, could be construed as being in the public domain, they also contain significant proprietary and confidential information which makes the System unique as a whole; and (ii) the combined methods, information, procedures, and theories that make up the total System, which may, in whole or part, be contained in the relevant Franchisor's manuals, are proprietary and confidential.

C. Developer's Franchised Businesses must be operated using Franchisor's Proprietary Marks and in accordance with Franchisor's proprietary operating System that, as of the Issue Date of the Franchise Disclosure Document, is comprised of various components, including: methodologies and know how, information, trade secrets regarding the provision of the Approved Services, sourcing and resale of certain Approved Products and the establishment and operation of a Franchised Business generally; Franchisor's confidential operations manual (the "Operations Manual") and other proprietary manuals Franchisor may provide Developer with access to via hard copy or online (collectively, the "Manuals"); proprietary training (both initial and ongoing) related to the operation of a Franchised Business, as well as all related training materials; designated sources and existing relationships with suppliers specified by Franchisor from whom Developer is either required or pre-approved to purchase certain items or services that are necessary to establish and/or operate a Franchised Business; information and, if Franchisor determines appropriate, prototypical plans for the design and layout of a Franchised Business; specified equipment, inventory, furniture and any fixtures that are necessary to build out a typical Franchised Business; Franchisor's Proprietary Marks, as well as any other interior and exterior design, décor, color schemes, advertising and marketing specifications, and other standards, specifications, techniques, and procedures that Franchisor designates for developing, operating, and managing one (1) or more Franchised Businesses. Franchisor may update, supplement, change or otherwise modify the System, as well as corresponding System suppliers, standards and specifications, as Franchisor determines appropriate from time to time via the Manuals or otherwise in writing.

D. The System and Franchised Businesses are identified by Franchisor's then-current and proprietary marks, as well as certain other trade names, trademarks, service marks and trade dress, all of which Franchisor may modify, update, supplement or substitute in the future (collectively, the "Proprietary Marks"). The parties agree and acknowledge that Franchisor has established substantial goodwill and business value in its Proprietary Marks, expertise, and System.

E. Franchisor grants qualified third parties the right to develop a certain number of Franchised Businesses within a defined geographical area (the "Development Area"), in accordance with the terms of this Agreement to which Developer must be strictly adhere, with each Franchised Business within the Development Area being opened and operating utilizing the Proprietary Marks and System pursuant to the terms and conditions set forth in a separate form of Franchisor's then-current form of franchise agreement (each, a "Franchise Agreement").

F. Developer recognizes the benefits of receiving the right to operate a Franchised Business utilizing the System and desires to: (i) become a multi-unit operator subject to the terms of this Agreement; and (ii) receive the benefits provided by Franchisor under this Agreement.

G. Developer has applied for the right to open and operate a certain number of Franchised Businesses within the Development Area as set forth in this Agreement (each, a "Franchised Business"), and Franchisor has approved such application in reliance on Developer's representations made herein.

H. Developer hereby acknowledges that adherence to the terms of this Agreement, including Franchisor's operations manual and other System standards and specifications, are essential to the operation of all Franchised Businesses and the System as a whole.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. **Development Area.**

1.1 Subject to the terms and conditions set forth herein, Franchisor grants Developer the right, and Developer undertakes the obligation, to develop and establish a total of _____ (__) Franchised Businesses within the Development Area defined in the Data Sheet attached hereto as Exhibit A (the "Data Sheet"), provided Developer opens and commences operations of such Franchised Businesses in strict accordance with the mandatory development schedule also set forth in the Data Sheet (the "Development Schedule") and otherwise subject to the terms and conditions set forth herein.

1.2 Except as provided in Section 1.3 and otherwise herein, during the term of this Agreement Franchisor will not open or operate, or license any third party the right to open or operate, any Franchised Business utilizing the Proprietary Marks and System within the Development Area.

1.3 Developer agrees and acknowledges that Franchisor will have the right to modify the boundaries of the Development Area upon written notice to Developer to account for any designated territory that is granted to another System franchisee or developer in connection with a premises for a Franchised Business at a location that (a) Developer secures, and (b) is close to the outer boundaries of the Development Area, to the extent necessary to avoid overlap between that designated territory and the Development Area. In the event Franchisor notifies Developer that it is modifying the Development Area as set forth in this Section, Developer agrees to work in good faith with Franchisor to enter into an addendum to this Agreement detailing the modified Development Area.

2. **Development Fee.**

Developer shall pay Franchisor the development fee set forth in Section 3 of the Data Sheet (the "Development Fee") for the right to develop the foregoing Franchised Businesses within the Development Area under this Agreement.

3. **Franchise Agreements.** Developer agrees and acknowledges that it must: (i) enter into Franchisor's then-current form of Franchise Agreement for each Franchised Business that Developer is required to open under this Agreement; and (ii) enter into such Franchise Agreements at such times that are required for

Developer to timely meet, and strictly adhere to, its obligations under the agreed- upon Development Schedule.

4. **Development Obligations.** Developer must ensure that, at a minimum, Developer: (i) opens and commences operations of the number of new Franchised Businesses during each of the development periods defined in the Development Schedule (each, a "Development Period"); and (ii) has the minimum cumulative number of Franchised Businesses open and operating at the expiration of each such Development Period. The parties agree and acknowledge that time is of the essence with respect to the foregoing development obligations, and that Developer's failure to comply with the Development Schedule in any manner with respect to any Development Period is grounds for immediate termination of this Agreement if not timely cured as set forth in Section 5.2 of this Agreement (and any future development rights granted hereunder).

5. **Term and Termination.**

5.1 This Agreement will commence as of the date it is fully executed and, unless earlier terminated by Franchisor, will expire on the earlier of: (i) the last day of the calendar month that the final Franchised Business is required to be opened and operating under the Development Schedule; or (ii) the date Developer actually opens the last Franchised Business that Developer is granted the right to open under this Agreement. Upon expiration or termination of this Agreement for any reason, Developer will not have any rights within the Development Area other than the territorial rights granted in connection with any "Territory" associated with a Franchised Business that Developer has opened and commenced operating as of the date this Agreement is terminated or expires (as such rights are granted by Franchisor under the respective Franchise Agreement(s) into which Developer has entered for such Franchised Business(es)).

5.2 Franchisor will have the right to terminate this Agreement and all rights granted to Developer hereunder, without affording Developer any opportunity to cure such default, effective upon written notice to Developer, upon the occurrence of any of the following events: (i) if Developer ceases to actively engage in development activities in the Development Area or otherwise abandons its development business for three (3) consecutive months, or any shorter period that indicates an objective intent by Developer to discontinue development of the Franchised Businesses within the Development Area; (ii) if Developer becomes insolvent or is adjudicated bankrupt, or if any action is taken by Developer, or by others against the Developer, under any insolvency, bankruptcy or reorganization act, or if Developer makes an assignment for the benefit of creditors or a receiver is appointed by the Developer; (iii) if Developer fails to meet its development obligations under the Development Schedule for any single Development Period, and fails to cure such default within 30 days of receiving notice thereof; or (iv) if any Franchise Agreement that is entered into in order to fulfill Developer's development obligations under this Agreement is terminated or subject to termination by Franchisor, pursuant to the terms of that Franchise Agreement.

5.3 In the event this Agreement is terminated prior to its natural expiration for any reason, the parties agree and acknowledge that the geographic scope of the post-term non-compete described in Section 17.2 of the Initial Franchise Agreement shall also include (a) the Development Area, and (b) a fifteen (15) mile radius around the perimeter of the Development Area.

6. **Reservation of Rights.** Except as provided in Section 1 of this Agreement, the parties agree and acknowledge that the rights granted in this Agreement are non-exclusive and that Franchisor and its affiliates reserve all other rights not expressly granted to Developer herein.

7. **Sale or Assignment.** Developer's rights under this Agreement are personal and Developer may not sell, transfer, or assign any right granted herein without Franchisor's prior written consent, which may be withheld in its sole discretion. Notwithstanding, if Developer is an individual or a partnership, Developer has the right to assign its rights under this Agreement to a corporation or limited liability company that is wholly owned by Developer according to the same terms and conditions as provided in Developer's initial Franchise Agreement. Franchisor has the right to assign this Agreement in whole or in part in its sole discretion.

8. **Acknowledgment**. Developer acknowledges that this Agreement is not a Franchise Agreement and does not confer upon Developer any rights to use the Franchisor's Proprietary Marks or System.

9. **Notices**. Notices, requests and reports to be given under this Agreement are to be in writing, and delivered either by hand, overnight mail via recognized courier such as UPS or FedEx, or certified mail, return receipt requested, prepaid, to the addresses set forth above (which may be changed by written notice). Franchisor may also provide notice to Developer via email, and such notice shall be valid only where Developer replies with an email confirming receipt.

10. **Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without reference to this state's conflict of laws principles.

11. **Internal Dispute Resolution.** Developer must first bring any claim or dispute between Developer and Franchisor to Franchisor's management, after providing Franchisor with notice of and a reasonable opportunity to cure an alleged breach hereunder. Developer must exhaust this internal dispute resolution procedure before bringing a dispute before a third party. This agreement to first attempt resolution of disputes internally will survive termination or expiration of this Agreement.

12. **Mediation**. Other than an Excluded Claim brought by Franchisor or a Franchisor Related Party (as defined herein), and with the exception of injunctive relief or specific performance actions, before the filing of any arbitration, Developer and Franchisor agree to mediate any dispute, controversy or claim between Franchisor and/or any of Franchisor's affiliates, officers, directors, managers, members, owners, guarantors, employees or agents (each a "Franchisor Related Party"), on the one hand, and Developer and/or any of Developer's affiliates, officers, directors, managers, shareholders, members, owners, guarantors, employees or agents (each a "Developer Related Party"), including without limitation, in connection with any dispute, controversy or claim arising under, out of, in connection with or in relation to: (a) this Agreement; (b) the parties' relationship; or (c) the events occurring prior to the entry into this Agreement. Good faith participation in these procedures to the greatest extent reasonably possible, despite lack of cooperation by one or more of the other parties, is a precondition to maintaining any arbitration or legal action, including any action to interpret or enforce this Agreement. This agreement to first attempt resolution of disputes internally and through mediation shall survive termination or expiration of this Agreement.

Mediation will be conducted in Dallas, Texas (or, if Franchisor's corporate headquarters is no longer in Dallas, Texas, the county where Franchisor's corporate headquarters is then-located). Persons authorized to settle the dispute must attend each mediation session in person. The party seeking mediation (the "Initiating Party") must commence mediation by sending the other party/parties a written notice of its request for mediation (the "Mediation Notice"). The Mediation Notice must specify, to the fullest extent possible, the nature of the dispute, the Initiating Party's version of the facts surrounding the dispute, the amount of damages and the nature of any injunctive or other such relief such party claims, and must identify one or more persons with authority to settle the dispute for the Initiating Party. Upon receipt of the Mediation Notice, the parties will endeavor, in good faith, to resolve the dispute outlined in the Mediation Notice. If the parties have been unable to resolve any such dispute within thirty (30) days after the date the Mediation Notice is provided by the Initiating Party to the other party, either party may initiate a mediation procedure in accordance with this provision. The parties agree to participate in the mediation proceedings in good faith with the intention of resolving the dispute if at all possible, within sixty (60) days of the notice from the party seeking to initiate the mediation procedures. The parties agree to participate in the mediation procedure to its conclusion, as set forth in this section.

The mediator shall advise the parties in writing of the format for the meeting or meetings. If the mediator believes it will be useful after reviewing the position papers, the mediator shall give both himself or herself and the authorized person designated by each party an opportunity to hear an oral presentation of each party's views on the matter in dispute. The mediator shall assist the authorized persons to negotiate a resolution of the matter in dispute, with or without the assistance of counsel or others. To this end, the mediator is authorized both to conduct joint meetings and to attend separate private caucuses with the parties. All mediation sessions will be strictly private. The mediator must keep confidential all information learned unless specifically authorized by the party from which the information was obtained to disclose the information to the other party.

The mediation may be concluded: (a) by the signing of a settlement agreement by the parties; (b) by the mediator's declaration that the mediation is terminated; or (c) by a written declaration of either party, no earlier than at the conclusion of a full day's mediation, that the mediation is terminated. Even if the mediation is terminated without resolving the dispute, the parties agree not to terminate negotiations and not to begin any arbitration or legal action or seek another remedy before the expiration of five (5) days following the mediation. A party may begin arbitration within this period only if the arbitration might otherwise be barred by an applicable statute of limitations or in order to request an injunction from a Court of competent jurisdiction to prevent irreparable harm.

The fees and expenses of the mediator shall be shared equally by the parties. The mediator may not later serve as a witness, consultant, expert, or counsel for any party with respect to the dispute or any related or similar matter in which either of the parties is involved. The mediation procedure is a compromise negotiation or settlement discussion for purposes of federal and state rules of evidence. The parties agree that no stenographic, visual, or audio record of the proceedings may be made. Any conduct, statement, promise, offer, view, or opinion, whether oral or written, made in the course of the mediation by the parties, their agents or employees, or the mediator is confidential and shall be treated as privileged. No conduct, statement, promise, offer, view, or opinion made in the mediation procedure is discoverable or admissible in evidence for any purpose, not even impeachment, in any proceeding involving either of the parties. However, evidence that would otherwise be discoverable or admissible shall not be excluded from discovery or made inadmissible simply because of its use in the mediation.

13. **Arbitration**. With the exception of "Excluded Claims" (as defined below), and if not resolved by the negotiation and mediation procedures set forth in Sections 11 and 12 above, any dispute, controversy or claim between Developer and/or any Developer Related Party, on the one hand, and Franchisor and/or any Franchisor Related Party, on the other hand, including, without limitation, any dispute, controversy or claim arising under, out of, in connection with or in relation to: (a) this Agreement, (b) the parties' relationship, (c) the events leading up to the entry into this Agreement, (d) the Development Area, (e) the scope or validity of the arbitration obligation under this Agreement, (f) any System standard; and/or (g) any claim based in tort or any theory of negligence shall be submitted to binding arbitration under the authority of the Federal Arbitration Act and must be determined by arbitration administered by the American Arbitration Association pursuant to its then-current commercial arbitration rules and procedures.

Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action, associational claim, or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. In the event a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate shall become null and void and the parties shall submit all claims to the jurisdiction of the courts.

The arbitration must take place in Dallas, Texas (or, if Franchisor's corporate headquarters is no longer in Dallas, Texas, the county where Franchisor's corporate headquarters is then located). The arbitration will be heard before one arbitrator. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least five (5) years of significant experience in franchise law. Any issue as to whether a matter is subject to arbitration will be determined by the arbitrator. A judgment may be entered upon the arbitration award by any state or federal court in Dallas, Texas.

In connection with any arbitration proceeding, each party will submit or file any claim which would constitute a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding will be forever barred. The decision of the arbitrator will be final and binding on all parties to the dispute; however, the arbitrator may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages; (3) certify a class or a consolidated action; or (4) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. The arbitrator shall have the right to make a determination as to any procedural matters that a court of competent jurisdiction would be permitted to make in the state in which Franchisor's main office is located. Further, the arbitrator shall decide all factual, procedural, or legal questions relating in any way to the dispute between the parties, including, without limitation, questions relating to whether Sections 11, 12, or 13 is applicable and enforceable as against the parties; the subject matter, timeliness, and scope of the dispute; any available remedies; and the existence of unconscionability and/or fraud in the inducement.

The arbitrator can issue summary orders disposing of all or part of a claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships, and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, etc., by any court having jurisdiction.

The arbitrator shall have subpoena powers limited only by the laws of the State of Texas. The parties ask that the arbitrator limit discovery to the greatest extent possible consistent with basic fairness in order to minimize the time and expense of arbitration. The parties to the dispute shall otherwise have the same discovery rights as are available in civil actions under the laws of the State of Texas. All other procedural matters shall be determined by applying the statutory, common laws, and rules of procedure that control a court of competent jurisdiction in the State of Texas.

Other than as may be required by law, the entire arbitration proceedings (including, without limitation, any rulings, decisions or orders of the arbitrator), shall remain confidential and shall not be disclosed to anyone other than the parties to this Agreement.

The judgment of the arbitrator on any preliminary or final arbitration award shall be final and binding and may be entered in any court having jurisdiction.

Franchisor reserves the right, but has no obligation, to advance Developer's share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so shall not be deemed to have waived or relinquished Franchisor's right to seek recovery of those costs against Developer.

Exceptions to Mediation and/or Arbitration (the "Excluded Claims")

Notwithstanding Section 12 or 13, the parties agree that the following claims will not be subject to internal dispute resolution, mediation, or arbitration:

(a) any action for declaratory or equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief pursuant to Section 14 below, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder;

(b) any action in ejectment or for possession of any interest in real or personal property; or

(c) any claim by Franchisor and/or any Franchisor Related Party: (a) relating to Developer's failure to pay any fee due to Franchisor and/or its affiliates under this Agreement or any other agreement; (b) relating to Developer's or any Developer Related Party's failure to comply with the confidentiality and non-competition covenants set forth in this Agreement; (c) relating to Developer's indemnification obligations under this Agreement; and/or (d) relating to Developer's use of the Marks and/or the System, including, without limitation, claims for violations of the Lanham Act.

14. **Injunctive Relief.** Developer acknowledges and agrees that irreparable harm could be caused to Franchisor by Developer's violation of certain provisions of this Agreement and, as such, in addition

to any other relief available at law or equity, Franchisor shall be entitled to obtain in any court of competent jurisdiction, without bond, restraining orders or temporary or permanent injunctions in order to enforce, among other items, the provisions of this Agreement relating to: (i) Developer's use of the Proprietary Marks and Franchisor's confidential information; (ii) Developer's covenant not to compete, as well as any other violations of the restrictive covenants set forth in this Agreement or any Franchise Agreement with Franchisor; (iii) Developer's obligations on termination or expiration of this Agreement; (iv) disputes and controversies based on or arising under the Lanham Act, or otherwise involving the Proprietary Marks, as now or hereafter amended; (v) disputes and controversies involving enforcement of the Franchisor's rights with respect to confidentiality under this Agreement; and (vi) prohibiting any act or omission by Developer or its employees that constitutes a violation of applicable law, threatens Franchisor's franchise system or threatens other franchisees of Franchisor. Developer's only remedy if such an injunction is entered will be the dissolution of the injunction, if appropriate, and Developer waives all damage claims if the injunction is wrongfully issued.

15. **Jurisdiction and Venue.** Subject to Sections 12 and 13 of this Agreement, the parties agree that any actions arising out of or related to this Agreement must be initiated and litigated to conclusion exclusively in the state court of general jurisdiction closest to Franchisor's then-current corporate headquarters, or, if appropriate, the United States District Court for the Northern District of Texas (unless settled by the parties after such action is initiated). Developer acknowledges that Franchisor may bring an action in any other court of competent jurisdiction to seek and obtain injunctive relief as set forth in Section 14 above. Developer hereby irrevocably consents to the personal jurisdiction of the state and federal courts described in this Section.

16. **Third Party Beneficiaries.** Franchisor's officers, members, managers, agents and/or employees are express third party beneficiaries of this Agreement and the dispute resolution procedures contained herein, including without limitation, the right to specifically utilize and exhaust the mediation procedure with respect to any and all claims asserted against such person(s) by Developer or its principals.

17. **JURY TRIAL WAIVER.** THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER WILL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR DEVELOPER'S PURCHASE FROM FRANCHISOR OF THE DEVELOPMENT RIGHTS DESCRIBED HEREIN.

18. **WAIVER OF CLASS ACTIONS**. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISED BUSINESS, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN DEVELOPER, DEVELOPER'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

19. **Waiver of Punitive Damages.** Developer waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) that Developer may have against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, Developer's recovery will be limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions will continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

20. **Attorneys' Fees.** If either party institutes any judicial or mediation proceeding to enforce any monetary or nonmonetary obligation or interpret the terms of this Agreement and Franchisor prevails in the action or proceeding, Developer will be liable to Franchisor for all costs, including reasonable attorneys' fees and court costs, incurred in connection with such proceeding.

21. **Nonwaiver.** Franchisor's failure to insist upon strict compliance with any provision of this

Agreement will not be a waiver of Franchisor's right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by Franchisor respecting any breach or default will not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Agreement will be cumulative. Franchisor's election to exercise any remedy available by law or contract will not be deemed a waiver or preclude exercise of any other remedy.

22. **Severability.** The parties agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision will have the meaning which renders it valid and enforceable. The provisions of this Agreement are severable, and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions will be enforced to the extent that they are valid and enforceable. If any material provision of this Agreement will be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserves the right to terminate this Agreement.

23. **Construction of Language.** The language of this Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as Developer, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

24. **Successors**. References to "Franchisor" or "Developer" include the respective parties' successors, assigns or transferees, subject to the limitations of Section 7 of this Agreement.

25. **Additional Documentation.** Developer must, from time to time, subsequent to the date first set forth above, at Franchisor's request and without further consideration, execute and deliver such other documentation or agreements and take such other action as Franchisor may reasonably require in order to effectuate the transactions contemplated in this Agreement. In the event that Developer fails to comply with the provisions of this Section, Developer hereby appoints Franchisor as Developer's attorney-in-fact to execute any and all documents on Developer's behalf, as reasonably necessary to effectuate the transactions contemplated herein.

26. **No Right to Offset.** Developer may not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of the alleged nonperformance of Franchisor or any of its affiliates or as an offset against any amount Franchisor or any of its affiliates may owe or allegedly owe Developer under this Agreement or any related agreements.

27. **Entire Agreement**. This Agreement contains the entire agreement between the parties concerning Developer's development rights within the Development Area; no promises, inducements or representations (other than those in the Franchise Disclosure Document) not contained in this Agreement have been made, nor will any be of any force or effect, or binding on the parties. Modifications of this Agreement must be in writing and signed by both parties. Franchisor reserves the right to change Franchisor's policies, procedures, standards, specifications or manuals at Franchisor's discretion. In the event of a conflict between this Agreement and any Franchise Agreement(s), the terms, conditions and intent of this Agreement will control. Nothing in this Agreement, or any related agreement, is intended to disclaim any of the representations Franchisor made to Developer in the Franchise Disclosure Document that Franchisor provided to Developer.

[Signature Page Follows]

IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.

WEFIXBRAINS, LLC	**DEVELOPER:**
______________________________	______________________________
	______________________________
	Date: ______________________________

EXHIBIT A to DEVELOPMENT AGREEMENT

DATA SHEET

1. **Development Area.** The Development Area, as referred to in Section 1 of the Development Agreement, is described below (or an attached map) by geographic boundaries and will consist of the following area or areas:

2. **Development Schedule.** The Development Schedule referred to in Section 5 of the Development Agreement is as follows:

Expiration of Development Period (each, a "Development Period")	# of New Franchised Businesses Opened Within Development Period	Cumulative # of Franchised Businesses that Must Be Open and Operating as of the Expiration of this Development Period
Twelve (12) Months from Effective Date		
Twenty-Four (24) Months from Effective Date		
Thirty-Six (36) Months from Effective Date		
Forty-Eight (48) Months from Effective Date		
Sixty (60) Months from Effective Date		

3. **Development Fee.** The Development Fee that is due and payable to Franchisor immediately upon execution of this Agreement shall be $________________. Upon signing of each individual Franchise Agreement, Developer shall pay to Franchisor a non-refundable Initial Franchise Fee of $_____________ per facility. Should development schedule not be met, Developer will be held liable for remainder of Initial Franchise Fees that are due under this Agreement.

APPROVED AND ACCEPTED BY:

WEFIXBRAINS, LLC

By: ______________________________________

Date: ____________________________________

DEVELOPER

By: ______________________________________

Date: ____________________________________

EXHIBIT G
TO
FRANCHISE DISCLOSURE DOCUMENT

FORM OF TERMINATION AND RELEASE AGREEMENT

**FORM OF TERMINATION OF FRANCHISE AGREEMENT
AND RELEASE UPON TRANSFER TO AN AUTHORIZED FRANCHISEE**

This Termination of Franchise Agreement and Release (the "**Agreement**") is made this ______day of _____________, 202__, by and between wefixbrains, LLC, a Texas limited liability company with its principal business address at 3303 Lee Parkway #102, Dallas, Texas 75219 ("Franchisor") and _________________________, a ______________________________ with an address at __________________________("Transferor").

BACKGROUND

A. On ___________________, Transferor entered into a franchise agreement (the "Franchise Agreement") with Franchisor for the right to operate a business that offers various mental health therapy services, including psychotherapy and other related therapy services under the "LIFEOLOGIE COUNSELING" proprietary marks ("Franchised Business") at ____.

B. Transferor has satisfied all conditions of transfer as specified in the Franchise Agreement and now desires to sell the business to ___________________, who has been approved by Franchisor as an authorized transferee.

C. In order to complete Transferor's sale of the business, Transferor now desires to terminate the Franchise Agreement and all rights and obligations between the parties relating to the Franchise Agreement, and Franchisor desires to accept such termination, pursuant to the terms of this Agreement.

AGREEMENT

In consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and intending to be legally bound, the parties agree as follows:

1. Subject to the terms and conditions contained in this Agreement, the Franchise Agreement and all rights and obligations between Franchisor and Transferor arising from or related to the Franchise Agreement are terminated, effective as of the date of this Agreement.

2. Notwithstanding anything in this Agreement to the contrary, the parties agree that Transferor shall remain bound by all of the post-term covenants and obligations contained in the Franchise Agreement including, without limitation, those relating to confidential information and non-competition.

3. Transferor represents and warrants that all of Transferor's monetary obligations to Franchisor and its subsidiaries and affiliates have been satisfied in full as of the date of this Agreement.

4. Transferor, for itself and all persons and entities claiming by, through or under it, release, acquit and forever discharge Franchisor and its present and former officers, employees, shareholders, directors, agents, servants, representatives, affiliates, successors and assigns (the "Franchisor Releasees") from all obligations, claims, debts, demands, covenants, contracts, promises,

agreements, liabilities, costs, attorney's fees, actions or causes of action whatsoever, whether known or unknown, which she, by itself, on behalf of, or in conjunction with any other person, persons, partnership or corporation, have, had or claim to have against the Franchisor Releasees arising out of or related to the offer, sale and operation of the Franchised Business, and the parties' rights or obligations under the Franchise Agreement.

5. Excluding the indemnification obligations set forth in the Franchise Agreement, and Transferor's obligations as set forth in paragraph 2 of this Agreement, Franchisor, for itself and all persons and entities claiming by, through or under it, releases, acquits and forever discharges Transferor and Transferor's employees, agents, servants, representatives, affiliates, successors and assigns (the "Transferor Releasees") from all obligations, claims, debts, demands, covenants, contracts, promises, agreements, liabilities, costs, attorney's fees, actions or causes of action whatsoever, whether known or unknown, which it, by itself, on behalf of, or in conjunction with any other person, persons, partnership or corporation, have, had or claim to have against the Transferor Releasees arising out of or related to the offer, sale and operation of the Franchised Business, and the parties' rights or obligations under the Franchise Agreement.

6. This Agreement constitutes the entire integrated agreement of the parties with respect to the subject matter contained in this Agreement, and may not be subject to any modification without the written consent of the parties. This Agreement shall be for the benefit of and binding upon the parties and their respective representatives, successors and assigns. Each party acknowledges that the terms of this Agreement have been completely read and are fully understood and voluntarily accepted by each party, after having a reasonable opportunity to retain and confer with counsel. This Agreement is entered into after a full investigation by the parties, and the parties are not relying upon any statements or representations not embodied in this Agreement.

7. This Agreement shall be construed under the laws of the State of Texas, which laws shall control in the event of any conflict of law.

8. In the event that Franchisor retains the services of legal counsel to enforce the terms of this Agreement, it shall be entitled to recover all costs and expenses, including reasonable attorney's fees, incurred in enforcing the terms of this Agreement.

9. Transferor agrees that Transferor has and had a relationship with Franchisor at its offices in Texas and that, with the exception of Franchisor's right to seek injunctive relief in any appropriate jurisdiction, any action by or against Franchisor arising out of or relating to this Agreement shall be commenced and concluded in the State of Texas pursuant to the mediation and venue and jurisdiction provisions of the Franchise Agreement.

10. This Agreement may be signed in multiple counterparts by the various parties and the failure to have the signatures of all parties on a single Agreement shall not affect the validity or enforceability of any part of this Agreement against any party who signs any counterpart of the Agreement. Executed facsimile copies of this Agreement shall be deemed to be effective as original signatures.

I HAVE READ THE ABOVE AGREEMENT AND UNDERSTAND ITS TERMS. I WOULD NOT SIGN THIS AGREEMENT IF I DID NOT UNDERSTAND AND AGREE TO BE BOUND BY ITS TERMS.

FRANCHISOR

____
By

TRANSFEROR

____
By

EXHIBIT H
TO
FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

ADDENDUM REQUIRED BY THE STATE OF ILLINOIS

Sections 4 and 41 and Rule 608 of the Illinois Franchise Disclosure Act states that court litigation must take place before Illinois federal or state courts and all dispute resolution arising from the terms of this Agreement or the relationship of the parties and conducted through arbitration or litigation shall be subject to Illinois law. The FDD, Franchise Agreement and Development Agreement are amended accordingly.

Item 5 of the Franchise Disclosure Document is hereby amended to include the following: “The Illinois Attorney General’s Office has imposed a financial assurance requirement on the franchisor due to its financial condition. The franchisor has filed a surety bond with the Attorney General’s Office to satisfy this financial assurance requirement.”

The governing law or choice of law clause described in the FDD and contained in the Franchise Agreement and Development Agreement is not enforceable under Illinois law. This governing law clause shall not be construed to negate the application of Illinois law in all situations to which it is applicable.

Section 41 of the Illinois Franchise Disclosure Act states that “any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void.” The Franchise Agreement is amended accordingly. To the extent that the Franchise Agreement would otherwise violate Illinois law, such Agreement is amended by providing that all litigation by or between you and us, arising directly or indirectly from the Franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements, and Illinois law will pertain to any claims arising under the Illinois Franchise Disclosure Act.

Item 17.v, Choice of Forum, of the FDD is revised to include the following: “provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act.”

Item 17.w, Choice of Law, of the FDD is revised to include the following: “provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act”.

The termination and non-renewal provisions in the Franchise Agreement, Development Agreement, and the FDD may not be enforceable under Sections 19 and 20 of the Illinois Franchise Disclosure Act.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Under Section 705/27 of the Illinois Franchise Disclosure Act, no action for liability under the Illinois Franchise Disclosure Act can be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to you of a written notice disclosing the violation, whichever shall first expire. To the extent that the Franchise Agreement and/or Development Agreement is inconsistent with the Illinois Franchise Disclosure Act, Illinois law will control and supersede any inconsistent provision(s).

NEW YORK STATE ADDENDUM TO FDD

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 RESOURCES 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 CANNOT 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:

Except as provided 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 that is 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 years 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; this proviso intends that the nonwaiver 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 a 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 earliest 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.

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

In recognition of the requirements of the Virginia Retail Franchising Act § 13.1-564, the Disclosure Document for wefixbrains, LLC in connection with the offer and sale of franchises for use in the Commonwealth of Virginia shall be amended to include the following:

Item 17 h. of the Disclosure Document and Section 15 of the Franchise Agreement shall be amended by the addition of the following paragraph at the conclusion of the Item and Section:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise agreement without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

EXHIBIT I
TO
FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES AS OF DECEMBER 31, 2024

Owner	Location Address	Phone Number
The Sana Initiative, LLC	7195 Thornapple River Drive, Ada, MI 49301	(616) 279-5847
The Sana Initiative, LLC	5075 Cascade Road SE, Grand Rapids, MI 49546	(616) 279-5847
eSupport Counseling, PLLC	5726 Fayetteville Road, Suite 203, Durham, NC 27713	(919) 609-0954
eSupport Counseling, PLLC	3901 Barrett Drive, Suite 100, Raleigh, NC 27609	(919) 609-0954
Watershed Group of Dallas, PLLC	610 Uptown Blvd, Suite 4000, Cedar Hill, TX 75104	(832) 264-8283
Watershed Group of Dallas, PLLC	6371 Preston Road, Suite 120, Frisco, TX 75034	(832) 264-8283
Watershed Group of Dallas, PLLC	3600 Shire Blvd, Suite #208, Richardson, TX 75082	(832) 264-8283
Watershed Group of Dallas, PLLC	1101 Raintree Circle, Suite 180, Allen, TX 75013	(832) 264-8283
Watershed Group of Houston, PLLC	501 New Territory Blvd., Sugar Land, TX 77479	(832) 264-8283
Watershed Group of Houston, PLLC	1888 Stebbins Dr., Suite 103 Houston, TX 77056	(832) 264-8283
Watershed Group of Austin, PLLC	2104 Alexander Ave., Austin, TX 78723	(512) 651-3757
Watershed Group of Camden, PLLC	Virtual Only	(856) 355-8785
Spiritus Health, Inc.	2111 E. Pecos Road, Suite 2, Chandler, AZ 85225	(480) 847-1377
Bia Mental Health	211 S. Tyler Street, Dallas, TX 75208	(214) 686-6148
Virtually Speaking: Counseling and Consulting Services, LLC	420 Hawkins Run, Suite 100, Midlothian, TX 76065	(214) 530-2335

EXHIBIT J
TO
FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

The franchisees listed below opened a location, and then closed operations, or has otherwise failed to communicate with Franchisor in the ten weeks preceding the date of this Disclosure Document:

Former Owner	**Location Address**	**Phone Number**
MEL-KAM, Inc.	880 Seven Hills Drive, Suite 200, Henderson, NV 89052	(702) 268-7223
Residual Care, LLC	8575 Fern Ave, Suite 108, Shreveport, LA 71105	(318) 459-7702

The franchisees listed below signed a Franchise Agreement in 2024, but did not yet commence operations:

Peace of Mind Mental Health Services
Hampton Roads, VA
(750) 960-3121

EXHIBIT K
TO
FRANCHISE DISCLOSURE DOCUMENT

COMPLIANCE CERTIFICATION

FRANCHISEE COMPLIANCE CERTIFICATION

DO NOT SIGN THIS CERTIFICATION IF YOU ARE A RESIDENT OF, OR INTEND TO OPERATE THE FRANCHISED BUSINESS IN, ANY OF THE FOLLOWING STATES:

CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI

The date of my first face-to-face meeting with a wefixbrains, LLC ("**Franchisor**") officer, director, franchise marketing representative, franchise broker or any other person affiliated with Franchisor, to discuss the possible purchase of a Lifeologie franchise was ______________, 202__. Franchisee's Initials ________

The date on which I received a Franchise Disclosure Document was _________________, 202__. Franchisee's Initials ________

The date when I received a fully completed copy (other than signatures) of the Franchise Agreement I later signed was _________________, 202__.
Franchisee's Initials ________

The earliest date on which I signed the Franchise Agreement or any other binding document (not including the FDD Receipt page) was _________________, 202__.
Franchisee's Initials ________

The earliest date on which I delivered cash, check or other consideration to the franchisor was _________________, 202__. Franchisee's Initials ________

Representations:

No promises, agreements, contracts, commitments, understandings, "side-deals," options, rights-of- first-refusal or otherwise have been made to or with me with respect to any matter (including but not limited to any representations or promises regarding advertising, marketing, site location, operational assistance or otherwise), nor have I relied in any way on any such representation except as expressly set forth in the Franchise Agreement, or any written addendum signed by me and the franchisor, except as follows:

(If none, the franchisee shall write NONE) Franchisee's Initials ________

No oral, written or visual claim or representation, promise, agreement, contract, commitment, understanding or otherwise which contradicted, expanded upon or was inconsistent with the Franchise Disclosure Document or Franchise Agreement was made to me by any person or entity, except as follows:

(If none, the franchisee shall write NONE) Franchisee's Initials ________

Except as provided for in the Item 19 of the Franchise Disclosure Document (if applicable), no oral, written or visual claim or representation (including but not limited to charts, tables, spreadsheets or mathematical calculations) which stated or suggested any specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or from which such items might be ascertained) was made to me by any person or entity, except as follows:

(If none, the franchisee shall write NONE) Franchisee's Initials ________

No contingency, condition, prerequisite, prior requirement, proviso, reservation, impediment, stipulation, provision or otherwise exists with respect to any matter (including but not limited to obtaining financing, site selection, operational matters or otherwise) and/or with respect to my fully performing all of my obligations under the Franchise Agreement, and/or any other documents to be executed by me, nor have I relied in any way on any such condition, except as expressly set forth in a writing signed by me and the President of Franchisor, except as follows:

(If none, the franchisee shall write NONE) Franchisee's Initials ________

I hereby understand that there will be no refunds. Franchisee's Initials ________

Except as set forth in Item 19 of the Franchise Disclosure Document, the franchisor does not make or endorse nor does it allow any marketing representative, broker or other individual to make or endorse any oral, written, visual or other claim or representation (including but not limited to charts, tables, spreadsheets or mathematical calculations) which stated or suggested any specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or from which such items might be ascertained) with respect to this or any other franchise, whether made on behalf of or for Franchisor, any franchisee, or other individual and expressly disclaims any such information, data or results.

In addition, the franchisor does not permit any promises, agreements, contracts, commitments, understandings, "side-deals," options, rights-of-first-refusal or otherwise or variations of, changes in or supplements to the Franchise Agreement or the existence of any contingencies or conditions to Franchisee's obligations except by means of a written addendum signed by Franchisee and franchisor.

If any such representations, "side-deals," contingencies or otherwise have been made by you by any person or otherwise exist, immediately inform the franchisor.

Franchisee's Initials ________

The prospective franchisee understands and agrees to all of the foregoing and certifies that all of the above statements are true, correct and complete.

FRANCHISEE

___________________________ ____
Dated By

____
Print Name

____
Title (if Franchisee is an entity)

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	Not Registered
Hawaii	Not Registered
Illinois	Pending
Indiana	Not Registered
Maryland	Not Registered
Michigan	Not Registered
Minnesota	Not Registered
New York	Pending
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Pending
Washington	Not Registered
Wisconsin	Not Registered

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 L
TO
FRANCHISE DISCLOSURE DOCUMENT

RECEIPT PAGE

RECEIPTS

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If wefixbrains, LLC offers you a franchise it must provide this disclosure document to you 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. **New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or payment of any consideration that relates the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first**.

If wefixbrains, LLC does not deliver this 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 state administrator identified in **Exhibit A** of this Franchise Disclosure Document. A list of franchisor's agents registered to receive service of process is listed as **Exhibit B** to this Franchise Disclosure Document.

I have received a Franchise Disclosure Document with an issue date of April 29, 2025. Effective Dates for this Franchise Disclosure Document in the registration states are listed on the State Effective Dates Page following the State Cover Page. This Franchise Disclosure Document included the following Exhibits:

Exhibit A – List of State Administrators
Exhibit B – List of Agents for Service of Process
Exhibit C – Table of Contents of Operations Manual
Exhibit D – Financial Statements
Exhibit E – Franchise Agreement
Exhibit F – Area Development Agreement
Exhibit G - Sample Termination and Release Agreement
Exhibit H – State Specific Addenda
Exhibit I – List of Franchisees
Exhibit J – List of Franchisees Who Have Left the System
Exhibit K – Compliance Certification
Exhibit L – Receipts

A list of the names, principal business addresses, and telephone numbers of each franchise seller offering this franchise is as follows:
Melanie Wells at 3303 Lee Parkway #102, Dallas, Texas 75219; (214) 357-4001.
____

Date: __________________________

Franchisee Information:

____
By

____

Print Name

____
Title (if Franchisee is an entity)

____
Name of Entity (if Franchisee is an entity)

____
Address

____
Telephone Number

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Name of Entity (if Franchisee is an entity)

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Address

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Telephone Number

Please retain this copy of the receipt for your records.