

FRANCHISE DISCLOSURE DOCUMENT



Upgrade Labs Franchise, Inc.
A Delaware Corporation
9295 Lake Park Drive, P203
Fort Myers, Florida 33919
(305) 402-4882
www.upgradelabs.com

We offer qualified individuals and entities a franchise for the right to independently own and operate a distinctive business that operates under the UPGRADE LABS® mark and features certain products and non-invasive treatments such as adaptive cardio, neurofeedback, pulsed electromagnetic field therapy, and many other technologies intended to supercharge clients' bodies, minds and spirits provided to clients in a spa-like setting (each an "Upgrade Labs Center" or "Center").

The total investment necessary to begin operation of a single Center ranges from \$751,500 to \$1,525,500. This includes \$290,000 to \$585,000 that must be paid to us or our affiliates. The total investment necessary to begin operation under an Area Development Agreement for two to five Centers (\$65,000 per Center) ranges from \$130,000 to \$310,000. This includes \$125,000 to \$295,000 that must be paid to us.

This disclosure document summarizes certain provisions of your franchise agreement, development 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 us at franchise@upgradelabs.com or (305) 402-4882.

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

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

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

Issuance Date: May 19, 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 E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C 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 Upgrade Labs 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 franchise 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 an Upgrade Labs franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experience.
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 that 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 and development agreement require you to resolve disputes with the franchisor by mediation and/or litigation only in Florida. 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 or litigate with the franchisor in Florida than in your own states.
2. **Spousal Liability.** Your spouse must sign a document that makes 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. If you are an entity, then each of your owners and, at our option, their respective spouses must sign such a document.
3. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. The franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
4. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

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Exhibits:

- A. List of State Franchise Administrators/Agents for Service of Process
- B. Franchise Agreement
- C. Development Agreement
- D. Financial Statements
- E. State Specific Addenda
- F. List of Franchisees
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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language of this Disclosure Document, “we,” “us” or “our.” refers to Upgrade Labs Franchise, Inc., the franchisor. “You” or “your” means the person or legal entity who buys the franchise. If you are a corporation, a partnership, or a limited liability company, certain provisions of this disclosure document also apply to your owners and will be noted.

The Franchisor

We are a Delaware corporation incorporated on April 16, 2021. Our principal business address is located at 9295 Lake Park Drive, P203, Fort Myers, Florida 33919. We only do business under our corporate name and our Proprietary Marks, including the mark Upgrade Labs.

We first began offering franchises for the right to operate Upgrade Lab Centers as of July 29, 2021. We have never sold franchises in any other line of business and are not otherwise engaged in any other business activity. As of the issuance date of this Disclosure Document, there were 7 franchised Upgrade Labs Centers in operation.

Our agents for service of process are listed in Exhibit A to this Disclosure Document.

Our Parent, Predecessors and Affiliates

Our parent, Upgrade Labs Holdings, Inc. (“Holdings”), is a Delaware corporation formed on June 15, 2021 with an address at 5836 S 228th Street, Kent, Washington 98032. Holdings is our sole shareholder. Holdings does not own or operate any other businesses of the type being franchised and has never offered franchises in this or any other line of business.

Our affiliate, Upgrade Labs Distribution, Inc. (“Distribution Co.”), is a Delaware corporation incorporated on June 17, 2021 with an address at 5836 S 228th Street, Kent, Washington 98032. Distribution Co. is a designated supplier of certain equipment items and other products that our franchisees are required to purchase for use in their Centers. Distribution Co. does not own or operate any Upgrade Lab Centers and has never offered franchises in this or any other line of business.

Our affiliate, Upgrade Labs IP, Inc. (“IP Holdings”), is a Delaware corporation with an address at 5836 S. 228th Street, Kent, Washington 98032. IP Holdings owns the Marks, confidential information, copyrights, and related intellectual property associated with the System, which it licenses to us for use in the System. IP Holdings does not own or operate any Upgrade Lab Centers and has never offered franchises in this or any other line of business.

Except as provided above in this Item, we do not have any affiliates or predecessors that must be disclosed in this Disclosure Document.

The Franchised Centers

Upgrade Lab Centers operate under the mark UPGRADE LABS® and our other trade names, service marks, trademarks, logos, emblems, and indicia of origin that we designate (the “Proprietary Marks”) and also operate utilizing our proprietary business system (the “System”) described more fully below. Upgrade Labs Centers feature certain products and non-invasive treatments such as artificial intelligence adaptive cardio, neurofeedback, pulsed electromagnetic field therapy (“PEMF”), cell trainer,

legendary, and many other biohacking technologies intended to supercharge clients' bodies, minds and spirits (the "Approved Products and Services") provided to clients in a spa-like setting using the Upgrade Labs brand, operating system and standards. Clients have the option of purchasing a one-time visit or a multiple-visit package.

We grant franchises for the right to independently own and operate a franchised Upgrade Labs Center (a "Franchised Center") under our Upgrade Labs Franchise Agreement, which is attached as Exhibit B to this Disclosure Document (the "Franchise Agreement"). Franchised Centers operate using our Proprietary Marks and in accordance with our proprietary methodology and procedures for the establishment and operation of a Center; site selection guidance and criteria; specifications for the design, layout and construction of the interior of a Center; standards and specifications for the furniture, fixtures and equipment located within a Center; established relationships with approved or designated suppliers for certain products and services; and standards and specifications for sales techniques, merchandising, marketing, advertising, inventory management systems, advertising, bookkeeping, sales and other aspects of operating a Center (collectively, the "System"), which we may modify from time to time as we deem appropriate in our sole discretion. Upgrade Labs Centers operate pursuant to our standards and procedures ("System Standards") and our confidential and proprietary operations manual (the "Manual").

Franchised Centers will have between approximately 2,800 to 3,200 square feet of leased or owned space and will typically be located in retail shopping center or other high-traffic area. Once we agree on the location of your Franchised Center (the "Franchised Location"), we will designate a geographical area around the Franchised Location where we will not own or operate, or license a third party the right to own or operate, an Upgrade Labs Center that utilizes the Proprietary Marks and System (your "Protected Territory").

You must designate one of your owners that we have approved to serve as your "Principal Owner" who will be the person with whom we communicate and whom will have authority to bind you with respect to all financial, operational and legal matters related to your Franchised Center and your Franchise Agreement. You also must appoint an individual who will be responsible for the day-to-day management of your Franchised Center that we have approved (the "Designated Manager").

Multi-Unit Offering

We also offer multi-unit development rights to qualified franchisees who sign our Upgrade Labs Development Agreement, which is attached to this Disclosure Document as Exhibit C (the "Development Agreement") and agree to develop two or more Franchised Centers within a defined geographical area ("Development Area") according to a mandatory development schedule (a "Development Schedule"). When you sign our Development Agreement, you will also sign the Franchise Agreement attached as Exhibit A for your first Franchised Center. Thereafter, you will sign our then-current form of Franchise Agreement for each Franchised Center that you develop under that Development Agreement, which might differ from the form of Franchise Agreement attached to this disclosure document.

Market and Competition

The market for biohacking technology services is new and developing. You will compete with other treatment centers and other businesses providing forms of recovery, fitness and health wellness.

Industry-Specific Regulations

Most states and local jurisdictions have enacted laws, rules, regulations and ordinances that may apply to the operation of wellness centers, including those that: (1) establish general standards,

specifications and requirements for the construction, design and maintenance of the business premises; (2) regulate matters affecting the health, safety and welfare of your customers, such as restrictions on smoking and sanitation requirements; (3) set standards pertaining to employment matters, including discrimination and sexual harassment; (4) regulate matters affecting requirements for accommodating disabled persons, including the Americans with Disabilities Act; (5) set standards and requirements for fire safety and general emergency preparedness; and (6) data privacy. You must consult with your own attorney to ensure that the laws of the state where your Franchised Center is located permit you to provide the Approved Products and Services from your Franchised Center.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer: David Asprey

David Asprey the founder of the Upgrade Labs system and serves as our Chief Executive Officer, a position he has held since April 2021. He also has served as the Chief Executive Officer of our parent Holdings, and our affiliates Distribution Co., and IP Holdings since their incorporation, and as the Chief Executive Officer of our affiliate Upgrade Labs, Inc. of Santa Monica, California since November 2020. From December 2014 until March 2021, he served as the Chairman of the Board and Chief Executive Officer of Bulletproof 360, Inc. of Seattle, Washington. Since March 2014, he has served as the Chief Executive Officer of Homebiotic, Inc. of Kent, Washington. Since April 2015, he has served as the Chief Executive Officer of Bulletproof Media, Inc. of Kent, Washington. Since May 2016, he has served as the Chief Executive Officer of 40 years, Inc. of Kent, Washington. Since November 2016, he has served as the Chief Executive Officer of Biohacked, Inc. of Kent, Washington. Since May 2020, he has served as the Chief Executive Officer of Legendary Neurosciences, Inc., TrueLight, Inc. and Upgrade Events, Inc., all of Kent, Washington. Since March 2020, he has served as the Chief Executive Officer of BeProof, Inc. of Kent, Washington.

Chief Financial Officer: Ryan Kyle

Ryan Kyle has served as our Chief Financial Officer since May 2022. Mr. Kyle served as the Director of Finance for Rudy's Barbershop Holdings, LLC in Seattle, Washington from August 2017 until July 2020.

President: Griff Long

Griff Long has served as our President since September 2024. He served as the Chief Executive Officer of Elysian One, Inc. in Tacoma, Washington from March 2020 to September 2024.

Senior Vice President of Operations: Miranda Cameron

Miranda Cameron has served as our Vice President of Operations since April 2021. From July 2018 to June 2024, she has served as the Vice President of Operations for Upgrade Labs, Inc. of Santa Monica, California.

Senior Director of Design and Construction: Michael Moore

Michael Moore has served as our Senior Director of Design and Construction since October 2024. He served as our Senior Director of Franchise from October 2023 to October 2024 and as our Franchise

Development Director from August 2021 to October 2023. From September 2019 to June 2021, he served as Director of Franchise for Blue Triton Brands, Inc. in Stamford, Connecticut.

Director of Operations: Brittany Romano

Brittany has served as our Director of Sales and Operations since September 2023. From May 2015 to March 2021, she served as Division Franchise Director for GNC Holdings, LLC in Pittsburgh, Pennsylvania. From July 2020 to August of 2021, she served as Director of Training and Franchise Relations for Clean Eat Franchising LLC in Wilmington, North Carolina. From August 2021 to September 2023, she served as Director of Operations of DL Franchising LLC in Canonsburg, Pennsylvania.

ITEM 3

LITIGATION

No litigation must be disclosed in this Item.

ITEM 4

BANKRUPTCY

On August 24, 2020, our affiliate, Upgrade Labs, Inc. filed a bankruptcy petition under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the Central District of California, Los Angeles Division captioned In re: Upgrade Labs, Inc., Case No. 2:20-bk-15422-BB. On November 24, 2020, the bankruptcy court entered a discharge.

Except for the matter above, no bankruptcy information must be disclosed in this Item.

ITEM 5

INITIAL FEES

Initial Franchise Fee

You must pay us a \$65,000 initial franchise fee when you sign the Franchise Agreement for a Franchised Center (“Initial Franchise Fee”).

If you develop Franchised Centers under a Development Agreement, the Initial Franchise Fee will be \$65,000 for each of the first four Franchised Centers you agree to develop and \$50,000 for each additional Franchised Center that you agree to develop. The Development Fees that you pay under the Development Agreement will be applied as a credit against these Initial Franchise Fees.

Development Fee

If we grant you the right to open multiple Franchised Centers under a Development Agreement, when you sign your Development Agreement you must pay us a one-time Development Fee in the amount of \$65,000 for each of the first four Franchised Centers that you agree to develop, and \$50,000 for each additional Franchised Center that you agree to develop under the Development Agreement. We will apply a credit for the Development Fees that you pay against the Initial Franchise Fee due under the Franchise Agreement that you will sign for each Franchised Center. Your Development Fee will be deemed fully earned upon payment and is not refundable under any circumstances.

Initial Purchases

Before opening your Franchised Center, you must purchase from our affiliate Distribution Co. certain designated and required equipment, the cost of which we estimate ranges between \$225,000 and \$479,200.

Unless otherwise specified above, all fees referenced in this Item 5 are fully earned when paid and are non-refundable. These fees are typically uniform for all new franchisees in the System; however, in certain circumstances, we may reduce or waive a fee. In our last fiscal year, we did not waive or reduce the Initial Franchise Fee for any franchisees.

ITEM 6

OTHER FEES

Type of Fee¹	Amount	Due Date²	Remarks
Royalty Fee ³	Greater of \$2,500 or 7.5% of Gross Sales	On or before the 10 th day of each month	Gross Sales are defined in Note 3 below.
Brand Fund Contribution ⁴	2% of Gross Sales	On or before the 10 th day of each month	Contributions are paid directly to the Brand Fund. See Item 11 for additional information regarding the Brand Fund as well as your requirement to independently spend 5% of your monthly Gross Sales on local advertising and promotion.
Training Fee (Replacement)	Currently, \$5,000	As incurred	You will pay this training fee for any replacement Principal Owner, Designated Manager that you hire, and for your personnel who attend but fail to complete our Franchise Training Program.
Additional Training Fee	Currently \$500 per trainer per day or the current daily rate	As incurred prior to beginning of additional training	This fee is for additional people to attend the Franchise Training Program and any required additional and/or remedial training. See Item 11.
Extension Fee	\$1,000	As incurred	Payable if you request a six month extension of the opening deadline for your Franchised Center.
Insufficient Funds Fee	\$250 per incident	As incurred	Payable in the event that there are insufficient funds available to pay any amounts due to us via electronic funds transfer.

Type of Fee ¹	Amount	Due Date ²	Remarks
Interest	18% per annum or highest rate allowed by law	As incurred	Interest is due from the date of nonpayment or underpayment.
Mystery Shopper Fee	Up to \$250/month	As incurred	Then-current charge will be in the Manuals.
Failed QA Evaluation	Our costs and expenses to evaluate and inspect the Franchised Center after it receives a failing report	As incurred	Payable if you receive an unsatisfactory or failing report in connection with a quality control or evaluation program.
Inspections	Our costs and expenses if we correct any deficiencies	As incurred	Payable if you fail to correct any deficiencies that we identify in an inspection of the Franchised Center and we correct the deficiency.
Collection Costs and Expenses	Costs and expenses, including but not limited to attorneys' fees	As incurred	Payable if you fail to pay amounts when due or fail to comply in any way with the Franchise Agreement or Development Agreement.
Reimbursement of Costs and Expenses ⁶	Costs and expenses	As incurred	Payable if we incur costs to enforce the Franchise Agreement or Development Agreement.
Relocation Fee	\$15,000	As incurred	Payable if we approve your request to relocate your Franchised Center.
Renewal Fee	\$35,000	Upon signing a then- current form of renewal franchise agreement	The Renewal Fee is paid to us, over and above any Royalties, Brand Fund or any other fees to which we are entitled.
Supplier Evaluation Fee	You must pay our then-current supplier or non-approved product evaluation fee when submitting your request, which is currently \$500, plus our actual costs and expenses incurred.	As incurred	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, to the extent known.

Type of Fee ¹	Amount	Due Date ²	Remarks
Transfer Fee	\$1,500 (if transfer is for less than 50% of your ownership interests); \$50,000 if transferee is new to the Upgrade Labs brand; and \$30,000 if transferee operates an Upgrade Labs Center	The transfer fee is paid upon transfer	The Transfer Fee is paid to us along with any third party broker fees that we incur in connection with your request to approve a transfer.
Securities Offering	\$10,000 or greater amount to cover our legal fees and expenses	As incurred	Payable for us to review any public offering documents that you propose.
Audit Fee ⁴	Underreported amount, plus interest and the costs and expenses of the audit	As incurred	Payable if an audit uncovers an understatement of Gross Sales by more than 2%.
Management Fee	Our costs and overhead and a management fee of 20% of the Gross Sales of the Franchised Center	As incurred	Payable if we step in to operate the Franchised Center if you are in default.
Indemnification	The amount of any claim, liability or loss we incur from your Franchised Center	As incurred	You must defend and indemnify us from all damages and claims relating to the operation of your Franchised Center.
Insurance	Our costs incurred to obtain the required insurance (including any premium amounts paid); and our then- current administrative fee for securing the required insurance)	On demand	Payable only if you fail to procure and maintain insurance coverage and we procure the coverage for your Franchised Center.
Liquidated Damages	Average monthly Royalty Fees and Brand Fund Contributions owed by you (even if not paid) for the last 12 months before the termination, multiplied by the lesser of 60 months or the number of months (including any partial month) remaining in the term of the Franchise Agreement	Within 30 days of termination	Payable if we terminate the Franchise Agreement based on your default.

Explanatory Notes:

1. The table above provides recurring or isolated fees or payments that you must pay to us or our affiliates, or that we or our affiliates impose or collect in whole or in part on behalf of a third party or that you are required to spend by the Franchise Agreement. Unless otherwise noted, all fees and expenses described in this Item 6 are payable to us, are fully earned upon receipt by us and are nonrefundable. In some instances, we will waive or reduce some or all of these fees for particular franchisees.

2. You must pay all fees and other amounts due to us and/or our affiliates under the Franchise Agreement through 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 or our affiliates, from the bank account you identify for use in connection with EFT Program (the “EFT Account”). You must deposit all revenues from operation of the Franchised Center into the EFT Account immediately upon receipt, including cash, checks, electronic and mobile payments, and credit card receipts.

3. “Gross Sales” is defined as all revenue from the operations of the Franchised Center, including but not limited to, all revenue paid under membership agreements as well as payment for any other services or products sold through the Franchised Center, and proceeds from business interruption insurance, all amounts that you collect or receive at or away from the Franchised Location, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions. Gross Sales exclude: (1) refunds provided in the ordinary course of business; (2) the dollar value of sales discounts given by the Franchised Center; and (3) sales taxes or other taxes that you collect and pay directly to the appropriate taxing authority. We reserve the right to modify our policies consistent with industry practices regarding revenue recognition, revenue reporting, and the inclusion in or exclusion of certain revenue from “Gross Sales” as circumstances, business practices, and technology change.

4. We have the right to create a regional marketing cooperative and to require you to contribute a portion of your Local Advertising Requirement to this cooperative. Your Local Advertising Requirement will be reduced by the amount of your contributions to the Cooperative. Company-owned units may be active members of any cooperative and may possess voting power in accordance with the rules of the cooperative as we may determine in our sole discretion.

5. In addition to the requirement that you reimburse us for amounts of all other claims, liabilities or losses we incur from your Franchised Center, if we elect to enforce the terms of any Confidentiality and Non-Competition Agreement or the Franchise Agreement against any individual required to execute such agreement, you must reimburse us for our attorneys’ fees, expert fees, court costs and all other expenses of litigation in connection with that enforcement.

ITEM 7**ESTIMATED INITIAL INVESTMENT****TABLE NO. 1**

**YOUR ESTIMATED INITIAL INVESTMENT
FOR AN UPGRADE LABS CENTER UNDER A FRANCHISE AGREEMENT**

Type of Expenditure	Low Amount	High Amount	Method of payment	When Due	To whom payment is to be made
Initial Franchise Fee ¹	\$65,000	\$65,000	Lump sum	Upon execution of the Franchise Agreement	Us
Leasehold improvements and Construction Costs ²	\$300,000	\$650,000	Per contract terms	During construction and at completion	General contractor, landlord, suppliers
Architectural Drawings ³	\$12,000	\$20,000	Per Contract terms	Upon completion	Approved Supplier
Furniture and Fixtures ⁴	\$25,000	\$45,000	As incurred	Before opening	Approved Suppliers
Equipment ⁵	\$225,000	\$520,000	Lump sum	Before opening	Our Affiliate
Signage (interior and exterior) ⁶	\$12,000	\$25,000	As incurred	Before opening	Approved Suppliers
Computer, Software and POS ⁷	\$6,000	\$8,000	Lump sum	Before opening	Approved Suppliers
Opening Retail Inventory ⁸	\$3,000	\$7,500	As incurred	Before opening	Approved Suppliers
Lease, Utility & Security Deposits ⁹	\$12,000	\$25,000	As incurred	Before opening	Landlord/ Utility companies
Insurance and Surety Bond ¹⁰	\$10,000	\$15,000	As arranged	Before opening	Required Provider and Vendor
Pre and Grand Opening Advertising ¹¹	\$25,000	\$50,000	As incurred	Before opening	Approved Supplier
Professional Fees (Legal/Accounting) ¹²	\$2,500	\$7,500	As arranged	Before opening	Attorneys and Accountants

Type of Expenditure	Low Amount	High Amount	Method of payment	When Due	To whom payment is to be made
Business Permits, Licenses and Miscellaneous Opening Costs ¹³	\$1,000	\$5,000	As incurred	Before opening	Licensing authorities
Opening Supplies ¹⁴	\$3,000	\$7,500	As incurred	Before opening	Approved Suppliers
Additional Funds – 3 months ¹⁵	\$50,000	\$75,000	As incurred	Before opening	Various
Total ¹⁶	\$751,500	\$1,525,500			

Explanatory Notes

1. Initial Franchise Fee. Please see Item 5 for additional information about the Initial Franchise Fee.

2. Leasehold improvements and Construction Costs. This estimate is for the costs for the development of a Center with between 2,800 to 3,200 square feet of space. We have based our estimates on the historical experience of our affiliate. The difference in the low and the high improvement cost estimates is due to the difference in size of the location. These estimates do not include any financial contributions by a landlord. As in development of any business locations, there are many variables that may impact your overall costs including landlord contribution, the size of your location, rates for construction, personnel, freight, vendor pricing and taxes, overall costs and efficiencies in your market. Your cost for developing your location may be higher or lower than the estimates provided.

3. Architectural Drawings. This estimate is for the cost to obtain architectural drawings for the Center.

4. Furniture and Fixtures. This estimate is for the purchase of required furniture and fixtures such as lounge area furniture, televisions, Automated External Defibrillator, first aid kit, trash cans and related items.

5. Equipment. This estimate is for the purchase of the necessary equipment from suppliers to provide the Approved Products and Services from the Franchised Center, which do not include any transportation or assembly costs. The equipment must be purchased from our affiliate Distribution Co.

6. Signage (interior and exterior). This estimate is for the costs to produce wall signage to be mounted to the outside of the Franchised Location as well as all interior signage such as logo graphics for the windows of the Franchised Location, where applicable, and various other elements of brand identification within the Franchised Location, such as wall graphics. If your Franchised Location requires an insert on any pylon, then you may incur higher costs.

7. Computer, Software and POS. This estimate is for the costs to obtain our required Computer System, as described in more detail in Item 11.

8. Opening Retail Inventory. This estimate includes cost of mandatory start up kit for initial inventory of branded merchandise, which includes items such as shirts, hats, glasses, supplements, water bottles, and related items as we determine.

9. Lease, Utility & Security Deposits. This estimate represents a three month deposit of rent. This estimate represents the utility deposits you will be required to pay for the Franchised Location. A credit check may be required by the issuing company prior to the initiation of services, or a higher deposit required for first time customers, both of which may increase your costs. These costs will vary depending on the type of services required for the Franchised Location and the municipality from which they are being contracted.

10. Insurance and Surety Bond. This estimate is for the cost to obtain the minimum required insurance and surety bond for the Franchised Center, which you must purchase from our required providers. You should check with the insurance provider for actual premium quotes and costs, as well as the actual cost of the deposit. The cost of coverage will vary based upon the area in which your Franchised Center will be located, and your experience with the insurance carrier. You could also check with the insurance provider regarding any additional insurance that you may want to carry. You will also need to purchase and maintain in effect at all times during the term of the Franchise Agreement a surety bond for your business, which you must purchase from our designated surety bond vendor to secure your obligations to pre-paid members for membership fees and for pre-paid personal training revenue.

11. Grand Opening Advertising. You must conduct a grand opening advertising program that we approve during the period between 30 days prior to opening and 60 days after opening. See Item 11.

12. Professional Fees (Legal / Accounting). These fees are representative of the costs for engagement of professionals such as attorneys and accountants for the initial review and advisories consistent with the start-up of a Franchised Center. We strongly recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this disclosure document and the Franchise Agreement. It is also advisable to consult these professionals to review any lease or other contracts that you will enter into as part of starting your Franchised Center.

13. Business Permits, Licenses and Miscellaneous Opening Costs. You are responsible for applying for, obtaining and maintaining all required permits and licenses necessary to operate your Franchised Center.

14. Opening Supplies. This figure is primarily for printing a start-up supplies, including order of stationery and business cards bearing the Proprietary Marks and a supply of office materials.

15. Additional Funds – 3 Months. This is an estimate of the amount of additional operating capital that you may need to operate your Franchised Center during the first three months after commencing operations. This estimate also includes such items as initial payroll and payroll taxes, Royalty Fees, Brand Fund Contributions, additional advertising, marketing and/or promotional activities, repairs and maintenance, bank charges, miscellaneous supplies and equipment, initial staff recruiting expenses, state tax and license fees, deposits and prepaid expenses (if applicable) and other miscellaneous items as offset by the revenue you take into the Franchised Center.

16. Total. We relied on our affiliates' experience in building, starting up and operating Centers to generate these estimates. Costs paid to us are not refundable. Whether any costs paid to third parties are refundable will vary based on the practice in the area where your Franchised Center is located. You should inquire about the cancellation and refund policy prior to making a purchase. We do not provide any direct or indirect financing for the Initial Franchise Fee or other fees and costs paid to us or to third parties. If you

meet the credit requirements determined by third party vendors, you may be able to obtain financing. The availability and terms of financing will depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of the financial institutions from which you request a loan. We do not determine the terms and conditions of any financing and we do not provide any guarantees for any financing provided to you by third parties.

TABLE NO. 2

**YOUR ESTIMATED INITIAL INVESTMENT
UNDER A DEVELOPMENT AGREEMENT FOR TWO TO FIVE CENTERS**

Type of Expenditure	Amount Low Estimate	Amount High Estimate¹	Method of Payment¹	When Due	To whom payment is to be made
Development Fee	\$130,000	\$310,000	Lump sum	Upon signing Development Agreement	Us
Total	\$130,000	\$310,000			

Explanatory Note

1. Development Fee. These amounts are based on a Development Agreement where you agree to develop two to five Franchised Centers in the Development Area. The Development Fee is not refundable but is credited against the initial franchise fee due under the Franchise Agreement for each Franchised Center. We do not provide any direct or indirect financing for the Development Fee or other fees and costs paid to us or to third parties.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate all aspects of your Franchised Center in strict conformance with our System Standards. Our methods, standards, and specifications will be communicated to you in writing through our confidential Manual and other proprietary guidelines and writings that we prepare for your use in connection with the Franchised Center and System. We may periodically change our System Standards and specifications from time to time, as we deem appropriate or necessary in our sole discretion, and you will be solely responsible for costs associated with complying with any modifications to the System.

Approved Products and Services

You may only market, offer, sell and provide the Approved Products and Services at your Franchised Center in a manner that meets our System standards and specifications. We will provide you with a list of our then-current Approved Products and Services, along with their standards and specifications, as part of the Manual or otherwise in writing (which may include digital communication) prior to the opening of your Franchised Center. We may update or modify this list in writing at any time, which would require you to market, offer, sell and provide the Approved Products and Services from the modified list.

If you wish to offer any product or service in your Franchised Center other than our Approved Products and Services, or use any item in connection with your Franchised Center that does not meet our

System Standards and specifications, then you must obtain our prior written approval as described more fully in this Item.

Suppliers

You must purchase and maintain for your Franchised Center all furnishings, fixtures, décor items, inventory, equipment and signage that we designate as required items in the Manual or otherwise in writing. We have the right to require that all current and future equipment, products, supplies, furnishings, promotional items, information technology services, payment processing services, and other products and services that you purchase for use in operation of the Franchised Center: (1) meet specifications that we establish from time to time; and/or (2) be purchased only from suppliers that we have expressly approved; and/or (3) be purchased only from a Designated Supplier. “Designated Suppliers” include manufacturers, wholesalers, distributors, dealers, retailers, or other vendors or sources that we designate as the source for particular products or services. We and our affiliates may serve as an approved supplier and Designated Supplier for the System. We will provide you with a list of our approved suppliers and Designated Suppliers in the Manual or otherwise in writing, and we may update or modify this list as we deem appropriate.

If we require you to use an approved supplier for a particular product or service, but you wish to purchase the product or service from a supplier that we have not approved, you may submit a written request for approval of the supplier, unless it is a product or service for which there is a Designated Supplier. We have no obligation to review or approve a greater number of suppliers for an item than the number we deem reasonable, and any proposed supplier relationship must not jeopardize the availability of any special pricing or other benefits offered by our existing suppliers based on system-wide purchases. We will provide our standards and specifications to you or to the proposed supplier, subject to the supplier’s execution of a confidentiality agreement in a form acceptable to us. We have the right to inspect the proposed supplier’s facilities and to require delivery of product samples or demonstration of services either to us or to an independent laboratory designated by us for testing. Upon completion of our analysis, we will notify you in writing of approval or rejection of the proposed supplier, which will typically take 30 days after receipt of all required information and completion any inspection of facilities, samples or demonstration. You agree to pay a charge not to exceed our reasonable costs incurred in evaluating the supplier, whether or not the supplier is approved. You may not purchase, sell, or offer for sale any products or services of the proposed supplier until you receive our written approval of the proposed supplier. We have the right to re-inspect the facilities, products and services of any approved supplier and to revoke approval upon the supplier’s failure to meet any of our then-current criteria. If you receive a notice of revocation of approval, you agree to cease purchasing products or services from the disapproved supplier and, in the case of revocation based on failure of products to meet our standards, you agree to dispose of your remaining inventory of the disapproved supplier’s products as we direct.

We may develop proprietary products for use in your Franchised Center, including private-label products that bear our Proprietary Marks, and require you to purchase these items from us or our affiliates.

Our affiliate Distribution Co. is the Designated Supplier of all initial equipment items that our franchisees are required to purchase for use in their Franchised Centers. Other than certain of our officers’ interests in us, Distribution Co., neither we nor our officers have an ownership interest in any approved or Designated Suppliers. Distribution Co. earned \$2,298,155 in revenues from the sale of equipment and other products to our franchisees in 2024 based on its year-end financial statements.

We have the right to collect and retain all manufacturing allowances, marketing allowances, rebates, credits, monies, payments or benefits (collectively, “Allowances”) offered by suppliers to you or to us (or our affiliates) based upon your purchases of products, goods and services. These Allowances

include those based on System-wide purchases of supplies, equipment, materials and other items. In our last fiscal year, we did not receive any Allowances based on franchisee purchases.

Required Purchases

The products or services we require you to purchase or lease from approved suppliers, or purchase or lease in accordance with our standards and specifications, are referred to collectively as your “Required Purchases.” We estimate that your Required Purchases will account for approximately 70% to 90% of your total costs incurred in establishing your Franchised Center, and approximately 30% to 35% of your ongoing costs to operate the Franchised Center after the initial start-up phase.

Purchasing Cooperatives and Right to Receive Compensation

We may, when appropriate, negotiate purchase arrangements, including price terms, with designated and Approved Suppliers on behalf of the System. We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products, equipment, or services to some or all of the Upgrade Lab Centers in our System. If we do establish those types of alliances or programs, we may: (1) limit the number of approved suppliers with whom you may deal; (2) designate sources that you must use for some or all products, equipment and services; and (3) refuse to approve proposals from franchisees to add new suppliers if we believe that approval would not be in the best interests of the System.

We do not currently have a purchasing cooperative with any third-party vendors, but reserve the right to create purchasing cooperatives in the future.

Advertising

All advertising and promotional materials and other items we designate must bear the Proprietary Marks in the form, color, location and manner we prescribe. In addition, all your advertising and promotion in any medium must be conducted in a dignified manner and must conform to the standards and requirements we prescribe in the Manuals or otherwise. You must obtain our approval before you use any advertising and promotional materials or plans in connection with your Franchised Center if we have not prepared or approved them during the 12 months prior to the date of your proposed use.

Approved Location and Lease

You must obtain our approval of the Franchised Location for your Franchised Center before you acquire the site. You must also obtain our approval of any contract of sale or lease for the Franchised Location before you execute the contract or lease, and we may condition our approval of any such lease on you and your landlord’s execution of our prescribed form of Lease Addendum (attached as an exhibit to our current form of Franchise Agreement). You must also ensure that you comply with all of our System Standards and specifications related to the build-out, remodeling and/or construction of your Franchised Center at the Franchised Location.

Insurance

You must obtain and maintain, at your own expense, the insurance coverage that we periodically require and satisfy other insurance-related obligations. Our insurance obligations will be included in the Manual and may be periodically updated. You must comply with any changed insurance requirements and are responsible for all premiums. You currently must have the following insurance:

Type of Coverage	Limits/Specifications
Commercial General Liability	\$1,000,000 per occurrence and \$3,000,000 in the aggregate
Property Rental Insurance Coverage on all furniture, fixtures, equipment, inventory and tenant improvements	\$1,000,000
Property Insurance	Full replacement cost of tenant improvements and all business personal property (including equipment).
Workers' Compensation	Amounts required by state law
Employment Practices Liability Coverage	\$1,000,000 per claim and \$1,000,000 in the aggregate
Employee Benefits Liability	\$1,000,000 per claim and \$1,000,000 in the aggregate
Product Liability Insurance	\$1,000,000 per claim and \$1,000,000 in the aggregate
Personal and Advertising Liability Insurance	\$1,000,000 per claim and \$1,000,000 in the aggregate
Professional Liability Insurance	\$1,000,000
Participant Legal Liability Insurance	\$1,000,000
Cyber Liability	\$1,000,000
Medical Expense (for any one person) Insurance	\$5,000
Umbrella	\$1,000,000
Surety Bond	Amount required based on your credit score

We may designate specific brokers and/or carriers in the Manual from which you must purchase coverage in which case you may only purchase coverage from the designated brokers and/or carriers. You also must carry any additional insurance as required by your lease or applicable laws and regulations. All insurance policies shall be issued with no co-insurance provisions and without a deductible in excess of \$10,000. All insurance policies must name us and any party we designate as additional insureds and provide that the coverage afforded applies separately to each insured against whom a claim is brought as though a separate policy has been issued to each insured. Depending on your geographic location, you should consider disaster insurance for hurricanes, earthquakes and flooding. If you fail to procure or maintain the insurance that we require, we may (but are not obligated to) obtain the required insurance and charge the cost of the insurance to you, plus a reasonable administrative fee.

Technology System

You must, at your own expense, acquire and install in the Franchised Location the computer system, Wi-Fi, Internet service, software, computer and Internet security systems, and other technology equipment, communications devices, audio/visual equipment and software systems that we specify in writing from time to time ("Technology System"). We may develop or designate software programs and accounting system software that you must use in connection with your Technology System ("Required Software"), which you will install; (2) updates, supplements, modifications, or enhancements to the Required Software, which you will install; (3) the tangible and hosted media upon which such you will record data; and (4) the database file structure of your Technology System. We may require you to engage us or a hardware maintenance and/or help desk support provider approved by us to maintain your Technology System.

Franchisee Compliance

Other than as we describe above, we do not provide material benefits to you (for example, renewal or granting additional franchises) for your purchase of particular products or services or use of particular suppliers. When determining whether to grant new or additional franchises, we consider many factors, including your compliance with the requirements described in this Item 8.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in Franchise Agreement	Section in Development Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	2.1, 6.1 - 6.3	1, 3.2 - 3.3	7, 8, 11, and 12
b.	Pre-opening purchases/leases	6.2, 7, 11.3, 11.8, 11.11, 11.17, and 11.21	3.3	7, 8, 11
c.	Site development and other pre-opening requirements	6.1, 7, 11.1, 11.3, 11.8, 11.11, and 11.17	5	6, 7, 11
d.	Initial and ongoing training	9	Not Applicable	6, 11
e.	Opening	7	3 and Exhibit A	7, 11
f.	Fees	5	2	5, 6, 7, 11
g.	Compliance with standards and policies/Confidential Operations Manual	6.2, 7, 8.2, 9.4 - 9.5, 10, 11, 13.1. and 16	4.6, 5 and 12	6, 8, 11, 12, 16
h.	Trademarks and proprietary information	15	5	13, 14
i.	Restrictions on products/services offered	7, 11.1, 11.3, 11.8, and 11.11	Not Applicable	8, 11, 16
j.	Warranty and customer service requirements	11.10, 11.16, and 11.24	Not Applicable	Not Applicable
k.	Territorial development and sales quotas	2.1	1 and Exhibit A	12

	Obligation	Section in Franchise Agreement	Section in Development Agreement	Disclosure Document Item
l.	Ongoing product/service purchases	11.1, 11.3, 11.8, and 11.11	Not Applicable	8, 16
m.	Maintenance, appearance and remodeling requirements	3.2, 11.3, 11.8, and 11.11 - 11.12	Not Applicable	8, 11
n.	Insurance	14	Not Applicable	6, 7, 11
o.	Advertising	2.3 and 12	Not Applicable	6, 8, 11
p.	Indemnification	22.3	12	6
q.	Owner's participation/management/staffing	8.2	Not Applicable	15
r.	Records and reports	5.5 and 13	Not Applicable	6, 11
s.	Inspections and audits	7, 11.9 - 11.10 and 14.3	Not Applicable	6, 11
t.	Transfer	18	7	17
u.	Renewal	3.2	Not Applicable	17
v.	Post-termination obligations	17.1 and 20	6	17
w.	Non-competition covenants	17	6	17
x.	Dispute resolution	27	12	17
y.	Personal Guaranty	8.6	4.5 and Exhibit C	15

ITEM 10

FINANCING

Neither we, nor our affiliates, or agents offer direct or indirect financing to franchisees, nor do we guarantee your obligations.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, Upgrade Labs Franchise, Inc. is not required to provide you with any assistance.

Pre-Opening Obligations

Prior to the opening of your Center, we (or our designee) will or may, as applicable, provide you with the following assistance:

1. If you sign a Development Agreement, we will designate your Development Area where you will have the right to sign Franchise Agreements and develop each of your Franchised Centers at locations that we have approved. (Development Agreement, Section 1)

2. If you sign a Franchise Agreement and the site has not yet been designated, we will designate your Site Selection Area where you will look for sites for your Franchised Center. (Franchise Agreement, Section 6.1.A.)

3. We will provide you with a copy of our site selection guidelines and minimum requirements for the location of an Upgrade Labs Center. Our requirements may include standards and specifications regarding accessibility, available parking, and minimum square footage for certain portions of an Upgrade Labs Center (such as customer reception areas, treatment areas, restrooms, and back-office areas). (Development Agreement, Section 3.2.A.; Franchise Agreement, Sections 4.1 and 6.1.B.)

4. We will review, and subsequently approve/reject, any proposed site and any proposed lease or purchase agreement for each location that you propose as the Franchised Location for any Franchised Center. (Development Agreement, Section 3.2; Franchise Agreement, Sections 4.1 and 6.1)

5. Once you secure the Franchised Location that we approve for a Franchised Center, we will define your Protected Territory for that Franchised Center and include its boundaries in an exhibit to your Franchise Agreement. (Franchise Agreement, Section 2)

6. We will provide our standard plans and specifications for the design and appearance of an Upgrade Labs Center and for fixtures, furnishings, equipment, and signs. (Franchise Agreement, Sections 4.2 and 7.1)

7. We will provide to you, on loan, one copy of the Manual, which may be in an electronic format. (Franchise Agreement, Sections 4.3 and 10.1) The table of contents of the Manual as of the issuance date of this Disclosure Document is attached to this Disclosure Document as Exhibit G and the Manual has a total of 230 pages.

8. We will provide you with a list and written specifications our specifications for equipment, furnishings, fixtures, décor items, computers and other technology systems, and signage that you must incorporate into your Franchised Center as well as lists of our approved and designated suppliers (to the extent we have designated them), either as part of the Manual or otherwise in writing. We do not deliver or install these items for you. (Franchise Agreement, Section 7.1);

9. We will provide you with our sample plans and specifications for the design and appearance of an Upgrade Labs Center and will review and approve your construction plans before you begin construction of your Franchised Center. We may inspect the Franchised Location while you are developing the Franchised Center. (Franchise Agreement, Sections 4.2, 7.1 and 7.2)

10. We shall offer and make available an initial training program to your Principal Owner and Designated Manager at our designated training facility. The initial training program will consist of three (3) parts: (1) an initial Franchise Training Program; (2) a Pre-Opening Sales Training; and (3) on-site Center Launch Assistance. (Franchise Agreement, Section 9.1)

Post-Opening Obligations

After the opening of your Franchised Center, we (or our designee) will or may, as applicable, provide you with the following assistance:

1. We will provide to you from time to time, as we deem appropriate, advice and guidance and written materials containing techniques for the operation of an Upgrade Labs Center. (Franchise Agreement, Section 4.7);
2. We will, if and when established, administer the Brand Fund for the enhancement, promotion and protection of the System and the Proprietary Marks, and for the development of advertising, marketing, and public relations programs and materials as we deem appropriate. (Franchise Agreement, Sections 4.4 and 12.5)
3. We may modify the Manual periodically to reflect changes in System Standards and you must comply with each new or changed standard upon reasonable notice from us (Franchise Agreement, Section 10.1)
4. We will periodically designate the Approved Products and Services that you must offer and sell at the Franchised Center. (Franchise Agreement, Section 11.1)
5. To the extent that we establish specifications, require approval of suppliers, or name Designated Suppliers for particular products or services, we will provide the requirements to you in writing. At your request, review any proposed supplier to determine whether the supplier and its products or services meet our standards. (Franchise Agreement, Section 11.3);
6. We may (1) inspect the Franchised Center; (2) observe, photograph, record and/or film the operations of the Franchised Center; (3) remove samples of any products, materials or supplies for testing and analysis; and (4) interview personnel and customers of the Franchised Center. (Franchise Agreement, Section 11.9)
7. We will approve or deny any advertising/marketing materials you wish to use in connection with your Franchised Center. (Franchise Agreement, Section 12.2);
8. We will display the contact information of your Franchised Center on the website that we or our designee maintains to advertise and promote Upgrade Lab Centers and our Proprietary Marks, provided you are in compliance with the terms of your Franchise Agreement. (Franchise Agreement, Section 12.6)

Site Selection and Construction

If the Franchised Location has not been designated when you sign the Franchise Agreement, then within five months thereafter you must obtain our acceptance of the site for Franchised Center from within the Site Selection Area and secure a lease or ownership interest in the site. You must submit a site application for one or more proposed sites for the Franchised Center, in the form specified by us, and a completed site evaluation package that includes a copy of the site plans, photographs, demographic information, financial information, and such other information and materials as we may reasonably require, together with option contracts, letters of intent, or other evidence satisfactory to us which confirms your favorable prospects for obtaining ownership or leasehold interests in the sites. If we determine that an on-site evaluation is necessary, then you must reimburse us for the expenses incurred in connection with such an evaluation.

We will use reasonable efforts to review any proposed site within 30 days of receiving all reasonably requested information from you. If we do not provide our specific acceptance of a proposed site within this 30-day period, the proposed site will be deemed rejected. We may require you to use an approved supplier for site selection and other assistance related to securing an accepted site for the

Franchised Center. You must obtain our written acceptance of a site before you make any binding commitments related to the site.

In deciding whether to approve a site, we may consider, among other things: (1) demographic characteristics, traffic patterns, allowed design and building, parking, visibility, allowed signage, and the predominant character of the neighborhood surrounding the proposed site; (2) competition from other businesses selling similar products and services within the area and the proximity of the site to these businesses, as well as the nature of all other businesses in proximity to the proposed site; (3) zoning restrictions, soil and environmental issues, and other commercial characteristics; and (4) the size, appearance, and other physical characteristics of the proposed site.

After we issue our acceptance of a site to serve as the Franchised Location for the Franchised Center, you must lease, sublease or purchase the site. If you purchase the site for the Franchised Center, you must provide us with a copy of the deed within five days after its recordation or other evidence of ownership. If you lease the site for the Franchised Center, you must provide us with a copy of the proposed lease for our review within 15 days after we issue our site acceptance. We may condition our approval of your lease on a number of conditions, including our prescribed form of Lease Addendum under which we will have the option, but not the obligation, to assume or renew the lease for the Franchised Location upon the expiration or termination of the Franchise Agreement.

The procedure for securing a site for your Franchised Center is outlined in Section 6 of the Franchise Agreement and the Manual. You must secure a site and construct your Franchised Center at your own expense.

We will provide you with our sample plans and specifications for the design and appearance of an Upgrade Labs Center, including certain architectural elements that you must incorporate into the Franchised Center (together the “System Design Elements”). We will also provide you with our specifications for equipment, furnishings, fixtures, décor items, computers and other technology systems, and signage that you must incorporate into your Franchised Center (together, the “Operating Assets”). Our System Design Elements may include minimum standards for portions of a business (such as minimum requirements for customer reception areas, treatment areas, restrooms, and back-office areas), as well as specifications for the layout and look and feel of the overall Center. (Franchise Agreement, Section 7.1)

You must send us your development and construction plans and specifications for review and approval before you begin constructing the Franchised Center at the Franchised Location. After we have given our approval, you may not deviate from such approved plans and drawings without obtaining our prior written approval. We may inspect the Franchised Location while you are developing the Franchised Center. You will purchase or lease, and install, all required fixtures, furniture, equipment (including computer and technology information systems), furnishings, and signs as needed, including complying with our requirements for Operating Assets for the Franchised Center. You must complete all construction and/or remodeling, furnishing, decorating, and equipping of the Franchised Center in accordance with the approved plans, and in doing so, you agree to use a licensed and bonded contractor for any construction and remodeling. (Franchise Agreement, Section 7.2)

Time to Open

We estimate that it will take approximately four to seven months to open your Franchised Center from the time you sign your Franchise Agreement. Your total timeframe may be shorter or longer depending on the time necessary to obtain an acceptable Franchised Location, to obtain financing, to obtain the permits and licenses for the construction and operation of the Franchised Center, to complete construction or remodeling as it may be affected by weather conditions, shortages, delivery schedules and other similar

factors, to complete the interior and exterior of the Franchised Center, including decorating, purchasing and installing fixtures, equipment and signs, and to complete preparation for operating the Franchised Center, including purchasing any inventory or supplies needed prior to opening. You must open and start operating your Franchised Center within ten months after you sign your Franchise Agreement or we may terminate the Franchise Agreement. We may grant you an extension of this opening deadline for a period of up to six months if you pay the extension fee at least 30 days before this opening deadline. (Franchise Agreement, Section 7.3.C)

If you have entered into a Development Agreement to open and operate multiple Franchised Centers, your Development Agreement will include a Development Schedule containing a deadline by which you must have each of your Franchised Centers open and operating. Your Development Schedule may depend on the number of Franchised Centers you are granted the right to open and operate. If you fail to open any Franchised Center within the appropriate time period outlined in the Development Agreement, we may terminate your Development Agreement. (Development Agreement, Section 5). You will not have any further development rights within the Development Area upon termination of your Development Agreement, except to continue operating the Franchised Centers that were already open and operating under a Franchise Agreement as of the termination date. We must approve the site for each Franchised Center you are required to open under the Development Agreement. (Development Agreement, Section 3)

Training

Your Principal Owner and Designated Manager must attend and successfully complete our initial training program. The initial training program will consist of three (3) parts: (1) an initial Franchise Training Program; (2) a Pre-Opening Sales Training; and (3) on-site Center Launch Assistance.

Initial Franchise Training Program. The initial Franchise Training Program is designed to provide instruction and education on our System methods and techniques related to establishing and operating your Franchised Center. The initial Franchise Training Program will last for approximately three days and is currently held at virtually. Your Principal Owner and Designated Manager must successfully complete the initial Franchise Training Program within two months of signing your Franchise Agreement. The details of the initial Franchise Training Program are set forth in the table below. (Franchise Agreement, Section 9.1.A)

TRAINING PROGRAM

INITIAL FRANCHISE TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Introduction & Welcome	1	0	Virtual/Designated Location
Upgrade Labs: Upgrading Humanity (Who we are & Why we do it)	1	0	Virtual/Designated Location
Orientation: Getting Started	1	0	Virtual/Designated Location
Your role as an Upgrade Labs Owner	1	0	Virtual/Designated Location
Center Development Roadmap & Overview	1	0	Virtual/Designated Location
Modalities Overview	2	0	Virtual/Designated Location

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Real Estate	1	0	Virtual/Designated Location
Design & Construction	1	0	Virtual/Designated Location
Marketing	2	0	Virtual/Designated Location
Retail	1	0	Virtual/Designated Location
Teaser, Presales & Sales	4	0	Virtual/Designated Location
Staff Recruiting, Hiring & Training	1	0	Virtual/Designated Location
Intro to Center Management Software	1	0	Virtual/Designated Location
Accounting & Royalties	1	0	Virtual/Designated Location
Wrap Up and Q&A	1	0	Virtual/Designated Location
TOTAL HOURS	20	0	

Pre-Opening Sales Training. Pre-Opening Sales Training consists of up to five days on-site/virtual training and is intended to assist you in marketing the Franchised Center in the local community to create brand awareness, drive traffic, leads and membership sales during the pre-opening period. Your Principal Owner and Designated Manager must successfully complete the Pre-Opening Sales Training no later than two months prior to the opening of the Franchised and before your Franchised Center begins selling memberships. The details of our Pre-Opening Sales Training are set forth in the table below. (Franchise Agreement, Section 9.1.B)

PRE-OPENING SALES TRAINING

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Introduction & Welcome	1	0	Onsite at your Franchised Center location or Virtually
Review Responsibilities, Expectations & Goal Setting	3	0	Onsite at your Franchised Center location or Virtually
What is Upgrade Labs?	2	0	Onsite at your Franchised Center location or Virtually
Presales Basics	5	0	Onsite at your Franchised Center location or Virtually
Marketing, Lead Generation & Management	2	0	Onsite at your Franchised Center location or Virtually
Center Management Software	2	1	Onsite at your Franchised Center location or Virtually

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Sales Training	5	2	Onsite at your Franchised Center location or Virtually
Setting up your Center for Presales Success	1	0	Onsite at your Franchised Center location or Virtually
Wrap Up and Q&A	1	0	Onsite at your Franchised Center location or Virtually
TOTAL HOURS	22	3	

The Initial Franchise Training Program and Pre-Opening Sales Training will be supervised by Brittany Romano, whose has more than one year of training experience with us and over ten years of training and field operations experience with other concepts. We typically schedule training on an as-needed basis. The initial Franchise Training Program and Pre- Opening Sales Training are subject to change without notice to reflect updates in the materials, methods and Manuals, as well changes in personnel. The subjects taught and the time periods allocated for each subject may vary based on the experience of the people being trained. The Manual will be the basis of our instructional material reinforced during hands-on training of both observation and visual instruction. Additional online training may be mandated prior to attending the initial Franchise Training Program and Pre-Opening Sales Training. (Franchise Agreement, Section 9.1.B)

If you are developing multiple Franchised Centers under a Development Agreement, we will only provide the Initial Franchise Training Program and Pre-Opening Sales Training for your first Franchised Center. For your second Franchised Center, we will provide a prescribed training refresher course for your Principal Owner and Designated Manager at least 30 days before the opening of the Franchised Center. You will be responsible for all expenses incurred in connection with attending this refresher training. Thereafter, you will be responsible for training your personnel who will manage and operate your Franchised Centers. (Development Agreement, Section 3.1.C.)

On-site Center Launch Assistance The On-site Center Launch Assistance will consist of up to five days of on-site assistance at your Franchised Center and be provided prior to the soft opening of the Franchised Center and after you have completed the initial Franchise Training Program and Pre-Opening Sales Training, the buildout and equipping of the Franchised Center, hiring of staff, and selling a minimum number of presale memberships which we will determine for your Protected Territory. At the conclusion of the On-site Center Launch Assistance, we will assess the following: (1) your pre-opening marketing and launch readiness; (2) your operations; (3) initial staffing efforts; (4) merchandising/displays; (5) scheduling capabilities; and (6) payment processing. If approved, you may open the Franchised Center, but if not approved, we may require that your Principal Owner and Designated Manager attend additional training, for which we reserve the right to charge our then-current additional training fee. (Franchise Agreement, Section 9.1.C)

If your Principal Owner or Designated Manager fail to complete the requisite training programs to our satisfaction, he/she may repeat the course at the next available scheduled training session; however, you must pay our then-current training fee, which is currently \$500 per trainer per day, and we will have no obligation to extend the Opening Deadline for this purpose. (Franchise Agreement, Section 9.1.D)

We will specify training programs related to the System that you must conduct for your employees and specify minimum levels of proficiency that your employees must satisfy. You must train all newly hired personnel when they start their position. If we train your personnel, we are not responsible for

expenses incurred while they attend training, including salaries, benefits, travel, lodging, meals and other related expenses. We reserve the right to charge you our then-current training fees for training additional personnel. (Franchise Agreement, Section 9.5)

To reinforce brand standards and ensure a high-quality guest experience, we require your Principal Owner, Designated Manager and staff to successfully complete training modules on our designated learning management platform at regular intervals (e.g., quarterly updates or new course releases). We may develop additional and refresher training courses and require you and your management to attend such courses. We will not require you and your management to attend more than five days of in person additional/refresher training each year. If you are in default or not complying with the terms of your Franchise Agreement and the Manual, we can require you to attend and complete up to five days of remedial training. You shall pay us our then-current training fee in connection with attending these training programs and will be responsible for the costs and expenses that you and your trainees incur. (Franchise Agreement, Section 9.3)

We may schedule and hold a franchise conference, as we deem advisable in our sole discretion, to discuss the current state of the System, improvements to the System, hold discussion forums for System franchisees and recognize certain franchisees. In the event we schedule a conference, we may require your Principal Owner and your Designated Manager to attend for up to five days each year. You registration fee in connection with any annual conference, and you will be solely responsible for all expenses incurred in attending such conference. (Franchise Agreement, Section 9.4)

You are responsible for all expenses incurred related to your and your employee's attendance at our training program, including transportation, lodging, meals and employee wages. (Franchise Agreement, Section 9.7)

Advertising

Grand Opening Advertising. You must spend \$25,000 to \$50,000 on public relations, initial advertising and grand opening of the Franchised Center for the period between 30 days prior to opening and 60 days after opening. We may also require that you spend all or any portion of the Grand Opening Advertising Requirement on initial marketing, advertising and/or public relations materials or services that are purchased from an approved supplier. We must approve your plan for Grand Opening Advertising prior to its use. (Franchise Agreement, Section 12.3)

Local Advertising Requirement. Upgrade Lab Centers advertise primarily through local direct mail, community involvement, newspaper and magazine advertisements. We expect that you will follow the same pattern. You must spend at least five percent (5%) of your Gross Sales each month for the purpose of local advertising and promotion of the Franchised Center within the Protected Territory (the "Local Advertising Requirement"). Upon our request, you must provide us with invoices or other proof of your monthly expenditures on local advertising and marketing. You must ensure that: (1) the Franchised Center has a dedicated phone line for use in connection with the Franchised Center only (and no other business, including any other Center); and (2) the Franchised Center is listed in the appropriate Internet-based directories that we designate. You may not advertise and promote the Franchised Center outside of the Protected Territory unless we otherwise provide our prior written consent in writing. (Franchise Agreement, Section 12.4)

You may wish to use Social Media Platforms (defined as web-based platforms such as Facebook, Instagram, X, TikTok, LinkedIn, Pinterest, YouTube, blogs and other networking and sharing sites) or use "Social Media Materials" (defined as any material on any Social Media Platform that makes use of our Proprietary Marks, name, brand, products or your Franchised Center whether created by us, you or a third-party). You may not use a Social Media Platform or Social Media Materials without our prior written approval. Your expenditures toward Social Media Platforms and Social Media Materials will count towards

your required Local Advertising Requirement when the expenditure relates to the placement of advertisements. (Franchise Agreement, Section 12.7)

All advertising and promotion that you use in connection with your Franchised Center must be approved by us and conform to the standards and requirements that we specify. We may develop and create advertising and sales promotion programs designed to promote and enhance the collective success of all or some of the Upgrade Lab Centers operating under the System. You must participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by us for each program. In all aspects of these programs, including without limitation, the type, quantity, timing, placement, and choice of media, and market areas and advertising agencies, the System Standards and specifications established by us shall be final and binding upon you. We may also request that you purchase and/or make copies of (at your expense) and subsequently use certain other advertising or promotional materials that we designate for use in connection with the Franchised Center. We are not required to spend any amount on advertising in your Protected Territory. (Franchise Agreement, Section 12.2)

Brand Fund. We have established the Brand Fund for the enhancement, promotion and protection of the System and the Proprietary Marks, and for the development of advertising, marketing, and public relations programs and materials as we deem appropriate. We currently require that you contribute to this Fund at the same time and same manner that we collect your Royalty Fee in an amount equal to 2% of the Gross Sales of your Franchised Center during the preceding month. Upgrade Lab Centers operated by us and our affiliates will contribute to the Brand Fund on the same basis as comparable franchisees.

Among the programs, concepts, and expenditures for which we may utilize the Brand Fund monies are: (1) creative development and production of print ads, commercials, radio spots, point of purchase materials, direct mail pieces, door hangers, free standing inserts, brochures, logo wear, labeling, video, audio, and written materials and electronic media, and other advertising and promotional materials; (2) media placement and buying, including all associated expenses and fees; (3) administering regional and multi-regional marketing and advertising programs; (4) market research and customer satisfaction surveys; (5) the creative development of, and actual production associated with, premium items, giveaways, promotions, sweepstakes, contests, public relation events, and charitable or nonprofit events; (6) creative development of signage, posters, and individual Center décor items including wall graphics; (7) recognition and awards events and programs including periodic national and regional conventions and meetings; (8) design, establishment, and maintenance of websites, extranets, intranets, search rankings, social media profiles, mobile application and other digital marketing; (9) retention and payment of personalities engaged as spokespersons, advertising and promotional agencies, endorsement contracts, and other outside advisors including retainer and management fees; (10) sponsorship of sporting, charitable, or similar events; (11) review of locally produced marketing materials; (12) list acquisition and development; and (13) public relations and community involvement activities and programs.

We may sell certain advertising materials, merchandise and premium items to you that are developed by the Brand Fund, and the earnings from such sales will be deposited in the Brand Fund. We will account for the Fund contributions separately from our other funds and not use the Fund for any of our general operating expenses; however the Brand Fund may be used to pay reasonable salaries and expenses of our and our affiliates' employees who work on advertising, marketing, public relations materials, programs, activities or promotions prepared, planned or undertaken on behalf of the Brand Fund and professional fees and administrative costs and overhead that we or our affiliates incur in activities reasonably related to the administration and activities of the Brand Fund (including accounting fees, legal fees, and interest on monies borrowed by the Brand Fund). We will not use the Brand Fund for anything whose sole purpose is the marketing of franchises, however, the System website, public relations activities, community involvement activities and other activities supported by the Brand Fund may contain information about franchising opportunities. We do not have a franchisee advertising council; however,

we may seek the advice of our franchisees by formal or informal means with respect to the creative concepts and media used for programs financed by the Brand Fund.

The Brand Fund may be used for advertising materials/campaigns in printed materials or on radio or television for local, regional or national circulation, internet regional or national advertising, as we deem appropriate in our discretion. We and/or a regional or national advertising agency may be used to produce all advertising and marketing.

The Brand Fund may spend in any fiscal year more or less than the total Brand 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 prepare an annual, unaudited report (in a format of our choosing) of Brand Fund collections and expenses within 120 days after our fiscal year end and will provide a copy of the report to all franchisees. We retain the final authority on all programs financed by the Brand Fund. We have the right to implement, change or dissolve the Brand Fund at any time. If we disband the Brand Fund, we will spend all monies in the fund for advertising and/or promotional purposes or distribute all unspent monies to contributors in proportion to their respective Brand Fund Contributions during the preceding 1) month period.

We did not spend any Fund contributions in our last fiscal year. (Franchise Agreement, Section 12.5)

Websites. We will establish an interior page on our corporate website to display your Franchised Location and contact information associated with the Franchised Center. You may not establish any separate website or other Internet presence in connection with the Franchised Center, System or Proprietary Marks without our prior written consent and subject to our policies, standards and specifications. (Franchise Agreement, Section 12.6)

Marketing Cooperatives. We reserve the right to establish regional advertising cooperatives (“Cooperatives”) that pool funds of franchised and affiliate-owned Upgrade Labs Centers on an ongoing basis to collectively promote the Proprietary Marks and the businesses of the Cooperative members (each a “Cooperative”). If we assign your Franchised Center to a Cooperative we establish, you must work with the other Upgrade Labs Center owners in your Cooperative and us to develop and implement regional advertising campaigns designed to benefit all the Centers within the geographical boundaries of the Cooperative. We have not established any Cooperatives as of the issuance date of this Disclosure Document. (Franchise Agreement, Section 12.8)

Technology System

You must, at your own expense, acquire and install in the Franchised Location the computer system, Wi-Fi, Internet service, software, computer and Internet security systems, and other technology equipment, communications devices, audio/visual equipment and software systems that we specify in writing from time to time (“Technology System”). The Technology System currently includes: (1) an all-in-one printer/scanner/copier/fax machine; (2) high-speed Internet connection; (3) two Apple iPad tablets; (4) two iMacs; (5) one laptop; (6) cloud-based management system for scheduling, marketing and credit card processing from our Approved Supplier; (7) accounting software from our approved supplier; (8) the Zenoti point of sale system; and (8) a credit card processing system.

You must maintain an electronic connection between your Technology System and our systems; use the Technology System in accordance with all policies and operational procedures we issue from time to time; transmit data to us at the times we specify; maintain your Technology System in good working order at all times; promptly install upgrades, additions, changes, modifications, substitutions and/or

replacements of hardware, software, data connectivity, electrical power, and other computer-related facilities, as we direct; ensure that your employees are adequately trained in the use of the Technology System and our related policies and procedures; and (if we request and subject to applicable privacy laws) permit us access to your Technology System and provide us with any user names and passwords necessary for that purpose. You must bear all costs of installation, operation, maintenance and upgrade of your Technology System. We reserve the right to require you to engage us or a hardware maintenance and/or help desk support provider approved by us to maintain your Technology System. We may also require you to use designated software in connection with the Computer System and Franchised Center (the “Required Software”). (Franchise Agreement, Section 11.17)

If you already have computer hardware and/or software that meet our then-current standards, then you may use these items in connection with your Franchised Center provided you obtain our approval. Otherwise, we estimate the costs to purchase our current Technology System to be approximately between \$6,000 and \$8,000. You must keep your Technology System in good maintenance and repair and install such additions, changes, modifications, substitutions, and/or replacements to the Technology System or Required Software as we direct from time to time in writing. We estimate that you will spend approximately \$3,000 annually on maintenance and support contracts for your Technology System, which includes (1) the software license for any Required Software, and (2) any upgrades to the Computer System. Neither we nor any of our affiliates are required to provide ongoing maintenance, repairs, upgrades or updates to the computer hardware or software.

You must use our designated email addresses and other communication addresses for the Franchised Center. You must use our approved credit card vendors and must comply with all Payment Card Industry Data Security Standards (PCI DSS) requirements. (Franchise Agreement, Sections 11.18 and 11.20)

ITEM 12

TERRITORY

FRANCHISE AGREEMENT

Site Selection Area

If you do not have a site for your Franchised Center when you sign the Franchise Agreement, then you must identify a site from a designated market area agreed to that we agree to and designate in your Franchise Agreement (“Site Selection Area”). You will not have any territorial rights within the Site Selection Area. We may permit ourselves, our affiliates and our franchisees to search for the location of their Upgrade Labs Centers within the same Site Selection Area that is assigned to you if we determine that the Site Selection Area is large enough to contain additional Upgrade Labs Centers. We will review and reject or grant potential locations for each Upgrade Labs Center, and resulting Protected Territories, within the Site Selection Area on a first-to-propose basis.

Franchised Location and Relocation

You may only operate your Franchised Center from the Franchised Location we approve. You may not relocate your Franchised Center without our written consent. If we approve a relocation of the Franchised Center, you must pay a relocation fee in the amount of \$15,000. You must open the relocated Franchised Center for business within 180 days of closing the Franchised Center at the previous location. You will bear all relocation costs and construction costs, including any costs of terminating the existing lease or occupancy agreement. When considering a request for relocation, we may take into account the

desirability of the proposed new location, its distance from other and future-planned Upgrade Labs Centers, the traffic patterns, security, cost, and the demographics of the area, as well as any other related factors we deem appropriate.

Protected Territory

We will describe your Protected Territory in your Franchise Agreement when we approve the Franchised Location. The boundaries of your Protected Territory may be described in terms of zip codes, streets, landmarks (both natural and man-made) or county lines. Your Protected Territory will typically be an area with a population of 100,000 individuals. The size of your Protected Territory may vary from other System franchisees based on the location and demographics surrounding your Franchised Location. The sources we use to determine the daytime population within your Protected Territory will be publicly available population information (such as data published by the U.S. Census Bureau or other governmental agencies and commercial sources).

During the term of your Franchise Agreement, if you are in compliance with the terms of the Franchise Agreement, we will not establish an Upgrade Labs Center or franchise or license anyone other than you to establish an Upgrade Labs Center within your Protected Territory. Your Protected Territory cannot be modified except by mutual written agreement signed by both parties. We and our affiliates retain the right regardless of the proximity to or effect on your Franchised Center at the Franchised Location to:

- (1) establish and operate, and license any third party the right to establish and operate, other Upgrade Lab Centers using the Proprietary Marks and System at any location outside of the Protected Territory;
- (2) market, offer and sell products and services that are similar to the products and services offered by Upgrade Labs Centers under a different trademark or trademarks at any location, within or outside the Protected Territory;
- (3) use the Proprietary Marks and System and other such marks designated by us to distribute the Approved Products and/or Services in any alternative channel of distribution, within or outside the Protected Territory (including e-commerce, mail order, catalog sales, toll-free numbers, traditional retail outlets, wholesale stores, etc.);
- (4) acquire, merge with, or otherwise affiliate with, and after that own and operate, and franchise or license others to own and operate, any business of any kind, including, without limitation, any business that offers products or services the same as or similar to the Approved Products and Services (but under different marks), within or outside the Protected Territory;
- (6) establish and operate, and license any other party the right to establish and operate businesses using the Proprietary Marks and System in “Non-Traditional Sites” including, but not limited to, amusement parks, military bases, college campuses, hospitals, airports, sports arenas and stadia, any other kind of captive market venue, train stations, travel plazas, toll roads, and casinos, both within or outside the Protected Territory; and
- (7) 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 by the Franchise Agreement.

Advertising and promotional materials created, placed, and/or distributed by us, other franchisees operating under the System, or other entities authorized by us, may appear in media distributed in, or may be directed to prospective customers of your Franchised Center located within your Protected Territory, including on our website or social media channels. You may not advertise or market the services of your Franchised Center outside of the Protected Territory or engage in direct solicitation of customers outside of your Protected Territory. The term “direct solicitation” includes solicitation in person, by telephone, by mail, by e-mail, the internet, or other electronic means, advertising, marketing, and by distribution of brochures, business cards or other materials. If any of your advertising within your Protected Territory is in media that will or may reach a significant number of persons outside of your Protected Territory, you must notify us in advance and obtain our prior written consent. We may periodically establish rules and policies regarding such advertising in the Manual including a requirement that you include a reference to any nearby Upgrade Labs Centers that may be impacted by your out-of-territory advertising. There are no

territorial restrictions from accepting business from customers that reside/work or are otherwise based outside of your Protected Territory if these customers contact you and/or visit your Franchised Center.

You will not receive an exclusive territory under the Franchise Agreement. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Unless you sign or have signed a Development Agreement, you have no options, rights of first refusal, or similar rights to acquire additional franchises. We will not modify the size of your Protected Territory except by mutual written agreement signed by both parties.

DEVELOPMENT AGREEMENT

Development Area

If you are granted the right to open multiple Franchised Centers 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 System developers based on the number of Franchised Centers we grant you the right to open and operate and the location and demographics of the general area where we mutually agree you will be opening these Centers. The boundaries of your Development Area may be described in terms of zip codes, streets, landmarks (both natural and man-made) or county lines.

Each Franchised Center you timely open and commence operating under a Franchise Agreement will be operated from a distinct Franchised Location within the Development Area and within its own Protected Territory that we will define once the Franchised Location for that Franchised Center has been approved. Provided you your affiliates are in full compliance with the Development Agreement and all other agreements with us, then we and our affiliates will not operate, or authorize any other party to operate, an Upgrade Labs Center, the physical premises of which are located within the Development Area; however, we reserve the same rights referenced above with respect to the Protected Territory within the Development Area.

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.

Upon the expiration or termination of your Development Agreement, your territorial rights within the Development Area will be terminated, except that each Franchised Center that you have opened and are continuously operating as of the date of such occurrence will continue to retain the territorial rights within their respective Protected Territories that were granted under the Franchise Agreement(s) you entered into for those Franchised Center(s).

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

Additional Disclosures

The Franchise Agreement does not provide you with any right or option to open and operate additional Franchised Centers. Regardless, each Franchised Center you are granted the right to open and operate must be governed by its own specific form of Franchise Agreement.

We have not established other franchises or company-owned outlets or another distribution channel offering or selling similar products or services under a different trademark. Neither we nor our affiliates have established, or presently intend to establish, other franchised or company-owned businesses that sell our Approved Products and Services under a different trade name or trademark, but we reserve the right to do so in the future without your consent.

ITEM 13



TRADEMARKS

We grant you a limited, non-exclusive license to use our primary mark UPGRADE LABS® and certain other Proprietary Marks in connection with the operation of your Franchised Center only at your Franchised Location and within your Protected Territory, provided you use these Proprietary Marks as outlined in your Franchise Agreement and our Manuals. You do not obtain any additional rights to use any of our Proprietary Marks under any Development Agreement you enter into.

Our affiliate, Upgrade Labs IP, Inc. is the current owner of a registration for the following Proprietary Mark on the Principal Register of the United States Patent and Trademark Office (“USPTO”):

Mark	Registration Number	Registration Date
UPGRADE LABS	5866259	September 24, 2019

The registration for the following trademarks are pending. We do not have a federal registration for these marks. Therefore, the marks do not have as many legal benefits and rights as a federally registered trademark. If our right to use the marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Mark	Serial Number	Application Date
 UPGRADE LABS	97380016	April 25, 2022
 UPGRADE LABS	97832906	March 10, 2023

We have entered into a license agreement with our affiliate Upgrade Labs IP, Inc. under which we were granted a perpetual, worldwide license to use, and sublicense third parties the right to use, the Proprietary Marks in connection with the System (the “License Agreement”). Other than this License Agreement, there are no agreements in effect that significantly limit our right to use, or license the use of, the Proprietary Marks that are material to the franchise. In the event this License Agreement is terminated, your rights to use the Proprietary Marks will not be materially altered.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court involving the principal mark, nor any pending infringement, opposition, or cancellation proceedings or material litigation involving the Proprietary Marks. We are not aware of any infringing uses that could materially affect your use of the Proprietary Marks.

There are no agreements that limit our rights to use or license the use of the Proprietary Marks and we are not aware of any superior rights that could affect your use of the Proprietary Marks.

You must notify us of any unauthorized use of the Proprietary Marks. You must also notify us of any challenge to the validity of, or the right to use, any of the Proprietary Marks. We have the right to control any administrative proceeding or litigation that involves the Proprietary Marks. This right includes the right to settle any of those disputes. We may, but are not required to, try to stop other people from using the Proprietary Marks.

We will defend you against any infringement claims that arise from your use of the Proprietary Marks or the Proprietary Materials (as defined in Item 14) at our expense, including the cost of any judgment or settlement, if your use of the Proprietary Marks and the Proprietary Materials complied with the Franchise Agreement, but at your expense if your use of the Proprietary Marks and the Proprietary Materials did not comply with the Franchise Agreement. You must assist us in any action we take to protect the Proprietary Marks. Unless this action results from your inappropriate use of the Proprietary Marks, we will reimburse you for your out-of-pocket costs in assisting us.

You must follow our rules when you use the Proprietary Marks. You may not use any of the Proprietary Marks as part of your corporate name, Internet domain name, or e-mail address, or with modifying words, designs or symbols without our authorization. You may not use the Proprietary Marks for the sale of an unauthorized product or in any other manner not authorized by the Franchise Agreement.

We can modify the Proprietary Marks and/or substitute different marks for use in identifying our Schools and the System. You must promptly implement any modification or substitution at your own cost and expense. We will have no obligation or liability to you as a result of the modification or substitution.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

No patents are material to the operation of your School.

Copyrights

We and our affiliates claim copyright protection for certain proprietary materials (the “Proprietary Materials”), which include the Manual, advertisements, promotional materials, labels, posters, coupons, gift certificates, signs, social media sites, websites, and facility designs, plans and specifications that we have created and will create in the future. Neither we nor our affiliates have registered the copyrights in any of the Proprietary Materials but we are not required to do so. You can use the Proprietary Materials only for the purpose of developing and operating your Franchised Center. You must notify us of any unauthorized use of the Proprietary Materials. You must also notify us of any challenge to the validity of, or the right to use, any of the Proprietary Materials. We have the right to control any administrative proceeding or litigation that involves the Proprietary Materials. This right includes the right to settle any of those disputes. We may, but are not required to, try to stop other people from using the Proprietary Materials.

We will defend you against any infringement claims that arise from your use of the Proprietary Materials at our expense, including the cost of any judgment or settlement, if your use of the Proprietary Materials complied with the Franchise Agreement, but at your expense if your use of the Proprietary

Materials did not comply with the Franchise Agreement. You must assist us in any action we take to protect the Proprietary Materials. Unless this action results from your inappropriate use of the Proprietary Materials, we will reimburse you for your out-of-pocket costs in assisting us.

We do not know of any currently effective adverse determinations of the USPTO, the United States Copyright Office, or any court regarding the Proprietary Materials. No agreement limits our right to use or allow others to use the Proprietary Materials. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the Proprietary Materials in any state.

The Manual and Confidential Information

We will loan you one copy of, or electronic access to, the Manual, which contains the System Standards that we periodically prescribe for operating an Upgrade Labs Center. We will permit you to have electronic access to our Manual only during the term of your Franchise Agreement and only for your use in connection with operating your Franchised Center. You must treat the Manual and all information contained in the Manual as confidential. You must not misuse, copy, duplicate, record, or otherwise reproduce the Manual or any other materials containing our confidential information, in whole or in part, or otherwise make them available to any unauthorized person. The Manual remains exclusively our property and you must limit electronic access to the Manual to authorized persons.

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 any time after that, communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the System.

At our request, you must require your management personnel to sign agreements that they will maintain the confidentiality of our information that they will receive in connection with their association with you. The agreements must be in a form satisfactory to us and identify us as a third-party beneficiary with the independent right to enforce the agreement. Our current form of Confidentiality Agreement is attached as an exhibit to the Franchise Agreement.

Innovations

All products, services, concepts, methods, techniques, and/or new information relevant to your operation of your Franchised Center (together, “Innovations”), whether or not constituting protectable intellectual property, that you or your employees create, or that are created on your behalf, must be promptly disclosed to us. All such Innovations will be deemed to be our sole and exclusive property and works made-for-hire for us. You and each of your owners agree to: (1) sign the assignment and/or other documents we request in order to implement this in order to evidence our ownership; (2) cause your employees and contractors to sign such assignment documents as we may request for this purpose; and (3) assist us in securing intellectual property rights in such Innovations.

Data

We claim ownership of all data that you collect in connection with the Franchised Center including all customer data. You must (1) maintain a list of all current and former customers, as well as their purchase history, at the Franchised Location; and (2) make such lists and membership agreements available for our inspection upon request. You acknowledge that we may have automatic access to any or all of this information via the Technology System and related software that we require for use in connection with the Franchised Center. You have the right to use this data only in connection with operating the Franchised

Center and only in accordance with the policies that we establish from time to time. You may not sell, transfer, or use this data for any purpose other than operating and marketing the Franchised Center.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must designate one of your owners as your Principal Owner who will be the person with whom we communicate and who will have the authority to bind you with respect to all financial, operational and legal matters related to the Franchised Center and the Franchise Agreement. Your Principal Owner must personally participate in the direct management and operation of the Franchised Center on a full-time basis, unless you hire a manager (the “Designated Manager”) that we approve in writing to manage the day-to-day operations of the Franchised Center when your Principal Owner is not present. Your Principal Owner may, but is not required to, also serve as your Designated Manager. The individual who will act as your Designated Manager must successfully complete all required training sessions and must have signed and delivered to us a Confidentiality and Restrictive Covenant Agreement in a form we prescribe, the current form of which is attached to the Franchise Agreement. You may not change the Designated Manager without our prior written approval. .

Your Franchised Center must, at all times, be managed and staffed with at least one individual who has successfully completed our training program. In the event that you operate more than one Franchised Center, you must have a properly trained Designated Manager at each Franchised Center that you own and operate. You must keep us informed at all times of the identity of any personnel acting as Designated Manager and obtain our approval before substituting a new Designated Manager at any of your Franchised Centers.

It is important to note that we are not your employer and that you will have the right to control all decisions related to recruiting, hiring or firing any personnel, including any specialized/licensed personnel that must be independently licensed to perform certain of the Approved Services at your Centers. Please note that nothing in this Disclosure Document or any agreement you enter into with us will create any type of employer or joint employer relationship between you and/or your personnel and us or our affiliates.

Your owners and each of their spouses, if applicable, must execute a Personal Guarantee and Assumption of Obligations in the form we prescribe (“Guarantee”), undertaking to be bound jointly and severally by the terms of the Franchise Agreement and the Development Agreement. The current form of Guarantee is attached to the Franchise Agreement and the Development Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only offer the Approved Products and Services that we expressly authorize through your Franchised Center, and must only offer these products and services at the Franchised Location and in the manner prescribed in your Franchise Agreement and our Manual. We may supplement, revise and/or modify our Approved Products and Services as we deem appropriate from time to time, as well as our System Standards and specifications associated with the provision of these products/services. These changes will be outlined in our Manual or otherwise in writing, and there are no contractual limitations on our right to make these types of changes. We may permit you to offer products and/or services in addition to the Approved Products and Services, provided that you have obtained our prior written approval.

If we discontinue any Approved Product or Service offered by the Franchised Center, then you must cease offering or selling such product/service within a reasonable time, unless such product/service represents a health or safety hazard (in which case you must immediately comply upon receipt of notice from us). You may not use the Franchised Location of your Franchised Center for any other business purpose other than the operation of your Franchised Center.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

FRANCHISE AGREEMENT

	Provision	Section in Franchise Agreement	Summary
a.	Length of the franchise term	3.1	The initial term is for 10 years commencing on the date we sign your Franchise Agreement.
b.	Renewal or extension of the term	3.2	You have the right to be considered for three additional, consecutive 5-year renewal terms.
c.	Requirements for franchisee to renew or extend	3.2	In order to renew your franchise relationship with us, you must: provide notice of renewal; be in good standing under all agreements with us and our affiliates; have the right to remain in the Franchised Location; renovate the Franchised Center; be in full compliance with all laws and regulations; attend refresher training; pay a renewal fee of \$35,000; sign a general release and our then-current form of Franchise Agreement the terms of which may materially differ from the terms of your original franchise agreement.
d.	Termination by franchisee	Not Applicable	Subject to state law, you may not terminate the Franchise Agreement.
e.	Termination by franchisor without cause	Not Applicable	We may not terminate the Franchise Agreement without cause.
f.	Termination by franchisor with cause	19	We may terminate your Franchise Agreement only if you or your owners commit one of several violations. Termination of a Development Agreement will not result in a termination of your Franchise Agreement.
g.	“Cause” defined defaults which can be cured	19.3 - 19.4	You have 10 days to cure non-payment of fees and 30 days to cure other defaults, except for those described in h. below.

	Provision	Section in Franchise Agreement	Summary
h.	“Cause” defined - defaults which cannot be cured	19.1 - 19.2	Non-curable defaults: insolvency, bankruptcy; failure to complete training; failure to timely open the Franchised Center; abandonment;; commission of felony; threat to public safety; unapproved transfers; violation of confidentiality and non-compete obligations; fraud or misrepresentation in franchise application; repeated defaults even if cured; default of any other agreements between you or your affiliates and us or our affiliates; and others.
i.	Franchisee’s obligations on termination/non-renewal	20	Obligations include closing the Franchised Center, de-identifying Franchised Location; paying amounts due; turning over data; cease use of email addresses, websites and electronic identifiers; return of all of our materials; and payment of liquidated damages (also see o. and r. below).
j.	Assignment of contract by franchisor	18.1	There are no restrictions on our right to assign.
k.	“Transfer” by franchisee – defined	18.2	Includes any transfer of Franchise Agreement, assets of the Franchised Center, or ownership change in you (as the franchisee).
l.	Franchisor approval of transfer by franchisee	18.2	We have the right to approve all transfers.
m.	Conditions for franchisor approval of transfer	18.4	Your obligations under the Franchise Agreement have been satisfied; you are not in default of agreements with us and our affiliates; you sign a general release and the transferee signs our then-current form of Franchise Agreement for a 10-year term; transferee meets our standards and agrees to remodel the Franchised Location and completes our training program; landlord consents have been obtained; reasonable purchase price; and you pay transfer fee and third party broker fees.
n.	Franchisor’s right of first refusal to acquire franchisee’s business	18.3	We have the right to match any offer.
o.	Franchisor’s option to purchase franchisee’s business	20.2	Upon expiration or termination of the Franchise Agreement, we can take assignment of your lease and purchase the furnishings, equipment, signs, and fixtures of the Franchised Center as we may designate, at fair market value, and such of the inventory and supplies of the Franchised Center as we may designate, at fair market wholesale value.
p.	Death or disability of franchisee	18.6	Executor or personal representative must assign your interest to approved party within three months. If the deceased or incapacitated person is the Principal Owner who also serves as the Designated Manager, we have the right to manage operation of the Franchised Center until the transfer is completed. If we exercise this right, we can charge a reasonable management fee for our services.

	Provision	Section in Franchise Agreement	Summary
q.	Non-competition covenants during the term of the franchise	17.1.B	No diverting customers to a Competing Business; no involvement in a “Competing Business” which is defined as any business that offers or provides adaptive cardio, neurofeedback, PEMF, other technologies intended to supercharge clients’ bodies, minds and spirits, and/or the other types of Approved Products and Services offered by Upgrade Labs Centers or whose method of operation or trade dress is similar to that employed in the System. During the term of the Franchise Agreement, there is no geographical limitation on this restriction.
r.	Non competition covenants after the franchise is terminated or expires	17.1.B	No involvement with any Competing Business for two years within a 25 mile radius of the Franchised Location and any Competing Business located within a 25 mile radius of any other Upgrade Labs Center that is open, under lease, or otherwise under development as of the date the Franchise Agreement expires, transfers, or is terminated.
s.	Modification of the agreement	26	No modification generally without signed agreement, but we may modify the System and the Manual.
t.	Integration/merger clause	26	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim the representations made in this Disclosure Document.
u.	Dispute resolution by arbitration or mediation	27.3 and 27.4	You must first submit all disputes and controversies arising under the Franchise Agreement to our management and make every effort to resolve the dispute internally. All claims or disputes arising out of the Franchise Agreement must be submitted to non-binding mediation at a location with the American Arbitration Association where our then-current headquarters are located.
v.	Choice of forum	27.2	Subject to state law, all claims brought by you must be filed in the jurisdiction where we have our principal place of business, which is currently in Fort Myers, Florida. We may file suit in the federal or state court located in the jurisdiction where our principal offices are located at the time of suit, in the jurisdiction where the Franchised Center is or was located, or where the claim arose
w.	Choice of law	27.1	Subject to state law, the Franchise Agreement is governed by the laws of Florida without reference to its conflict of laws principles.

DEVELOPMENT AGREEMENT

	Provision	Section in Development Agreement	Summary
a.	Term of the Franchise	8, Exhibit A	The Development Agreement will commence on the date it is fully executed and end on the earlier of (1) the date that the final Franchised Center is required to be opened and operating under the Development Schedule; or (2) the date that the final Franchised Center is opened.
b.	Renewal or Extension of the Term	Not Applicable	
c.	Requirements for Franchisee to Renew or Extend	Not Applicable	
d.	Termination by Franchisee	Not Applicable	Subject to state law, you may not terminate the Development Agreement.
e.	Termination by Franchisor Without Cause	Not Applicable	We may not terminate the Development Agreement without cause.
f.	Termination by Franchisor With “Cause”	9	We may terminate your Development Agreement only if you or your owners commit one of several violations. Termination of the Development Agreement will not impact any Franchise Agreements you may have in effect at the time.
g.	“Cause” Defined – Curable Defaults	9.3 - 9.4	You have 10 days to cure non-payment of fees and 30 days to cure other defaults, except for those described in h. below.
h.	“Cause” Defined - Defaults Which Cannot be Cured	9.1 - 9.2	Non-curable defaults: insolvency, bankruptcy; failure to meet development obligations; commission of felony; unapproved transfers; violation of confidentiality and non-compete obligations; fraud or misrepresentation in franchise application; termination of any Franchise Agreement with us; and others
i.	Franchisee’s Obligations on Termination/Non-Renewal	Not Applicable	
j.	Assignment of Contract by Franchisor	7.1	There are no restrictions on our right to assign.
k.	“Transfer” by Franchisee – Defined	7.2 - 7.3	Any transfer in you (if you are an entity) or your rights/obligations under the Development Agreement.
l.	Franchisor Approval of Transfer by Franchisee	7.2	You may not transfer any rights or obligations under the Development Agreement without our prior written consent.
m.	Conditions for Franchisor Approval of Transfer	Not Applicable	
n.	Franchisor’s Right of First Refusal to Acquire Franchisee’s Business	Not Applicable	

	Provision	Section in Development Agreement	Summary
o.	Franchisor's Option to Purchase Franchisee's Business	Not Applicable	
p.	Death or Disability of Franchisee	Not Applicable	
q.	Non-Competition Covenants During the Term of the Franchise	6.1.B	No diverting customers to a Competing Business; no involvement in a "Competing Business". During the term of the Franchise Agreement, there is no geographical limitation on this restriction.
r.	Non-Competition Covenants After the Franchise is Terminated or Expires	6.1.B	No involvement with any Competing Business for two years within a 25 mile radius of the border of the Development Area and any Competing Business located within a 25 mile radius of any other Upgrade Labs Center that is open, under lease, or otherwise under development as of the date the Development Agreement expires, transfers, or is terminated.
s.	Modification of the Agreement	Section 13	No modification generally without signed agreement.
t.	Integration/Merger Clause	Section 13	Only the terms of the Development Agreement are binding (subject to state law). Any representations or promises outside of the Development Agreement may not be enforceable. Nothing in the Development Agreement or any related agreement is intended to disclaim the representations made in this Disclosure Document.
u.	Dispute Resolution by Arbitration or Mediation	Section 12	You must first submit all disputes and controversies arising under the Development Agreement to our management and make every effort to resolve the dispute internally. All claims or disputes arising out of the Development Agreement must be submitted to non-binding mediation at a location with the American Arbitration Association where our then-current headquarters are located.
v.	Choice of Forum	Section 12	Subject to state law, all claims brought by you must be filed in the jurisdiction where we have our principal place of business, which is currently in Fort Myers, Florida. We may file suit in the federal or state court located in the jurisdiction where our principal offices are located at the time of suit or where the claim arose
w.	Choice of Law	Section 12	Subject to state law, the Development Agreement is governed by the laws of Florida without reference to its conflict of laws principles.

ITEM 18

PUBLIC FIGURES

We do not use any public figures to promote our franchise, but we reserve the right to do so in the future.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Michael Moore, Upgrade Labs Franchise, Inc., 9295 Lake Park Drive, P203, Fort Myers, Florida 33919; telephone: (253) 338-2717.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide 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
Franchised	2022	0	0	0
	2023	0	2	+2
	2024	2	5	+3
Company-Owned	2022	2	2	0
	2023	2	1	-1
	2024	1	0	-1
Total Outlets	2022	2	2	0
	2023	2	3	+1
	2024	3	7	+2

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
For Years 2022-2024

State	Year	Number of Transfers
Total	2022	0
	2023	0
	2024	0

Table No. 3
Status of Franchised Outlets
For years 2022-2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
ID	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	1	1
TX	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
UT	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
WA	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Total	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	2024	2	4	0	0	0	1	5

Table No. 4
Status of Company-Owned Outlets
For years 2022-2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
CA	2022	2	0	0		0	2
	2023	2	0	0	1	0	1
	2024	1	0	0	1	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Total	2022	2	1	0	0	0	2
	2023	2	0	0	1	0	1
	2024	1	0	0	1	0	0

Table No. No. 5
Projected Openings as of December 31, 2024

State	Franchise Agreements Signed But Outlet Not Open	Projected New Franchised Outlets In Next Fiscal Year	Projected New Company-Owned Outlets in Next Fiscal Year
Florida	2	2	2
South Carolina	1	1	0
Texas	1	1	0
TOTALS:	4	4	2

Exhibit F contains our list of current franchisees and franchisees who had an outlet terminated, transferred cancelled, not renewed, cease to operate or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who have not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, our franchisees may sign provisions restricting their ability to speak openly about their experience with the System. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

We are not aware of any trademark-specific franchisee organizations associated with the System and no independent franchisee organizations have asked to be included in this disclosure document.

ITEM 21

FINANCIAL STATEMENTS

Exhibit D contains our audited financial statements for the years ending December 31, 2022, December 31, 2023 and December 31, 2024 and unaudited financial statements for the period ending March 31, 2025. Our fiscal year ends on December 31 each year.

ITEM 22

CONTRACTS

The following agreements are attached as Exhibits to this Franchise Disclosure Document:

Franchise Agreement	Exhibit B
Development Agreement	Exhibit C
State Specific Addenda	Exhibit E
Sample Release Agreement	Exhibit H

ITEM 23

RECEIPTS

Exhibit K to this Franchise Disclosure Document contains, in duplicate, an acknowledgement of 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 us at 9295 Lake Park Drive, P203, Fort Myers, FL 33919.

STATE REQUIRED ADDITIONAL FDD DISCLOSURES

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES REQUIRED BY THE STATE OF CALIFORNIA

1. SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

SEE THE COVER PAGE OF THE DISCLOSURE DOCUMENT FOR OUR URL ADDRESS. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

2. **Risk Factors, Cover Page.** The following risk factor shall be added to the Special Risks to Consider About This Franchise Page:

In registering a franchise, the California Department of Financial Protection and Innovation has not reviewed, and makes no statements concerning, the franchisor's compliance with state and federal licensing requirements relating to the practice of medicine. You should consult with your attorney concerning these laws, regulations, and ordinances that may affect the operation of your business. If the California Medical Board, or any other agency overseeing the practice of medicine in this states, determines that the operation of the franchise fails to comply with state law, the franchisor may be required to cease operations of the Franchised Center in California. This may result in termination of your franchise and loss of your investment.

Unopened Franchises. The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

3. **Item 3, Additional Disclosure.** The following statement is added to Item 3:

Neither we nor any person listed in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling such parties from membership in such association or exchange.

4. **Item 6, Additional Disclosure.** The following statement is added to Item 6:

The maximum interest rate permitted in California is 10% per annum.

5. **Item 17, Additional Disclosures.** The following statements are added to Item 17:

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of the Franchise. If the franchise agreements contain a provision that is inconsistent with the law, the law will control.

The franchise agreements provide for termination upon bankruptcy. These provisions may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101, *et seq.*).

The franchise agreements contain a covenant not to compete which extends beyond the termination of the franchise. These provisions may not be enforceable under California law.

The franchise agreements provide for the application of the laws of Florida. This provision may not be enforceable under California law.

The franchise agreements contain a choice of forum provision. This provision may not be enforceable under California law.

The Franchise Agreement requires binding mediation. The mediation will occur in Florida, with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The franchise agreements contain a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

You must sign a general release when you execute the franchise agreement and if you transfer your franchise or development rights (if applicable) or execute a renewal franchise agreement. These provisions may not be enforceable under California law. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 21000 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

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.

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner of the Department of Financial Protection and Innovation

ADDITIONAL FDD DISCLOSURES REQUIRED BY THE STATE OF HAWAII

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, *et seq.*, the Upgrade Labs Franchise Disclosure Document for use in the State of Hawaii is amended to include the following:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The name and address of the Franchisor's agent in this state authorized to receive service of process is: Commissioner of Securities, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the Agreements.

Payment of Initial Franchise and Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

Section 20 of the Illinois Franchise Disclosure Act sets forth the conditions of non-renewal of a franchise agreement, along with the compensation requirements.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ADDITIONAL DISCLOSURES REQUIRED BY THE STATE OF MARYLAND

1. **Item 5. Initial Fees.** The following statements are added to Item 5:

Fee Deferral

Based upon our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees including payments for goods and services paid to the franchisor by the franchisee shall be deferred until we complete our pre-opening obligations under the Franchise Agreement. In addition, all development fees and initial payments owed by developers shall be deferred until the first Franchised Center under the Development Agreement opens.

2. **Item 17, Additional Disclosures.** The following statements are added to Item 17:

Any provision requiring you to sign a general release of claims against us as a condition of renewal or transfer, does not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement provides for termination upon bankruptcy. These provisions may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101, *et seq.*).

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF MICHIGAN**

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration, of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) the failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) the fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

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

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

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

Any questions regarding these Additional Disclosures shall be directed to the Department of the Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, Michigan 48913, (517) 373-7717.

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES REQUIRED BY THE STATE OF MINNESOTA

1. **Insufficient Funds Fee.** The following statement is added to Item 6:

Insufficient Funds Fees are governed by Minnesota Statute 604.113 and will not exceed Thirty Dollars (\$30).

2. **Notice of Termination.** The following statement is added to Item 17:

With respect to licenses governed by Minnesota law, we will comply with Minnesota Statute § 80C.14, subdivisions 3, 4, and 5 which requires, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreements.

3. **Choice of Forum and Law.** The following statement is added to the cover page and Item 17:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. **General Release.** The following statement is added to Item 17:

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

5. **Waiver of Right to Jury Trial or Termination Penalties:** The following statement is added to Item 17:

Minnesota Rule 2860.4400J, among other things, prohibits us from requiring you to waive your rights to a jury trial or to consent to liquidated damages, termination penalties, or judgment notes; provided, that this part will not bar an exclusive arbitration clause.

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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF NEW YORK**

1. **State Cover Page.** 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 SOURCES OF 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 THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. 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 WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. **Item 3, Additional Disclosure.** The following is added to the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent..

3. **Item 4, Additional Disclosure.** The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. **Item 5: Initial Fees.** The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. **Item 17: Renewal, Termination, Transfer and Dispute Resolution**

A. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for franchisee to renew or extend,” and Item 17(m), entitled “Conditions for franchisor approval of transfer”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

B. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”:

You may terminate the agreement on any grounds available by law.

- C. The following is added to the end of the “Summary” section of Item 17(j), titled “Assignment of contract by franchisor”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

- D. 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 upon the franchisee by Article 33 of the General Business Law of the State of New York.

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of New York General Business Law, Article 33, Section 680 through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 201.16, are met independently without reference to these Additional Disclosures.

**ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF NORTH DAKOTA**

1. **Item 5: Initial Fees.** The following is added to the end of Item 5:

Due to our financial condition, the North Dakota Securities Department requires us to defer the payment of the Development Fee until the first Franchised Center that you develop under the Development Agreement opens for business. Upon the opening of the first Franchised Center, you will pay to us the Development Fee. We also will defer the collection of all initial fees and payments due under the Franchise Agreement until we have completed our initial obligations under the Franchise Agreement and your Franchised Center has commenced doing business. Upon the opening of the Franchised Center, you shall pay the initial fees and payments to us.

2. **Item 17: Renewal, Termination, Transfer and Dispute Resolution.**

- A. The following language is added to the “Summary” section of Item 17(c) titled “Requirements for the franchisee to renew or extend”:

The execution of a general release upon renewal, assignment or termination will be inapplicable to franchises operating under the North Dakota Franchise Investment Law.

- B. The following language is added to the “Summary” section of Item 17(r) titled “Non-competition covenants after the franchise is terminated or expires”:

Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.

- C. The following language is added to the “Summary” section of Item 17(u) titled “Dispute Resolution by Arbitration or Mediation”:

To the extent required by North Dakota Franchise Investment Law (unless such requirement is preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree.

- D. The following language is added to the “Summary” section of Item 17(v) titled “Choice of Forum”:

However, to the extent allowed by the North Dakota Franchise Investment Law, you may commence any cause of action against us in any court of competent jurisdiction, including the state or federal courts of North Dakota.

- E. The “Summary” section of Item 17(w) titled “Choice of Law” is deleted and replaced with the following:

North Dakota law applies.

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURE REQUIRED BY THE STATE OF RHODE ISLAND

Item 17, Additional Disclosure. The following statement is added to Item 17:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

The provision of this Additional Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Law are met independently without reference to this Additional Disclosure.

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES REQUIRED BY THE STATE OF VIRGINIA

In recognition of the requirements of the Virginia Retail Franchising Act § 13.1-564, the Disclosure Document for Upgrade Labs Franchise Inc. in connection with the offer and sale of franchises for use in the Commonwealth of Virginia shall be amended to include the following:

Item 5: Initial Fees. The following is added to the end of Item 5:

Due to our financial condition, the Virginia Division of Securities and Retail Franchising requires us to defer the payment of the Development Fee until the first Franchised Center that you develop under the Development Agreement opens for business. Upon the opening of the first Franchised Center, you will pay to us the Development Fee. We also will defer the collection of all initial fees and payments due under the Franchise Agreement until we have completed our initial obligations under the Franchise Agreement and your Franchised Center has commenced doing business. Upon the opening of the Franchised Center, you shall pay the initial fees and payments to us.

Item 17: Renewal, Termination, Transfer and Dispute Resolution. The following statement is added to Item 17(h):

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.

The Special Risk Factor Page shall be amended to include the following Risk Factor:

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from \$751,500 to \$1,525,500. This amount exceeds the franchisor’s stockholders’ equity as of December 31, 2024, which is (\$3,340,869).

**ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF WASHINGTON**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).
11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.
15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).
18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.
19. **Fee Deferral.** The State of Washington has imposed a financial condition under which the initial fees and payments due will be deferred until we have fulfilled our initial pre-opening obligations under the Franchise Agreement and the Franchised Center is open for business. Because we have material pre-opening obligations with respect to each Franchised Center the franchisee opens under the Development Agreement, the State of Washington will require that the development fees be released proportionally with respect to each Franchised Center.

EXHIBIT A

**LIST OF STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS**

LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	NEW YORK New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, New York 10005 (212) 416-8222
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	NORTH DAKOTA North Dakota Securities Department State Capitol Department 414 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	RHODE ISLAND Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	SOUTH DAKOTA Division of Insurance Securities Regulation 124 South Euclid Avenue, 2 nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General’s Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1 st Floor Lansing, Michigan 48913 (517) 335-7567	WASHINGTON Department of Financial Institutions Securities Division – 3 rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	WISCONSIN Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents in some of the states listed.

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	NEW YORK New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6 th Floor Albany, New York 12231-0001 (518) 473-2492
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	NORTH DAKOTA North Dakota Securities Commissioner State Capitol 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	RHODE ISLAND Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	SOUTH DAKOTA Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, 2 nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	VIRGINIA Clerk of the State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, Virginia 23219 (804) 371-9733
MICHIGAN Michigan Attorney General’s Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1 st Floor Lansing, Michigan 48913 (517) 335-7567	WASHINGTON Director of Department of Financial Institutions Securities Division – 3 rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	WISCONSIN Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT B
FRANCHISE AGREEMENT



UPGRADE LABS FRANCHISE AGREEMENT

FRANCHISEE:

UPGRADE LABS FRANCHISE AGREEMENT

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UPGRADE LABS FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “**Agreement**”) is entered into by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**we**”, “**us**” or “**Franchisor**”) and the person(s) or entity identified on the signature page to this Agreement (“**you**” or “**Franchisee**”) as of the dated noted on the signature page of this Agreement (“**Effective Date**”).

RECITALS

We and our affiliates have developed and own a proprietary system (the “**System**”) relating to the establishment and operation of businesses that feature certain products and non-invasive treatments such as artificial intelligence adaptive cardio, neurofeedback, pulsed electromagnetic field therapy (“**PEMF**”), cell trainer, legendary, and many other biohacking technologies intended to supercharge clients’ bodies, minds and spirits (the “**Approved Products and Services**”) provided to clients in a spa-like setting using the Upgrade Labs brand, operating system and standards (each an “**Upgrade Labs Center**” or “**Center**”).

The distinguishing characteristics of the System include our proprietary methodology and procedures for the establishment and operation of an Upgrade Labs Center; site selection guidance and criteria; specifications for the design, layout and construction of the interior of a Center; standards and specifications for the furniture, fixtures and equipment located within a Center; established relationships with approved or designated suppliers for certain products and services; and standards and specifications for sales techniques, merchandising, marketing, advertising, inventory management systems, advertising, bookkeeping, sales and other aspects of operating a Center. We may change, improve, add to, delete from, and further develop the elements of the System from time to time.

We identify the System and the Centers operating under it by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including but not limited to the mark UPGRADE LABS®, as well as certain other trade names, trademarks, service marks and trade dress as we may designate in the future for use in connection with the System (the “**Proprietary Marks**”). We have established substantial goodwill and business value in the Proprietary Marks, expertise and System, and such goodwill inures solely to our and our affiliates’ benefit.

We grant to persons who meet our qualifications, and are willing to undertake the investment and effort, a franchise to own and operate a franchised Upgrade Labs Center using the System and Proprietary Marks.

You wish to obtain the right to establish and operate a franchised Upgrade Labs Center from a designated location approved by us pursuant to our standards and procedures (“**System Standards**”) and our confidential and proprietary operations manual that we will loan to you during the term of this Agreement (the “**Manual**”).

NOW, THEREFORE, in recognition of all of the details noted above, the parties have decided to enter into this Agreement, taking into account all of the promises and commitments that they are each making to one another in this Agreement, and they agree as follows:

1 GRANT

1.1 **Grant.** We grant you the nonexclusive right, and you undertake the obligation, on the terms and conditions set forth in this Agreement, to establish and operate a franchised Upgrade Labs Center (“**Franchised Center**”) at the location approved by us under this Agreement and identified in Exhibit A (the “**Franchised Location**”) and to use the Proprietary Marks and the System solely in connection with

its operation. In agreeing to this grant of rights, we have relied on the representations that you made in your franchise application and in this Agreement. If, at the time of execution of this Agreement, you have not secured a location that we have approved to serve as the Franchised Location, you must select a location in accordance with the site selection procedures set forth in Section 6 below.

1.2 Rights Not Granted. You acknowledge and agree that this Agreement does not afford you any rights or options to open any additional Upgrade Lab Centers and that you do not have any right to sub-license or sub-franchise any of the rights granted under this Agreement. You may not use the Proprietary Marks or System for any purpose other than promoting and operating the Franchised Center at the Franchised Location and within the Protected Territory (as defined in Section 2.1 below).

1.3 Forms of Agreement. Over time, we have entered and/or will enter into agreements with other franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that we and other franchisees may have different rights and obligations does not affect the duties of the parties to this Agreement to comply with the terms of this Agreement.

1.4 Best Efforts. You agree that you will at all times faithfully, honestly and diligently perform your obligations under this Agreement, that you will continuously exert your good faith and best efforts to promote and enhance the Franchised Center, and that you will not engage in any other business or activity that may conflict with your obligations under this Agreement, except the operation of other Upgrade Labs Centers authorized by us.

2 TERRITORIAL PROTECTION AND RIGHTS RESERVED TO US

2.1 Protected Territory. While this Agreement is in effect, as long as you are not in default beyond any applicable cure period, we will not establish an Upgrade Labs Center or franchise or license anyone other than you to establish an Upgrade Labs Center within the geographic area set forth on Exhibit A (the “**Protected Territory**”), subject to the rights we reserve in Sections 2.2 and 2.3 below. You acknowledge that the rights granted under this Agreement are not exclusive and that, except as expressly provided in this Section 2.1, you have no exclusive territorial rights, protected territory or other right to exclude, control or impose conditions on the location or development of Upgrade Labs Centers under the Proprietary Marks, on any sales or distribution of products under the Proprietary Marks, or on our (and our affiliates’) business activities.

2.2 Rights Reserved To Us. We and our affiliates retain the right, despite anything to the contrary in Section 2.1 and regardless of the proximity to or effect on the Franchised Center at the Franchised Location to:

A. establish and operate, and license any third party the right to establish and operate, other Upgrade Lab Centers using the Proprietary Marks and System at any location outside of the Protected Territory;

B. market, offer and sell products and services that are similar to the products and services offered by Upgrade Labs Centers under a different trademark or trademarks at any location, within or outside the Protected Territory;

C. use the Proprietary Marks and System and other such marks designated by us to distribute the Approved Products and/or Services in any alternative channel of distribution, within or outside the Protected Territory (including e-commerce, mail order, catalog sales, toll-free numbers, traditional retail outlets, wholesale stores, etc.)

D. acquire, merge with, or otherwise affiliate with, and after that own and operate, and franchise or license others to own and operate, any business of any kind, including, without limitation, any business that offers products or services the same as or similar to the Approved Products and Services (but under different marks), within or outside the Protected Territory;

E. establish and operate, and license any other party the right to establish and operate businesses using the Proprietary Marks and System in “**Non-Traditional Sites**” including, but not limited to, amusement parks, military bases, college campuses, hospitals, airports, sports arenas and stadia, any other kind of captive market venue, train stations, travel plazas, toll roads, and casinos, both within or outside the Protected Territory; and

F. 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 by this Agreement.

2.3 Advertising Within the Protected Territory

A. Your rights under this Agreement are limited to operating the Franchised Center at the Franchised Location. You may not, without our prior written approval, engage in any other type of business or in the sale or distribution of services or products including selling, distributing or otherwise providing any services or products through catalogs, mail order, toll free numbers for delivery, or electronic means (e.g., e-commerce). Additionally, you agree not to, without prior written approval: (1) advertise or market the services of the Franchised Center outside of the Protected Territory; and/or (2) engage in direct solicitation of customers outside of the Protected Territory. The term “**direct solicitation**” includes, but is not limited to, solicitation in person, by telephone, by mail, by e-mail, the internet, or other electronic means, advertising, marketing, and by distribution of brochures, business cards or other materials. If any of your advertising within the Protected Territory is in media that will or may reach a significant number of persons outside of the Protected Territory, you must notify us in advance and obtain our prior written consent. We may periodically establish rules and policies regarding such advertising in the Manual including a requirement that you include a reference to any nearby Upgrade Labs Centers that may be impacted by your out-of-territory advertising.

B. Notwithstanding these advertising restrictions, you acknowledge that customers have total freedom to select where and from whom to obtain the Approved Products and Services. Neither your Franchised Center nor any other Upgrade Labs Center is restricted from providing services to any customers regardless of where they reside, and accordingly you will have no protection from other Upgrade Labs Centers located outside the Protected Territory that provide products and services to customers who reside in your Protected Territory.

C. The parties acknowledge that advertising and promotional materials created, placed, and/or distributed by us, other franchisees operating under the System, or other entities authorized by us, may appear in media distributed in, or may be directed to prospective customers of the Franchised Center located within the Protected Territory, including on our website or social media channels.

3 **TERM**

3.1 Initial Term. The term of this Agreement (the “**Initial Term**”) expires ten (10) years from the Effective Date, unless terminated sooner as provided in this Agreement.

3.2 Renewal Term. When this Agreement expires, you will have the option to remain a franchisee and continue to operate the Franchised Center at the Franchised Location for three (3) five (5) year renewal terms (each a “**Renewal Term**”) if you are in substantial compliance with the terms of this

Agreement. The qualifications and conditions for the first Renewal Term are described below. The qualifications and conditions for the additional Renewal Terms will be set forth in your renewal franchise agreements.

A. You must give us written notice of your election to remain a franchisee and continue to operate the Franchised Center at the Franchised Location for the Renewal Term at least six (6) months before the end of the Initial Term (but not more than twelve (12) months before the Initial Term expires). Failure to provide such notice to us will be deemed an indication that you do not wish to renew the franchise relationship.

B. You must not be in default under this Agreement (including any monetary defaults) or any other agreements with us and/or our affiliates; you must not be in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Center; you must not be in default beyond the applicable cure period with any vendor or supplier to the Franchised Center; and, for the twelve (12) months before the date of your renewal notice and the twelve (12) months before the expiration of the Initial Term, you must not have been in default beyond the applicable cure period under this Agreement or any other agreements with us and/or our affiliates.

C. You must present satisfactory evidence to us that you have the right to remain in possession of the Franchised Location, or alternate premises acceptable to us, for the Renewal Term and all monetary obligations owed to your landlord, if any, must be current. You also must ensure that our then-current form of Addendum to Lease (the current form of which is attached as Exhibit E) is signed by you and the landlord of the Franchised Location or otherwise incorporated into the lease that will govern the Franchised Location during such Renewal Term.

D. You agree to start the renovation and modernization of the Franchised Center as we may reasonably require and complete that process to our reasonable satisfaction. The renovation and modernization will include, among other things, refurbishing and remodeling the premises, replacing signs, furnishings, fixtures, and décor to reflect the then-current standards and image of the System, and replacing or installing new equipment relating to the System requirements.

E. You must be operating the Franchised Center in full compliance with all federal, state and local laws and regulations and you must demonstrate that you are able to maintain all licenses and permits necessary to continue to operate the Franchised Center for the Renewal Term.

F. Your Principal Owner (as defined in Section 8.1) and Designated Manager (as defined in Section 8.2) must attend a prescribed training refresher course at least thirty (30) days prior to the expiration of the Initial Term. You will be responsible for all expenses incurred in connection with attending this refresher training.

G. You must pay us a renewal fee of Thirty-Five Thousand Dollars (\$35,000). You will not be required to pay an additional initial franchise fee.

H. You and your owners must sign a general release, in a form we prescribe, of any and all claims against us, our affiliates, and their respective past and present officers, directors, shareholders, and employees, in their corporate and individual capacities; and

I. You must sign our then-current form of renewal franchise agreement (modified as necessary to reflect the fact that it is a renewal franchise agreement), which will supersede this Agreement in all respects and which may provide for higher fees, fees not included in this Agreement, other terms and conditions materially different from the terms of this Agreement, and/or a different or modified Protected

Territory. Your failure to sign the renewal franchise agreement and general release and return these documents to us with the renewal fee prior to the expiration of the Initial Term will be deemed an election by you not to exercise your right to remain a franchisee for the Renewal Term and will result in the expiration of this Agreement and the franchise granted by this Agreement at the end of the Initial Term.

4 FRANCHISOR'S DUTIES

4.1 Site Selection and Lease Review. We will provide the site selection and lease review assistance called for under Sections 6.1 and 6.2 below.

4.2 Standard Layout. We will provide our standard plans and specifications for the design and appearance of an Upgrade Labs Center and for fixtures, furnishings, equipment, and signs.

4.3 Manual. We will provide to you, on loan, one copy of the Manual, which may be in an electronic format.

4.4 Brand Fund. We will administer the Brand Fund.

4.5 Suppliers. We will name approved suppliers and Designated Suppliers as we deem appropriate and review suppliers that you nominate, subject to the limitations in Section 11.3.

4.6 Marketing Materials. We will review and approve or reject all marketing and promotional materials that you propose to use.

4.7 Operational Advice. We will provide to you from time to time, as we deem appropriate, advice and guidance and written materials containing techniques for the operation of an Upgrade Labs Center.

4.8 Services Performed. You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Agreement.

5 FEES

5.1 Initial Franchise Fee. In consideration of the rights granted in this Agreement, when you sign this Agreement you must pay us a non-refundable initial franchise fee in the amount set forth on Exhibit A of this Agreement, which fee shall be deemed fully earned by us when paid.

5.2 Royalty Fee. On or before the tenth (10th) day of each month following the month of opening and continuing thereafter throughout the Initial Term of this Agreement, you must pay us a non-refundable monthly royalty fee in an amount equal to the greater of: (1) Two Thousand Five Hundred Dollars (\$2,500), or (2) seven and a half percent (7.5%) of the Gross Sales of the Franchised Center for the preceding month (the "**Royalty Fee**").

5.3 Brand Fund Contributions. On or before the tenth (10th) day of each month following the month of opening and continuing thereafter throughout the Initial Term of this Agreement, you must make a monthly contribution to the Brand Fund in the amount of two (2%) of the Gross Sales of the Franchised Center for the preceding month. Required contributions to the Brand Fund are referred to as "**Brand Fund Contributions.**" Additionally, as described in Section 12 of this Agreement, we require that you spend

certain amounts (which will be determined as described in Section 12 below) for cooperative marketing and/or local marketing and advertising initiatives within your Protected Territory.

5.4 Other Fees. You must pay all other training/tuition fees, evaluation fees, software fees, as well as all amounts necessary to purchase marketing materials, inventory or other supplies from us and our affiliates on an ongoing basis, as described more fully in this Agreement. You agree to pay us, within ten (10) days of our written request (which is accompanied by reasonable substantiating material), any monies that we have paid, or that we have become obligated to pay, on your behalf, by consent or otherwise under this Agreement.

5.5 Gross Sales Reports

A. **“Gross Sales”** means all revenue from the operations of the Franchised Center, including but not limited to, all revenue paid under membership agreements as well as payment for any other services or products sold through the Franchised Center, and proceeds from business interruption insurance, all amounts that you collect or receive at or away from the Franchised Location, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions. Gross Sales exclude: (1) refunds provided in the ordinary course of business; (2) the dollar value of sales discounts given by the Franchised Center; and (3) sales taxes or other taxes that you collect and pay directly to the appropriate taxing authority. We reserve the right to modify our policies consistent with industry practices regarding revenue recognition, revenue reporting, and the inclusion in or exclusion of certain revenue from “Gross Sales” as circumstances, business practices, and technology change.

B. On or before the tenth (10th) day of each month following the month of opening, we will generate a Gross Sales report (a **“Gross Sales Report”**) from your computer system detailing the following information: (1) Gross Sales of the Franchised Center from the preceding month; and (2) your calculated Royalty Fee and Brand Fund Contribution based on the Gross Sales from the preceding month. We may require you to provide additional reports to us for the reporting period. We may, as we deem necessary in our sole discretion, change the form and content of the Gross Sales Reports from time to time. We may designate a different reporting period in the Manual.

5.6 Method of Payment

A. With the exception of the initial franchise fee, you shall pay all fees and other amounts due to us and/or our affiliates under this Agreement through an electronic funds transfer program (the **“EFT Program”**), under which we automatically deduct all payments owed to us under this Agreement, or any other agreement between you and us or our affiliates, from the bank account you designate for use in connection with EFT Program (the **“EFT Account”**).

B. You shall deposit all revenues from operation of the Franchised Center into the EFT Account immediately upon receipt, including cash, checks, electronic and mobile payments, and credit card receipts. At least ninety (90) days prior to opening the Franchised Center, you shall provide us with: (1) your EFT Account bank name, address and account number; (2) a voided check from such EFT Account; and (3) our form of EFT Authorization Form, which is attached as Exhibit F to this Agreement. You shall immediately notify us of any change in your banking relationship, including any change to the EFT Account.

C. We have the right to modify the methods that we require for payments of amounts due to us. You agree to comply with the payment and reporting procedures that we may specify in the Manual or otherwise in writing.

5.7 Application of Payments. We have the right to apply payments from you in any way we choose, to any amounts you owe us.

5.8 Late Payment. Any payment that we do not receive on or before the due date will be deemed overdue. Any report that we do not receive on or before the due date will also be deemed overdue. If any payment is overdue, then you agree to pay us, in addition to the overdue amount, interest on the overdue amount from the date it was due until paid, at the rate of one and one-half percent (1.5%) per month (but not more than the maximum rate permitted by applicable law, if any). Our entitlement to such interest will be in addition to any other remedies we may have.

5.9 Insufficient Funds Fee. In addition to the interest charges under Section 5.8, we have the right to charge a fee equal to Two Hundred and Fifty Dollars (\$250) for each time you deliver a check to us which does not clear your bank account, or where we are not able to do an electronic funds transfer because of insufficient funds in your EFT Account (“NSF Fee”). If you incur three (3) or more NSF Fees within any twelve (12) month period, we may terminate this Agreement without providing any opportunity to cure the default.

5.10 No Subordination. You agree not to subordinate to any other obligation your obligation to pay us the Royalty Fee, Brand Fund Contributions, and/or any other amount payable to us, whether under this Agreement or otherwise, and that any such subordination commitment that you may give without our prior written consent shall be null and void.

5.11 Collection Costs and Expenses. You must pay to us on demand any and all collection costs and expenses (including, without limitation, costs and commissions due a collection agency, costs incurred in creating or replicating reports demonstrating Gross Sales of the Franchised Center, reasonable attorneys’ fees, court costs, expert witness fees, discovery costs and reasonable attorneys’ fees and costs on appeal, together with interest charges on all of the foregoing) incurred by us in enforcing the terms of this Agreement, including, without limitation, in collecting any monies owed by you to us.

5.12 No Offset. You shall not withhold or off-set any portion of any payment due under this Agreement due to our alleged non-performance under this Agreement or any other agreement by and between you and us or our respective affiliates.

6 SITE SELECTION

6.1 Site Selection

A. If the Franchised Location has not been designated as of the Effective Date of this Agreement, then within five (5) months after the Effective Date you must obtain our acceptance of the site for Franchised Center from a designated market area agreed to by the parties and set forth on Exhibit A (“**Site Selection Area**”) and secure a lease or ownership interest in the site. The Site Selection Area is described solely for the purpose of selecting a site for the Franchised Center. You acknowledge and agree that: (1) you do not have any territorial rights within the Site Selection Area; (2) we may permit ourselves, our affiliates and our franchisees to search for the location of their Upgrade Labs Centers within the same Site Selection Area that is assigned to you under this Agreement if we determine in our sole discretion that the Site Selection Area is large enough to contain additional Upgrade Labs Centers; and (3) potential locations for each Upgrade Labs Center, and resulting Protected Territories, within the Site Selection Area will be reviewed and rejected or granted on a first-to-propose basis.

B. We will provide you with a copy of our site selection guidelines and minimum requirements for the location of an Upgrade Labs Center in the Manual. Our requirements may include

standards and specifications regarding accessibility, available parking, and minimum square footage for certain portions of an Upgrade Labs Center (such as customer reception areas, treatment areas, restrooms, and back-office areas).

C. You must submit a site application for one or more proposed sites for the Franchised Center, in the form specified by us, and a completed site evaluation package that includes a copy of the site plans, photographs, demographic information, financial information, and such other information and materials as we may reasonably require, together with option contracts, letters of intent, or other evidence satisfactory to us which confirms your favorable prospects for obtaining ownership or leasehold interests in the sites. If we determine that an on-site evaluation is necessary, then you must reimburse us for the expenses incurred in connection with such an evaluation.

D. We will use reasonable efforts to review any proposed site within thirty (30) days of receiving all reasonably requested information from you. If we do not provide our specific acceptance of a proposed site within this thirty (30)-day period, the proposed site will be deemed rejected. We may require you to use an approved supplier for site selection and other assistance related to securing an accepted site for the Franchised Center. You must obtain our written acceptance of a site before you make any binding commitments related to the site. Our acceptance or rejection of a site may be subject to reasonable conditions as we determine in our sole discretion.

E. You agree that our acceptance of a site for the Franchised Center and any information communicated to you regarding our site selection criteria for an Upgrade Labs Center does not constitute a warranty or representation of any kind, express or implied, as to the suitability of any site for the Franchised Center or for any other purpose. Our acceptance of a site is not a representation or a promise by us that the Franchised Center at the site will achieve certain revenues or a certain level of profitability. Similarly, our acceptance of one or more sites and our rejection of other sites is not a representation or a promise that the accepted site will have higher revenues or be more profitable than a site that we rejected.

F. You agree that the decision to develop and operate the Franchised Center at a site that we accept is based solely on your own independent investigation of the suitability of that site for a Franchised Center. We assume no liability or responsibility for: (1) evaluation of the soil of the site for hazardous substances; (2) inspection of any structure at the site for asbestos or other toxic or hazardous materials; (3) compliance with the Americans with Disabilities Act (“ADA”); or (4) compliance with any other applicable law. It is your sole responsibility to obtain satisfactory evidence and/or assurances that the site and any structures on the site are free from environmental contamination and in compliance with the requirements of the ADA.

6.2 Site Acquisition

A. After we issue our acceptance of a site to serve as the Franchised Location for the Franchised Center, you must lease, sublease or purchase the site. If you purchase the site for the Franchised Center, you must provide us with a copy of the deed within five (5) days after its recordation or other evidence of ownership.

B. If you lease the site for the Franchised Center, you must provide us with a copy of the proposed lease for our review within fifteen (15) days after we issue our site acceptance. You agree that any lease for the Franchised Location must: (1) in form and substance, be satisfactory to us; (2) include provisions such as those set forth described below in Section 6.3 and our form of Lease Addendum (the current form of which is attached as Exhibit E), as modified from time to time; (3) be for an aggregate term of (at least) ten (10) years in a combination of initial term and renewals; (4) contain terms and conditions and payments that are commercially reasonable in our opinion; and (5) include any other provisions as we

may require from time to time. The lease may not contain any covenants or other obligations that would prevent you from performing your obligations under this Agreement or any other agreement with us or our affiliates. You understand and agree that our review of the lease is solely for the purpose of protecting our interests and ensuring compliance with this Agreement. Our approval of the lease does not constitute a warranty or representation of any kind, express or implied, as to its fairness or suitability or as to your ability to comply with its terms, and we do not assume any liability or responsibility to you or to any third parties due to such approval. You must deliver to us a copy of the fully signed lease within five (5) days after its execution.

C. Upon our approval of a site, and after you secure an ownership or leasehold interest in the site, we will insert its address on Exhibit A of this Agreement and it will be the Franchised Location. You hereby authorize us to deliver to you replacements for Exhibit A identifying the Franchised Location and its Protected Territory, and upon our delivery to you of a revised Exhibit A, that Exhibit A shall be binding upon us and you as if we and you had signed that Exhibit A. You may not begin construction or remodeling at the Franchised Location until you have delivered to us a copy of the fully signed Lease or deed.

6.3 Lease Conditions. We have the right to require you and the landlord for the Franchised Location to sign our then-current form of Lease Addendum (our current form of which is attached to this Agreement as Exhibit E) as a condition to giving our approval to your lease.

6.4 Relocation. You may not operate the Franchised Center at any site other than the Franchised Location and may not relocate the Franchised Center without our prior written consent, which may be withheld by us in our sole discretion. The same requirements set out in Section 6.1 for an initial site will apply to any potential new site. If we approve a relocation of the Franchised Center, you must pay a relocation fee in the amount of Fifteen Thousand Dollars (\$15,000). You must open the relocated Franchised Center for business within one hundred eighty (180) days of closing the Franchised Center at the previous location. You will bear all relocation costs and construction costs, including any costs of terminating the existing lease or occupancy agreement. You must de-identify the former location as provided in Section 20 at your expense within the time period that we specify.

7 DEVELOPMENT OF THE FRANCHISED CENTER

7.1 System Design & Equipment Standards. We will provide you with our sample plans and specifications for the design and appearance of an Upgrade Labs Center, including certain architectural elements that you must incorporate into the Franchised Center (together the “**System Design Elements**”). We will also provide you with our specifications for equipment, furnishings, fixtures, décor items, computers and other technology systems, and signage that you must incorporate into your Franchised Center (together, the “**Operating Assets**”). Our System Design Elements may include minimum standards for portions of a business (such as minimum requirements for customer reception areas, treatment areas, restrooms, and back-office areas), as well as specifications for the layout and look and feel of the overall Center.

7.2 Development and Preparation of the Franchised Location. You are responsible for developing, at your own expense, the Franchised Center at the Franchised Location. Among other things, you agree to all of the following:

A. You agree to secure all financing required to develop and operate the Franchised Center (we will not provide you with any financing for the Franchised Center).

B. You agree to obtain all required zoning permits, all required building, utility, sign permits, and licenses, and any other required permits, licenses and certifications.

C. You agree to retain, at your expense, a qualified licensed architect to produce any architectural and working drawings necessary to complete the development of the Franchised Center at the Franchised Location, which plans and drawings will incorporate our standards and specifications for the System Design Elements.

D. You must send us your development and construction plans and specifications for review and approval before you begin constructing the Franchised Center at the Franchised Location. After we have given our approval, you may not deviate from such approved plans and drawings without obtaining our prior written approval. We may inspect the Franchised Location while you are developing the Franchised Center.

E. You agree to purchase or lease, and install, all required fixtures, furniture, equipment (including computer and technology information systems), furnishings, and signs as needed, including complying with our requirements for Operating Assets for the Franchised Center.

F. You must complete all construction and/or remodeling, furnishing, decorating, and equipping of the Franchised Center in accordance with the approved plans, and in doing so, you agree to use a licensed and bonded contractor for any construction and remodeling.

G. In connection with the System Design Elements and any layout and equipment plans that we provide to you, you acknowledge and agree that those specifications do not meet and are not meant to address the requirements of any federal, state or local law, code or regulation (including without limitation those concerning the ADA and/or similar rules governing public accommodations and commercial facilities for persons with disabilities), nor will such plans contain the requirements of, or be used for, construction drawings or other documentation necessary to obtain permits or authorization to build a specific Upgrade Labs Center. You will be solely responsible for complying with all federal, state and local laws, codes and regulations regarding the construction, design and operation of the Franchised Center. If you receive any complaint, claim, or other notice alleging a failure to comply with any such requirements, you agree to provide us with a copy of that notice within five (5) days after you receive the notice.

7.3 Approval to Open and Opening Deadline

A. During the entire period of construction of the Franchised Center, you must permit us and our agents to inspect the site at all reasonable times. We may require that you use an approved supplier for pre-opening project and construction management services. You must complete construction or remodeling, and install all furniture, fixtures, equipment, and signs in accordance with the final plans and specifications approved by us. You must notify us of the anticipated construction completion date and provide us with a copy of a certificate of occupancy for the Franchised Center. Our inspections may take place in person, via video platform, or over an internet connection.

B. You may not begin offering Approved Products and Services to customers in connection with the Franchised Center until we notify you that: (1) all of your obligations under this Section 7 have been fulfilled; (2) pre-opening training of your personnel has been completed as required by Section 9; and (3) we have been furnished with copies of all certificates of insurance required by Section 14.

C. You must open your Franchised Center within ten (10) months after the Effective Date or we may terminate this Agreement (“**Opening Deadline**”). We may grant you an extension of the Opening Deadline for a period of up to six (6) months. You must request the extension at least thirty

(30) days before the Opening Deadline and pay us an extension fee in the amount of One Thousand Dollars (\$1,000). **The parties agree that time is of the essence.**

D. Within ninety (90) days after you open the Franchised Center, you must give us a full written breakdown of all costs associated with the development and construction of the Franchised Center in the form that we may reasonably find acceptable or that we may otherwise require.

7.4 **Pre-Opening Obligations Acknowledgement.** If you believe that we have failed to provide adequate pre-opening services as provided in this Agreement, you shall notify us in writing within thirty (30) days following the opening of the Franchised Center. Absent such notice to us, you acknowledge, agree and grant that we fully complied with all of our pre-opening and opening obligations set forth in this Agreement.

8 YOUR MANAGEMENT AND ORGANIZATION

8.1 **Principal Owner.** If you are an entity or a group of individuals, you must appoint one of your owners who is an individual to serve as your “**Principal Owner.**” If you are an individual, you will serve as the Principal Owner. To serve as a Principal Owner, the individual must be an owner of yours who: is authorized to initiate and receive communications between us and you; has authority over all business decisions related to the Franchised Center; has the power to bind you in all dealings with us in our relationship under this Agreement; and must have signed and delivered to us the Personal Guarantee and Assumption of Obligations attached to this Agreement as Exhibit C. You further acknowledge and agree that Principal Owner will be the single liaison for all matters between the parties to this Agreement; will be solely responsible for communicating all relevant information to your other owners; and will be considered by us as the only owner authorized to make decisions on your behalf. Any decision made by the Principal Owner will be deemed to have the full force and effect as if all of your owners made the decision. As of the Effective Date, the individual who will serve as the Principal Owner is specified in Exhibit A of this Agreement. You may not change the Principal Owner without our prior written approval.

8.2 **Designated Manager.** Your Principal Owner must personally participate in the direct management and operation of the Franchised Center on a full-time basis, unless you hire a manager (the “**Designated Manager**”) that we approve in writing to manage the day-to-day operations of the Franchised Center when your Principal Owner is not present. Your Principal Owner may, but is not required to, also serve as your Designated Manager. The individual who will act as your Designated Manager must successfully complete all required training sessions as provided in Section 9 and must have signed and delivered to us a Confidentiality and Restrictive Covenant Agreement in a form we prescribe, the current form of which is attached to this Agreement as Exhibit D. You may not change the Designated Manager without our prior written approval. Notwithstanding the foregoing, you are solely responsible for all aspects of the operation of the Franchised Center and ensuring that all the terms, conditions, and requirements contained in this Agreement and in the Manual are met and kept.

8.3 Your Organizational Structure

A. If you are a legal entity such as a corporation, a limited liability company or a partnership, you make the following representations and warranties: (1) you are duly organized and validly existing under the laws of the state of your formation; (b) you are qualified to do business in the state or states in which the Franchised Center is located; (c) execution of this Agreement and the development and operation of the Franchised Center is permitted by your governing documents; and (d) unless waived in writing by us, your articles of incorporation, articles of organization or written partnership agreement shall at all times provide that your activities are limited exclusively to the development and operation of Upgrade Lab Centers.

B. If you are an individual, or a partnership comprised solely of individuals, you make the following additional representations and warranties: (1) each individual has executed this Agreement; (2) each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and (3) notwithstanding any transfer to a business entity, each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and breach of, each and every provision of this Agreement.

8.4 Ownership Information. You and each of your owners represent and warrant that the ownership information on Exhibit B to this Agreement is correct and complete as of the Effective Date. You must comply with the transfer requirements of Section 18 prior to any change in your ownership interests. You must maintain a current list of all stockholders, general partners, limited partners, members, or other direct or indirect beneficial owners (as applicable) and furnish the list to us upon request.

8.5 Governing Documents. Upon our request, you must promptly deliver to us, as applicable, true and complete copies of the articles or certificate of incorporation, partnership agreement, bylaws, subscription agreements, buy-sell agreements, voting trust agreements and all other documents relating to your ownership, organization, capitalization, management and control and all amendments thereto. When any of these governing documents are modified or changed, you promptly shall provide copies to us. If your entity is a corporation, you shall maintain stop transfer instructions against the transfer on the records of any voting securities, and each stock certificate of the corporation shall have conspicuously endorsed upon its face the following statement: “Any assignment or transfer of this stock is subject to the restrictions imposed on assignment by the Upgrade Labs Franchise Agreement(s) to which the corporation is a party.” If your entity is a limited liability company, each membership or management certificate shall have conspicuously endorsed upon its face the following statement: “Any assignment or transfer of an interest in this limited liability company is subject to the restrictions imposed on assignment by the Upgrade Labs Franchise Agreement(s) to which the limited liability company is a party.” If you are a partnership, your written partnership agreement shall provide that ownership of an interest in the partnership is held, and that further assignment or transfer thereof, is subject to all restrictions imposed on assignment by this Agreement.

8.6 Personal Guarantee. Your owners and each of their spouses, if applicable, must execute a Personal Guarantee and Assumption of Obligations in the form we prescribe (“**Guarantee**”), undertaking to be bound jointly and severally by the terms of this Agreement. The current form of Guarantee is attached to this Agreement as Exhibit C. Notwithstanding the foregoing, we reserve the right, in our sole discretion, to waive the requirement that some or all of the previously described individuals sign the Guarantee. We also reserve the right to require any guarantor to provide personal financial statements to us from time to time. With respect to your owners, you acknowledge that, unless otherwise agreed to in writing by us, it is our intent to have individuals (and not corporations, limited liability companies or other entities) sign the Guarantee. Accordingly, if any owner is not an individual, we shall have the right to require individuals who have only an indirect ownership interest in your entity to sign the Guarantee. (By way of example, if an owner is a corporation, we have the right to require individuals who have an ownership interest in that corporation to sign the Guarantee.)

8.7 Confidentiality Agreements. Each person who is, or becomes, one of your executive officers must execute a Confidentiality Agreement in a form we prescribe, the current form of which is attached to this Agreement as Exhibit D.

9 TRAINING

9.1 Initial Training. We shall offer and make available an initial training program to your Principal Owner and Designated Manager. The initial training program will consist of three (3) parts: (1) an initial Franchise Training Program; (2) a Pre-Opening Sales Training; and (3) on-site Center Launch Assistance.

A. The initial Franchise Training Program will last for approximately three (3) days and is currently held virtually or another location that we designate. You must successfully complete the initial Franchise Training Program within two (2) months of signing this Agreement.

B. Pre-Opening Sales Training consists of up to five (5) days on-site/virtual training and is intended to assist you in marketing the Franchised Center in the local community to create brand awareness, drive traffic, leads and membership sales during the pre-opening period. You must successfully complete the Pre-Opening Sales Training no later than two (2) months prior to the opening of the Franchised Center and before your Franchised Center begins selling memberships, unless we agree otherwise in writing.

C. The On-site Center Launch Assistance will consist of up to five (5) days of on-site assistance at the Franchised Center and be provided prior to the soft opening of the Franchised Center and after you have completed the initial Franchise Training Program and Pre-Opening Sales Training, the buildout and equipping of the Franchised Center, hiring of staff, and selling a minimum number of presale memberships which we will determine for the Protected Territory. At the conclusion of the On-site Center Launch Assistance, we will assess the following: (1) your pre-opening marketing and launch readiness; (2) your operations; (3) initial staffing efforts; (4) merchandising/displays; (5) scheduling capabilities; and (6) payment processing. If approved, you may open the Franchised Center, but if not approved, we may require that your Principal Owner and Designated Manager attend additional training, for which we reserve the right to charge our then-current additional training fee.

D. We alone have the right to judge whether a person has successfully completed any training program. If your Principal Owner or Designated Manager fail to complete the requisite training programs to our satisfaction, he/she may repeat the course at the next available scheduled training session; however, you must pay our then-current training fee and we will have no obligation to extend the Opening Deadline for this purpose.

E. The training programs will be provided subject to the schedule and availability of our training personnel and any portion of the above training may be offered virtually in our sole discretion. You may bring additional owners or managers to the initial Franchise Training Program (subject to the availability of our staff), provided you pay our then-current training fee for each individual that attends in addition to the Principal Owner and Designated Manager.

9.2 Replacement Personnel Training. After the opening of the Franchised Center to the public, any employee of yours whom you intend to serve in the positions of your Principal Owner and Designated Manager must, within thirty (30) days after assuming such position, attend and successfully complete the portion of our initial training program that we require for such positions. We will also provide the Franchise Training Program to any replacement personnel or those who attend but fail to complete the program provided you pay our then-current initial training fee.

9.3 Additional and Refresher Training; Remedial Training

A. To reinforce brand standards and ensure a high-quality guest experience, we require your Principal Owner, Designated Manager and staff to successfully complete training modules on our designated learning management platform at regular intervals (e.g., quarterly updates or new course releases).

B. We may, as we deem appropriate in our discretion, develop additional and refresher training courses, and require you and your management to attend such courses. You shall pay us our then-current training fee in connection with attending additional/refresher training and will be responsible for the costs and expenses that you and your trainees incur in connection with attending any additional/refresher training under this Agreement. We will not require you and your management to attend more than five (5) days of in person additional/refresher training each year.

C. If we determine that you are operating the Franchised Center in a manner that is not consistent with the terms of this Agreement or the Manual, or if you are otherwise in material default of this Agreement, we may also require that your Principal Owner, Designated Manager and/or other management personnel of the Franchised Center attend and complete up to five (5) additional days of training at (1) our designated training facility, (2) the Franchised Center, or (3) another location that we designate, that is designed to address the default or other non-compliance issue (the “**Remedial Training**”). We may require you and your designated trainees to pay our then-current training fee in connection with attending Remedial Training.

9.4 Annual Conference. We may establish and conduct an annual conference for all Upgrade Labs Center owners and operators and may require your Principal Owner and your Designated Manager to attend this conference for no more than five (5) days each year. We reserve the right to charge you our then-current registration fee in connection with any annual conference, and you will be solely responsible for all expenses incurred in attending such conference.

9.5 Training by You

A. We have the right to specify training programs related to the System that you must conduct for your employees and to specify minimum levels of proficiency that your employees must satisfy. You must train all newly hired personnel when they start their position. If we train your personnel, we are not responsible for expenses incurred while they attend training, including salaries, benefits, travel, lodging, meals and other related expenses. We reserve the right to charge you our then-current training fees for training additional personnel.

B. Your personnel who have successfully completed the entire Franchise Training Program must conduct training classes for, and properly train, all of your employees on sales, advertising, maintenance of the Franchised Location, the computer and technology systems, as well as any other information that is relevant to each employee’s role with the Franchised Center, including our standards and specifications for operating the Franchised Center as set forth in the Manual or otherwise in writing. At least one (1) person that has completed the Franchise Training Program must manage the Franchised Center at all times.

9.6 Training Materials and Methods. All training materials that we provide to you remain our property. We have the right to provide training programs in person, via video conference or the Internet, in printed or electronic format, or by other means, as we determine. We may periodically upgrade our training programs, content, and training materials. If we do so, you must use our revised training programs and materials when training your employees.

9.7 Expenses. You are responsible for all costs and expenses incurred by your attendees in connection with attending or otherwise participating in training including any travel, lodging, meals and other expenses associated with attending those portions of the program that are provided from our designated training facility or other location that we designate.

9.8 Control by Us. Notwithstanding anything to the contrary in this Section 9, you and we recognize and agree that we do not exercise any day-to-day control over the operation of the Franchised Center, including control of the security at the Franchised Center, the hiring and firing of your managers or employees, or other forms of day-to-day control.

10 MANUAL AND SYSTEM STANDARDS

10.1 The Manual

A. In order to protect our reputation and goodwill and to maintain high standards of operation under the Proprietary Marks, you agree to conduct the operations of the Franchised Center in accordance with the written instructions that we provide, including the Manual. The Manual contains the System Standards that we periodically prescribe for operating an Upgrade Labs Center and information on your other obligations under this Agreement. We will have the right to provide the Manual in any format we determine is appropriate including in a paper or electronic form including through an internet website, portal, or extranet. The Manual could include audio/video recordings, other electronic media, and/or written materials. We may modify the Manual periodically to reflect changes in System Standards and you must comply with each new or changed standard upon reasonable notice from us. In the event of a dispute about the contents of the Manual, the master versions and/or copies maintained by us at our principal offices will be controlling.

B. We will permit you to have electronic access to our Manual only during the Initial Term and only for your use in connection with operating the Franchised Center during the Initial Term. You must treat the Manual and all information contained in the Manual as confidential. You must not misuse, copy, duplicate, record, or otherwise reproduce the Manual or any other materials containing our confidential information, in whole or in part, or otherwise make them available to any unauthorized person. The Manual remains exclusively our property and you must limit electronic access to the Manual to authorized persons. In the event you or your personnel save or print out a hard copy of any Manual, then such electronic/hard versions of said Manual must be immediately destroyed or returned to us upon expiration or termination of this Agreement for any reason and never used for any competitive purpose. The provisions of this Section 10.1 shall survive the expiration and/or earlier termination of this Agreement.

10.2 Modifications to the System. You recognize and agree that we may periodically change or modify the System and the System Standards and you agree to accept and use for the purpose of this Agreement any such change in the System and the System Standards, which may include, among other things, new or modified trade names, service marks, trademarks or copyrighted materials, products, equipment, computer and point of sale hardware and software, and techniques, as if they were part of this Agreement as of the Effective Date. You agree to make such expenditures and such changes or modifications as we may reasonably require pursuant to this Section 10.2 and otherwise in this Agreement.

10.3 Test Marketing. We may, from time to time, authorize you to test market equipment, products and/or services in connection with the operation of the Franchised Center. You shall cooperate with us in connection with the conduct of such test marketing programs and shall comply with our procedures established from time to time in connection with such programs as set forth in the Manual.

10.4 Innovations. You may not implement any change in the System without our prior written consent. All products, services, concepts, methods, techniques, inventions, discoveries, and/or new information relevant to your operation of the Franchised Center (together, “**Innovations**”), whether or not constituting protectable intellectual property, that you or your employees create, or that are created on your behalf, must be promptly disclosed to us. All such Innovations will be deemed to be our sole and exclusive property and works made-for-hire for us. You and each of your owners agree to: (1) sign the assignment and/or other documents we request in order to implement this clause in order to evidence our ownership; (2) cause your employees and contractors to sign such assignment documents as we may request for this purpose; and (3) assist us in securing intellectual property rights in such Innovations. These obligations shall continue beyond the termination or expiration of this Agreement.

10.5 Variances. We have the right, in our sole discretion, to waive, defer or permit variations from the standards of the System or any applicable agreement for any franchisee or prospective franchisee based on the peculiarities of a particular site, existing building configuration or circumstance, density of population, business potential, trade area population or any other condition or circumstance. We have the right, in our sole discretion, to deny any such request we believe would not be in the best interests of the System.

11 OPERATION OF THE FRANCHISED CENTER

11.1 Approved Products and Services. We will periodically designate the Approved Products and Services that you must offer and sell at the Franchised Center. You may not offer or provide any other products or services and must not deviate from our System Standards and specifications related to the manner in which the Approved Products and Services are offered and sold, unless we provide our prior written consent. We have the right to add additional, delete, or otherwise modify certain of the Approved Products and Services from time to time in the Manual and otherwise in writing, as we deem appropriate in our sole discretion. In the event of a dispute between you and us with respect to your obligation to carry any particular product or to offer any specific service, you will immediately remove the disputed products from inventory, cease offering the disputed service, or, if the same are not already in inventory or such services not yet being offered, will defer offering for sale such products and services pending resolution of the dispute.

11.2 Compliance with System Standards. You agree that in order to protect our reputation and goodwill and to maintain high standards of operation under the System, you will operate the Franchised Center in strict conformance with our System Standards. You acknowledge that the System Standards may relate to any aspect of the appearance, function, cleanliness, and methods of operating the Franchised Center. Any material failure to comply with our System Standards will constitute a material breach of this Agreement.

11.3 Sourcing of Products and Services

A. You must purchase and maintain for the Franchised Center all furnishings, fixtures, décor items, inventory, equipment and signage that we designate as required items in the Manual or otherwise in writing. We have the right to require that all current and future equipment, products, supplies, furnishings, promotional items, information technology services, payment processing services, and other products and services that you purchase for use in operation of the Franchised Center: (1) meet specifications that we establish from time to time; and/or (2) be purchased only from suppliers that we have expressly approved; and/or (3) be purchased only from a Designated Supplier. “**Designated Suppliers**” include manufacturers, wholesalers, distributors, dealers, retailers, or other vendors or sources that we designate as the source for particular products or services. You acknowledge and agree that we and our affiliates may serve as an approved supplier and Designated Supplier for the System.

B. To the extent that we establish specifications, require approval of suppliers, or name Designated Suppliers for particular products or services, we will provide the requirements to you in writing. If we elect to name ourselves or an affiliate as the Designated Supplier for a particular item or service, you must purchase all your requirements of the item from us or the affiliate. You must submit orders in accordance with the terms and procedures we specify from time to time.

C. If we require you to use an approved supplier for a particular product or service, but you wish to purchase the product or service from a supplier that we have not approved, you may submit a written request for approval of the supplier, unless it is a product or service for which there is a Designated Supplier. We have no obligation to review or approve a greater number of suppliers for an item than the number we deem reasonable, and any proposed supplier relationship must not jeopardize the availability of any special pricing or other benefits offered by our existing suppliers based on system-wide purchases. We will provide our standards and specifications to you or to the proposed supplier, subject to the supplier's execution of a confidentiality agreement in a form acceptable to us. We have the right to inspect the proposed supplier's facilities and to require delivery of product samples or demonstration of services either to us or to an independent laboratory designated by us for testing. Upon completion of our analysis, we will notify you in writing of approval or rejection of the proposed supplier, which will typically take thirty (30) days after receipt of all required information and completion any inspection of facilities, samples or demonstration. You agree to pay a charge not to exceed our reasonable costs incurred in evaluating the supplier, whether or not the supplier is approved. You may not purchase, sell, or offer for sale any products or services of the proposed supplier until you receive our written approval of the proposed supplier. We have the right to re-inspect the facilities, products and services of any approved supplier and to revoke approval upon the supplier's failure to meet any of our then-current criteria. If you receive a notice of revocation of approval, you agree to cease purchasing products or services from the disapproved supplier and, in the case of revocation based on failure of products to meet our standards, you agree to dispose of your remaining inventory of the disapproved supplier's products as we direct.

11.4 Private Label Products. We may directly, or indirectly through our affiliates or designated vendors, develop and provide you with private label products or other merchandise bearing the Proprietary Marks to be sold at the Franchised Center.

11.5 Allowances. You agree that we have the right to collect and retain all manufacturing allowances, marketing allowances, rebates, credits, monies, payments or benefits (collectively, "**Allowances**") offered by suppliers to you or to us (or our affiliates) based upon your purchases of products, goods and services. These Allowances include those based on System-wide purchases of supplies, equipment, materials and other items. You assign to us or our designee all of your right, title and interest in and to any and all such Allowances and authorize us (or our designee) to collect and retain any or all such Allowances.

11.6 Pricing Activities. You agree that we may set reasonable restrictions on the maximum and minimum prices you may charge for services and products (subject to applicable law) offered and sold at the Franchised Center under this Agreement. With respect to the sale of all such services and products, you will have sole discretion as to the prices to be charged to customers; provided, however, that we will have the right to set maximum or minimum prices with respect to such services and products (subject to applicable law), to promote inter-brand competition. If we impose a maximum price on a particular service or product, then (subject to applicable law) you may charge any price for that service and product, up to and including the maximum price we have set. If we impose a minimum price on a particular service or product, then you may charge any price for that service or product (subject to applicable law), down to and including the minimum price that we have set.

11.7 Promotional Materials Display (Seasonal and Otherwise). We may require you to prominently display promotional materials provided or designated by us and participate in any ongoing System-wide sales, specials or other promotions that we designate, including without limitation, participating in any seasonal sales/promotions and displaying all designated signage in connection therewith. You may not display or use any signage at the Franchised Location unless previously approved by us in writing.

11.8 Furnishings and Equipment. You must acquire and install in the Franchised Center at your expense, such fixtures, furnishings, equipment, décor, and signs as we may reasonably direct from time to time. You must not install or permit to be installed on or about the Franchised Location, without our prior written consent, any fixtures, furnishings, equipment, décor, signs, or other items not previously approved by us. You are specifically prohibited from installing, displaying, or maintaining any vending machines, gaming machines, automatic teller machines, internet kiosks, merchant service machines, credit card and/or payment machines or any other electrical or mechanical device in the Franchised Center other than those we prescribe or approve. You will maintain the condition and appearance of the Franchised Center, including its Operating Assets and the Franchised Location and facilities in accordance with System Standards and consistent with the image of an Upgrade Labs Center as an efficiently operated business offering high quality and professional services and products and observing high standards of customer service.

11.9 Access for Inspections. We and our designees have the right at any reasonable time and without prior notice to: (1) inspect the Franchised Center; (2) observe, photograph, record and/or film the operations of the Franchised Center; (3) remove samples of any products, materials or supplies for testing and analysis; and (4) interview personnel and customers of the Franchised Center. You agree to cooperate fully with such activities. Upon notice from us or our agents and without limiting our other rights under this Agreement, you shall take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. Should you, for any reason, fail to correct such deficiencies within a reasonable time as determined by us, we shall have the right and authority (without, however, any obligation to do so) to correct such deficiencies and to charge you a reasonable fee for our expenses in so acting, payable by you immediately upon demand.

11.10 Quality Assurance Program. You acknowledge that providing superior customer service is a vital component of the System. You agree to participate in customer service programs, which we have the right to specify from time to time in the Manual. Such programs may include the use of independent evaluation service to conduct “mystery shopper” quality control inspections, customer satisfaction surveys, or any other quality control or evaluation programs. If the Franchised Center receives an unsatisfactory or failing report in connection with any such program, according to the standards that we establish in the Manual, you must immediately implement any remedial actions we require and pay us all expenses we incurred to have the evaluation service evaluate the services provided at the Franchised Center and all expenses we may have incurred to inspect the Franchised Center thereafter.

11.11 Repair and Maintenance

A. You will maintain and refurbish the condition and appearance of the Franchised Center, its Operating Assets and the Franchised Location in accordance with System Standards and consistent with the image of an Upgrade Labs Center as an efficiently operated business offering high quality products and services and observing the highest standards of professionalism, cleanliness, sanitation, efficiency, courteous service and pleasant ambiance. Additionally, you will take, without limitation, the following actions during the term of this Agreement as often as we prescribe and at least every three (3) years: (1) thorough cleaning, repainting, redecorating of the interior and exterior of the Franchised Center or installing new color schemes, flooring, seating, signage or other visual elements

within the Franchised Center as we prescribe; (2) interior and exterior repair of the Franchised Center; and (3) repair or replacement of damaged, worn out or obsolete Operating Assets.

B. If you are not permitted to make certain repairs because such repairs are reserved to the landlord of the Franchised Location as common area maintenance, you agree to use diligent efforts to cause the landlord to make such repairs timely and in a workmanlike manner. Except for repairs required to maintain the Franchised Location in a first class manner and condition, all other repairs, replacements, additions, and modifications to the Franchised Location shall require our prior written consent. You may not make any alterations to the Franchised Location that would be different than the original accepted plans, nor replace any furnishings, fixtures, equipment and signs with items that are not in accordance with our standards and specifications or are inconsistent with or have caused variation in the accepted plans or the approved furnishings, fixtures, equipment and signs, without our prior written approval. We have the right, at your expense, to rectify any replacements, relocations or alterations not previously approved by us in writing.

C. If, at any time, the general state of repair, appearance or cleanliness of the Franchised Location or its furnishings, fixtures, equipment and signs does not meet our standards, we may notify you and specify the action you must take to correct such deficiency. If, within fourteen (14) days after receiving such notice, you fail or refuse to initiate in good faith and with due diligence a bona fide program to complete such required maintenance, in addition to our rights to place you in default of this Agreement, we have the right, but not the obligation, to enter the Franchised Location and perform such maintenance on your behalf and at your expense. You must promptly reimburse us for such expenses and the cost of coordinating such repairs.

D. If the Franchised Center is damaged or destroyed by fire or other casualty, you must initiate within thirty (30) days (and diligently continue until completion, which shall be accomplished in no more than one hundred and twenty (120) days) all repairs or reconstruction to restore the Franchised Center to its original condition (and all remodeling performed or required to be performed to date), unless your landlord fails to rebuild the premises. If, in our reasonable judgment, the damage or destruction is of such a nature that it is feasible, without incurring substantial additional costs, to repair or reconstruct the Franchised Center in accordance with our then-standard layout and décor specifications for Upgrade Labs Centers, we may require you to repair or reconstruct the Franchised Center in accordance with those specifications.

11.12 Remodeling. You agree to refurbish the Franchised Center at your expense to conform to our then-current building design, exterior facade, trade dress, signage, furnishings, decor, color schemes, and presentation of the Proprietary Marks in a manner consistent with the then-current image for new Upgrade Labs Centers, including but not limited to remodeling, redecoration, and modifications to existing improvements, all of which we may require in writing (collectively, “**Facilities Remodeling**”). In this regard, the parties agree that: (1) you will not have to engage in Facilities Remodeling more than once every five (5) years during the term of this Agreement (and not in an economically unreasonable amount); provided, however, that we may require Facilities Remodeling more often if Facilities Remodeling is required as a pre-condition to obtaining a Renewal Term (as described in Section 3.2 above); and (2) you will have six (6) months after you receive our written notice within which to complete Facilities Remodeling.

11.13 Memberships. You must comply with any membership programs that we establish for customers of Upgrade Labs Centers from time to time as set forth in the Manual, including any reciprocity programs between Upgrade Labs Centers.

11.14 Use of Franchised Location. You may use the Franchised Location only for the purpose of operating the Franchised Center and for no other purpose. You agree not to permit any other business to operate at the Franchised Location (whether as a tenant or otherwise), and not to use or permit the use of the Franchised Location for any purpose other than operating an Upgrade Labs Center, without our prior written approval.

11.15 Hours of Operation. You shall keep the Franchised Center open and in normal operation for such minimum hours and days as we may prescribe in the Manual or otherwise in writing and must ensure that the Franchised Center is sufficiently staffed.

11.16 Employer Responsibilities. You have sole responsibility for all employment decisions and functions of the Franchised Center, including those related to hiring, firing, training, wage and hour requirements, recordkeeping, supervision, and discipline of employees, despite any information or advice we may provide. You must maintain a competent, conscientious, trained staff with enough workers to operate the Franchised Center to satisfy our standards for customer service. You must take such steps as are necessary to ensure that your employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as we may establish from time to time in the Manual. Nothing in this Agreement is intended or may be construed to create any type of employer or joint employer relationship between us and you and/or your personnel.

11.17 Technology System

A. You must, at your own expense, acquire and install in the Franchised Location the computer system, Wi-Fi, Internet service, software, computer and Internet security systems, and other technology equipment, communications devices, audio/visual equipment and software systems that we specify in writing from time to time (“**Technology System**”). You must maintain an electronic connection between your Technology System and our systems; use the Technology System in accordance with all policies and operational procedures we issue from time to time; transmit data to us at the times we specify; maintain your Technology System in good working order at all times; promptly install upgrades, additions, changes, modifications, substitutions and/or replacements of hardware, software, data connectivity, electrical power, and other computer-related facilities, as we direct; ensure that your employees are adequately trained in the use of the Technology System and our related policies and procedures; and (if we request and subject to applicable privacy laws) permit us access to your Technology System and provide us with any user names and passwords necessary for that purpose. You must bear all costs of installation, operation, maintenance and upgrade of your Technology System. We reserve the right to require you to engage us or a hardware maintenance and/or help desk support provider approved by us to maintain your Technology System.

B. We will have the right, but not the obligation, to develop or have developed for our needs, or to designate: (1) software programs and accounting system software that you must use in connection with your Technology System (“**Required Software**”), which you will install; (2) updates, supplements, modifications, or enhancements to the Required Software, which you will install; (3) the tangible and hosted media upon which such you will record data; and (4) the database file structure of your Technology System.

C. You agree to install and use the Technology System and Required Software at your sole expense. You agree to sign any required agreements and pay us, our affiliates or our vendors any initial and ongoing fees in order to install and continue to use the Required Software, hardware, and other elements of the Technology System. You agree to implement and periodically make upgrades and other changes at your expense to the Technology System and Required Software as we may reasonably request in writing (collectively, “**Technology Upgrades**”). We will not require you to make Technology Upgrades

more than once per year. You agree to comply with all specifications that we issue with respect to the Technology System and the Required Software, and with respect to Technology Upgrades, at your expense. We will have the right, subject to compliance with applicable privacy laws, to require that you grant us independent access to your Technology System and Required Software, including all information and data maintained thereon, in the manner, form, and at the times that we request.

D. You may not hire third party or outside vendors to perform any services or obligations in connection with the Technology System, Required Software, or any other of your obligations without our prior written approval. Our consideration of any proposed outsourcing vendor(s) may be conditioned upon, among other things, such third party or outside vendor's entry into a confidentiality agreement with us and you in a form that we may reasonably provide and the third party or outside vendor's agreement to pay for all initial and ongoing costs related to interfaces with our computer systems. The provisions of this section are in addition to and not instead of any other provision of this Agreement. You must not install, or remove any software from, the Technology System without our prior written consent.

E. Each party to this Agreement acknowledges and agrees that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we will have the right to establish, in writing, reasonable new standards for the implementation of technology in the System; and you agree to comply with those reasonable new standards that we establish as if we periodically revised this Section 11.17 for that purpose. You acknowledge and agree that you are solely responsible for protecting yourself from computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders.

11.18 Electronic Communication

A. We may require you, at any time and from time to time, to use specific telephone numbers, email addresses, domain names and other methods for sending communication electronically, whether or not currently invented or used, including app- and/or internet-based communication ("**Designated Communication Addresses**") for the Franchised Center, in which case you shall only use the Designated Communication Addresses for the Franchised Center. In the absence of Designated Communication Addresses, you shall use for the Franchised Center only telephone numbers, email addresses, domain names and other methods for sending communication electronically, whether or not currently invented or used, including app- and/or internet-based communication approved by us ("**Approved Communication Addresses**") (Designated Communication Addresses and Approved Communication Addresses are collectively referred to as "**Communication Addresses**"). You shall not use the Communication Addresses for any purpose other than the operation of the Franchised Center.

B. You will be solely responsible (and agree that neither we nor our affiliates shall have any responsibility) for timely payment of all fees and charges associated with the Communication Addresses and the use thereof. Where Communication Addresses and associated services are held in our name but for the benefit of the Franchised Center, you shall, on demand, reimburse us for all charges for the use of the Communication Addresses. You must use the Communication Addresses in strict compliance with applicable contractual and legal obligations and rules. We own all rights, title and interest in and to the Communication Addresses and you agree, at your sole cost and expense, to promptly execute upon our request such documents and take such actions as we may require in order to implement this provision. We hereby license use of such Communication Addresses back to you, at no additional cost, solely for the Initial Term and only for your use in connection with operating the Franchised Center.

11.19 Electronic Money Programs and Loyalty Programs. You must participate in programs relating to gift cards, gift certificates, stored value cards, online or mobile coupons or credits, online or mobile ordering systems, and other electronic money programs as we may prescribe from time to time. Participation includes both issuing program benefits or credits and accepting them for payment by customers and may require you to purchase additional equipment. We will coordinate the crediting and debiting of funds among Upgrade Labs Centers based on customer purchases and redemption of stored value. You must also participate in any membership or customer loyalty programs that we prescribe from time to time. You may not offer your own gift card, electronic money, or loyalty program for the Franchised Center without our prior approval.

11.20 Payment Systems. You agree to honor all credit, charge, courtesy or cash cards or other credit devices and mobile payment application systems that we specify. You shall maintain, at all times, credit-card relationships with the credit- and debit-card issuers or sponsors, check or credit verification services, financial-center services, merchant service providers, and electronic-fund-transfer systems (together, “**Credit Card Vendors**”) that we may periodically designate as mandatory. You shall not to use any Credit Card Vendor for which we have not given our prior written approval or as to which we have revoked our earlier approval. The term “Credit Card Vendors” includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (e.g., “Apple Pay” and “Google Wallet”). We have the right to modify our requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke our approval of any service provider. You hereby authorize your Credit Card Vendors to release information to us regarding the Franchised Center. You must comply with the then-current Payment Card Industry Data Security Standards (PCI/DSS) as those standards may be revised by the PCI Security Standards Council, LLC (see www.pcisecuritystandards.org) or successor organization. Among other things, you agree to implement the security requirements that the PCI Security Standards Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards. You must demonstrate compliance on reasonable request, which may include having an independent third party conduct a PCI/DSS audit.

11.21 Compliance with Lease. If you will occupy the Franchised Location under a lease, you must comply with all terms of the lease for the Franchised Location and all other agreements affecting the operation of the Franchised Center at the Franchised Location. You must undertake best efforts to maintain a good working relationship with your landlord and must refrain from any activity that may jeopardize your right to remain in possession of, or to renew the lease for, the Franchised Location.

11.22 Compliance with Laws.

A. You must secure and maintain all required licenses, permits and certificates relating to the operation of the Franchised Center,. You must operate the Franchised Center in full compliance with all applicable municipal, county, state and federal laws, rules, regulations and ordinances. You must 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 your business files. You have sole responsibility for compliance despite any information or advice that we may provide.

B. You are prohibited from taking any actions that would jeopardize our ability to comply with the United States Foreign Corrupt Practices Act and the International Money Laundering Abatement and Anti-Terrorist Financing Act, otherwise known as the Patriot Act.

C. You must meet and maintain the highest health standards and ratings applicable to the operation of the Franchised Center, and furnish to us, within two days after receipt thereof, a copy of each and every health department, or similar agency, health inspection report and fire department inspection report. You must notify us by telephone within twenty-four (24) hours and confirm in writing within two

(2) days, after receiving notice of any investigation or violation concerning any zoning, health, or narcotics laws or fire department regulations.

11.23 Public And Media Relations. You agree that you will not issue any press or other media releases or other communications without our prior written approval. This includes television, newspaper and trade publication interviews. As a franchisee of the System, you may only participate in internal and external communications activities that create goodwill, enhance our public image and build the Upgrade Labs brand.

11.24 Complaints. You must immediately resolve any customer complaints regarding the condition of the Franchised Location, quality of service or any similar complaints. When any complaints cannot be immediately resolved, you must use reasonable efforts to resolve the complaints as soon as practical.

11.25 Crisis Management. To further ensure quality, safety, overall customer experience, and brand integrity, you must advise us immediately of any crisis so that we may assist you in handling the after effects of such matter, or if we mutually agree, or we deem it necessary, we may take the lead in managing the after effects of such matter. The following circumstances should be reported immediately: (1) fire or other building casualty for which individuals are evacuated; (2) robbery; (3) any violence at the Franchised Center; (4) any other circumstances that have the potential to result in any significant adverse publicity or impact on the System.

11.26 Franchisee Advisory Committee. We reserve the right to create a franchisee advisory committee ("FAC"). You will be required to participate in any communication programs developed by the FAC. You must participate, at your sole cost, in the FAC if you or one of your owners or employees is elected or appointed as a committee member. You may be required to pay a fee for, or contribute to, the FAC in an amount determined by the FAC.

12 ADVERTISING AND PROMOTION

12.1 Designated or Pre-Approved Advertising Materials and Campaigns. We may from time to time develop and create advertising and sales promotion programs designed to promote and enhance the collective success of all or some of the Upgrade Lab Centers operating under the System. You must participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by us for each program. In all aspects of these programs, including without limitation, the type, quantity, timing, placement, and choice of media, and market areas and advertising agencies, the System Standards and specifications established by us shall be final and binding upon you. We may also request that you purchase and/or make copies of (at your expense) and subsequently use certain other advertising or promotional materials that we designate for use in connection with the Franchised Center.

12.2 Approval for all Other Advertising/Promotional Materials. All advertising and promotion by you in any medium must be conducted in a professional manner and shall conform to our standards and requirements as set forth in the Manual or otherwise. You shall obtain our approval of all advertising and promotional plans and materials twenty (20) days prior to use if such plans and materials have not been prepared by us or previously approved by us during the twelve (12) months prior to their proposed use. You must submit unapproved plans and materials to us, and we will have fifteen (15) days to notify you of our approval or disapproval of such materials. If we do not provide our specific approval of the proposed materials within this fifteen (15) day period, the proposed materials will be deemed rejected. Any plans and materials that you submit to us for our review will become our property and there will be no restriction on our use or dissemination of such materials. Once approved, you may use the proposed materials for a period of ninety (90) days, unless we prescribe a different time period for use or require you to discontinue using

the previously-approved materials in writing. We may revoke our approval of any previously-approved advertising materials upon notice to you. We reserve the right to require you to include certain language on all advertising to be used locally by you or to be used by a Cooperative, as defined in Section 12.8, including, but not limited to, the phrase “Franchises Available” and references to our telephone number and/or website.

12.3 Grand Opening Advertising. You must spend Twenty-Five Thousand Dollars (\$25,000) to Fifty Thousand Dollars (\$30,000) on public relations, initial advertising and grand opening of the Franchised Center during the period between thirty (30) days prior to opening and sixty (60) days after opening (the “**Grand Opening Advertising Requirement**”). We may also require that you spend all or any portion of the Grand Opening Advertising Requirement on initial marketing, advertising and/or public relations materials or services that are purchased from an approved supplier. We must approve your plan for Grand Opening Advertising prior to its use.

12.4 Local Advertising Requirement. You must spend at least five percent (5%) of your Gross Sales each month for the purpose of local advertising and promotion of the Franchised Center within the Protected Territory (the “**Local Advertising Requirement**”). Upon our request, you must provide us with invoices or other proof of your monthly expenditures on local advertising and marketing. You must ensure that: (1) the Franchised Center has a dedicated phone line for use in connection with the Franchised Center only (and no other business, including any other Center); and (2) the Franchised Center is listed in the appropriate Internet-based directories that we designate. You may not advertise and promote the Franchised Center outside of the Protected Territory unless we otherwise provide our prior written consent in writing.

12.5 Brand Fund.

A. We have established the Brand Fund for the enhancement, promotion and protection of the System and the Proprietary Marks, and for the development of advertising, marketing, and public relations programs and materials as we deem appropriate. We have the right to direct all advertising, media placement, marketing and public relations programs and activities financed by the Brand Fund, with final discretion over the strategic direction, creative concepts, materials and endorsements used and the geographic, market and media placement and allocation. You agree to participate in all advertising, marketing, promotions, research and public relations programs instituted by the Brand Fund. You must contribute to the Brand Fund as required by Section 5.3 above. All payments by you to the Brand Fund are non-refundable upon payment. Upgrade Lab Centers operated by us and our affiliates will contribute to the Brand Fund on the same basis as comparable franchisees.

B. Among the programs, concepts, and expenditures for which we may utilize the Brand Fund monies are: (1) creative development and production of print ads, commercials, radio spots, point of purchase materials, direct mail pieces, door hangers, free standing inserts, brochures, logo wear, labeling, video, audio, and written materials and electronic media, and other advertising and promotional materials; (2) media placement and buying, including all associated expenses and fees; (3) administering regional and multi-regional marketing and advertising programs; (4) market research and customer satisfaction surveys; (5) the creative development of, and actual production associated with, premium items, giveaways, promotions, sweepstakes, contests, public relation events, and charitable or nonprofit events; (6) creative development of signage, posters, and individual Center décor items including wall graphics; (7) recognition and awards events and programs including periodic national and regional conventions and meetings; (8) design, establishment, and maintenance of websites, extranets, intranets, search rankings, social media profiles, mobile application and other digital marketing; (9) retention and payment of personalities engaged as spokespersons, advertising and promotional agencies, endorsement contracts, and other outside advisors including retainer and management fees; (10) sponsorship of sporting, charitable, or

similar events; (11) review of locally produced marketing materials; (12) list acquisition and development; and (13) public relations and community involvement activities and programs.

C. We may sell certain advertising materials, merchandise and premium items to you that are developed by the Brand Fund, and the earnings from such sales will be deposited in the Brand Fund. We will account for the Fund contributions separately from our other funds and not use the Fund for any of our general operating expenses; however, the Brand Fund may be used to pay reasonable salaries and expenses of our and our affiliates' employees who work on advertising, marketing, public relations materials, programs, activities or promotions prepared, planned or undertaken on behalf of the Brand Fund and professional fees and administrative costs and overhead that we or our affiliates incur in activities reasonably related to the administration and activities of the Brand Fund (including accounting fees, legal fees, and interest on monies borrowed by the Brand Fund). We will not use the Brand Fund for anything whose sole purpose is the marketing of franchises, however, the System website, public relations activities, community involvement activities and other activities supported by the Brand Fund may contain information about franchising opportunities. We may seek the advice of Upgrade Labs Center franchisees by formal or informal means with respect to the creative concepts and media used for programs financed by the Brand Fund.

D. You acknowledge that the Brand Fund and any earnings thereon will be used to maximize general public recognition, acceptance, and patronage of Upgrade Labs Centers, and that we are not obligated, in administering the Brand Fund, to make expenditures for you which are equivalent or proportional to your contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Brand Fund. Your failure to derive any such benefit will not serve as a basis for a reduction or elimination of your obligation to contribute to the Brand Fund. The failure (whether with or without our permission) of any other franchisee to make the appropriate amount of contributions to the Brand Fund will not release you from or reduce your obligation.

E. Nothing in this Agreement will be construed to create a trust or fiduciary relationship of any kind or nature whatsoever among the parties as it relates to the Brand Fund or our actions with respect thereto, including collection of payments, maintenance of any bank account for the Brand Fund, bookkeeping, and disbursement of monies from the Brand Fund. Except as expressly provided in this Section 12.5, we assume no direct or indirect liability or obligation to you with respect to maintenance, direction, or administration of the Brand Fund. The Brand Fund may spend in any fiscal year more or less than the total Brand 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 prepare an annual, unaudited report (in a format of our choosing) of Brand Fund collections and expenses within one hundred twenty (120) days after our fiscal year end and will provide a copy of the report to all franchisees. We retain the final authority on all programs financed by the Brand Fund. We have the right to implement, change or dissolve the Brand Fund at any time. If we disband the Brand Fund, we will spend all monies in the fund for advertising and/or promotional purposes or distribute all unspent monies to contributors in proportion to their respective Brand Fund Contributions during the preceding twelve (12) month period.

12.6 Websites. We agree that we will establish an interior page on our corporate website to display the Franchised Location and contact information associated with the Franchised Center for so long as (1) the Franchised Center is open and actively operating, and (2) this Agreement is not subject to termination. You may not establish any separate website or other Internet presence in connection with the Franchised Center, System or Proprietary Marks except as provided in Section 12.7 of this Agreement or otherwise without our prior written consent. If approved to establish a separate website, you shall comply with our policies, standards and specifications with respect to the creation, maintenance and content of any such website. You specifically acknowledge and agree that any website owned or maintained by or for your benefit shall be deemed "advertising" under this Agreement and will be subject to (among other things) our

approval as described in this Section 12. We shall have the right to modify our policies relating to your use of separate websites and social media, as we determine necessary or appropriate.

12.7 Social Media Platforms. In addition to the Local Advertising Requirement, with authorization from us, you may place advertisements on “**Social Media Platforms**” (defined as web-based platforms such as Facebook, Instagram, X, TikTok, LinkedIn, Pinterest, YouTube, blogs and other networking and sharing sites) or use “**Social Media Materials**” (defined as any material on any Social Media Platform that makes use of the Proprietary Marks, name, brand, products or the Franchised Center whether created by us, you or a third-party). You may not use a Social Media Platform or Social Media Materials without our prior written approval. Your expenditures toward Social Media Platforms and Social Media Materials will not count towards your required Local Advertising Requirement unless the expenditure relates to the placement of advertisements.

12.8 Marketing Cooperatives. We have the right at any time and from time to time to establish local or regional marketing co-operatives (“**Cooperatives**”) that pool funds of franchised and affiliate-owned Upgrade Labs Centers on an ongoing basis to collectively promote the Proprietary Marks and the businesses of the Cooperative members. You must participate in each applicable Cooperative marketing program and comply with the rules of the program. The following provisions apply to Cooperatives:

A. We have the right to designate any geographic area or set of common characteristics for purposes of establishing a Cooperative. If a Cooperative is applicable to your Franchised Center when it opens, you must join the Cooperative at that time. If a Cooperative applicable to the Franchised Center is established during the term of this Agreement, you must become a member and begin contributing no later than thirty (30) days after we approve the Cooperative to begin operation. You will not have to contribute to more than one Cooperative for the same Franchised Center at the same time. We (or our affiliates, as the case may be) will become a member of any Cooperative that is applicable to an Upgrade Labs Center owned by us or our affiliates.

B. Each Cooperative will adopt a Cooperative agreement governing the organization and operation of the Cooperative, subject to our approval. If the members of the Cooperative do not sign an agreement within a reasonable time, you agree to sign our recommended form of Cooperative Agreement. We reserve the right to change the form of organization, governing documents, and manner of operation of any Cooperative, and you and the other members agree to implement any such change promptly after notice from us. No changes in the bylaws or other governing documents of a Cooperative may be made without our prior written consent.

C. Each Cooperative will be organized for the exclusive purpose of developing, administering and executing advertising programs for the members of the Cooperative.

D. No advertising or promotional plans or materials may be used by a Cooperative or furnished to its members without our prior approval pursuant to Section 12.2 above.

E. You and each other member of the Cooperative must contribute monthly to the Cooperative all or any portion of the Local Advertising Requirement required under Section 12.4 above, as determined by the membership. The required contribution will not exceed your Local Advertising Requirement unless approved by a unanimous vote of eligible members of the Cooperative. Your Local Advertising Requirement will be reduced by the amount of your contributions to the Cooperative.

F. We may grant to any franchisee an exemption for any length of time from the requirement of membership in a Cooperative and/or from the obligation to contribute (including a reduction, deferral or waiver of the contribution), upon written request of the franchisee stating reasons that we deem

sufficient to support the exemption. Our decision concerning any request for an exemption will be final. If we grant an exemption to a franchisee, the franchisee will be required to spend on local advertising the amount the franchisee otherwise would have been required to contribute to the Cooperative.

G. We and our designated agents will have the right to examine and copy, at our expense, on reasonable notice and during normal business hours, the books, records, and accounts of any Cooperative. We will also have the right, at any time, to have an independent audit made of the books of any Cooperative.

13 ACCOUNTING AND RECORDS

13.1 Business Records. You must keep complete and accurate books, records and accounts of all business conducted under this Agreement, in the form and manner prescribed in the Manual, which may include a prescribed chart of accounts and/or use of a designated accounting program or platform. You must consult an accountant to assist you in setting up your system to follow our chart of accounts, if any, and to produce the financial statements and reports required by this Section 13. You must preserve all of your books and records, (including, but not limited to, lease agreements, state and federal income tax returns, sales checks, purchase orders, invoices, payroll records, customer records, check stubs, sales tax records and returns, cash receipts and disbursement journals, general ledgers, corporate, limited liability or partnership records and meeting minutes) in at least electronic form for seven (7) years from the date of preparation and make those books and records available and provide duplicate copies to us within ten (10) days after our written request. We may require you to use a third-party provider for bookkeeping services if you (1) fail to timely and accurately provide any and all required reports under this Agreement, or (2) underreport the Gross Sales of the Franchised Center at any time.

13.2 Periodic Reports. You must prepare and submit to us the following reports in the format specified by us:

A. On or before the tenth (10th) day of each month, a signed Gross Sales Report for the preceding month.

B. On or before the twentieth (20th) day of each month, an unaudited profit and loss statement for the Franchised Center for the preceding calendar month.

C. At the time of filing with taxing authorities, copies of all sales tax returns for the Franchised Center.

D. Within ninety (90) days after the expiration of each fiscal year, a year-end balance sheet and income statement and statement of cash flow of the Franchised Center for such year, reflecting all year-end adjustments and accruals signed by one of your officers or owners. In the event a prior audit or inspection conducted by us (or our designee) has revealed that you have underreported the Gross Sales of the Franchised Center by two percent (2%) or more for any reporting period, then we may require you to provide, at your expense, audited financial statements that comply with generally accepted accounting principles and generally accepted auditing standards for your fiscal year within one hundred and twenty (120) days of your fiscal year end.

E. Within thirty (30) days of our request, such other forms, reports, records, information and data as we may reasonably designate, including customer reports, labor cost reports, and sales and income tax statements and returns in the form and at the times and places reasonably required by us.

F. All reports shall use our then-current standard chart of accounts. The information in each report and financial statement must be complete and accurate and signed by your Principal Owner. We reserve the right to publish or disclose information that we obtain under this section in any data compilations, collections, or aggregations that we deem appropriate, in our sole discretion, so long as we do not disclose information relating to performance of your individual Franchised Center, unless such disclosure is required by law or court order. We strongly encourage you to use the reporting periods and fiscal year that we use.

G. You acknowledge and agree that we may share information from reports that you provide to us with other prospective and existing franchisees of Upgrade Labs Centers.

13.3 Extranet. We have the right (but no obligation) to establish a secure website for our franchisees and to require you to use the extranet for reporting, training, or other purposes as we direct from time to time.

13.4 Right to Examine or Audit. We and our designated agents will have the right to examine and copy, at our expense, on reasonable notice and during normal business hours, your books, records, accounts, and sales tax returns. We will also have the right, at any time, to have an independent audit made of your books. If an inspection or audit reveals that any payment to us has been understated, you must immediately pay to us the amount owed, together with applicable interest and late fees as provided in Section 5.8. If an inspection or audit reveals an understatement of the Gross Sales of the Franchised Center of two percent (2%) or more, you must, in addition to the payment of all monies owed with interest, reimburse us for all costs connected with the inspection or audit (including expenses for travel, lodging and wages, and reasonable accounting and legal costs). If our examination reveals an understatement of the Gross Sales of the Franchised Center for any period by two percent (2%) or more three (3) or more times during any thirty-six (36) month period, or by more than five percent (5%) on any one occasion, then in addition to your obligations to pay the amounts owed as referenced above, we may immediately terminate this Agreement. The foregoing remedies are in addition to any other remedies we may have.

13.5 Data. You agree that, subject to applicable privacy laws, all data that you collect in connection with the Franchised Center during the term of this Agreement including all customer data (“**Data**”) is our proprietary information and property and you also agree to provide the Data to us at any time that we request. You must (1) maintain a list of all current and former customers, as well as their purchase history, at the Franchised Location; and (2) make such lists and membership agreements available for our inspection upon request. You acknowledge that we may have automatic access to any or all of this information via the Technology System and related software that we require for use in connection with the Franchised Center. You have the right to use Data during the term of this Agreement, but only in connection with operating the Franchised Center and only in accordance with the policies that we establish from time to time. You may not sell, transfer, or use Data for any purpose other than operating and marketing the Franchised Center. However, if you transfer the Franchised Center (as provided in Section 18 below), as part of the transfer, you must also transfer use of the Data to the buyer as part of the total purchase price paid for the Franchised Center (subject to applicable privacy laws and any other laws regulating the ownership and protection of patient health records). At the expiration or termination of this Agreement for any reason, you will promptly turn over to us the Data and you will make no further use of that Data (or any related information) for any purpose whatsoever.

13.6 Privacy Laws. You agree to abide by our standards and policies and all applicable laws pertaining to the privacy of customers, employee, and transactional information (“**Privacy Laws**”). If there is a conflict between our standards and policies pertaining to Privacy Laws and actual applicable law, you must: (1) comply with the requirements of applicable law; (2) immediately give us written notice of said conflict; and (3) promptly and fully cooperate with us and our counsel in determining the most effective

way, if possible, to meet all standards and policies pertaining to Privacy Laws within the bounds of applicable law. You agree not to publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent as to said policy.

13.7 Public Filings. If you are or become a publicly-held entity in accordance with other provisions of this Agreement, you must send to us copies of all reports (including responses to comment letters) or schedules that you may file with the U.S. Securities and Exchange Commission (certified by your chief executive officer to be true, correct, complete and accurate) and copies of any press releases you may issue within three (3) days of the filing of those reports or schedules or the issuance of those releases. If you request information from us to compile your reports, you must reimburse us for our costs and expenses in preparing such reports.

14 INSURANCE

14.1 Basic Requirements.

A. You must obtain and maintain for the Franchised Center the types and amounts of insurance we prescribe in the Manual. We may designate specific brokers and/or carriers in the Manual from which you must purchase coverage in which case you may only purchase coverage from the designated brokers and/or carriers. Our designation or 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 agree to carry such additional insurance as required by your lease or applicable laws and regulations. All insurance policies shall be issued with no co-insurance provisions and without a deductible in excess of Ten Thousand Dollars (\$10,000). All insurance policies must name us and any party we designate as additional insureds and provide that the coverage afforded applies separately to each insured against whom a claim is brought as though a separate policy has been issued to each insured. You will also need to purchase and maintain in effect at all times during the term of this Agreement a surety bond for the Franchised Center, which you must purchase from our designated surety bond vendor to secure your obligations to pre-paid members for membership fees. The insurance coverage that we require as of the Effective Date is identified below:

Type of Coverage	Limits/Specifications
Commercial General Liability	\$1,000,000 per occurrence and \$3,000,000 in the aggregate
Property Rental Insurance Coverage on all furniture, fixtures, equipment, inventory and tenant improvements	\$1,000,000
Property Insurance	Full replacement cost of tenant improvements and all business personal property (including equipment).
Workers' Compensation	Amounts required by state law
Employment Practices Liability Coverage	\$1,000,000 per claim and \$1,000,000 in the aggregate
Employee Benefits Liability	\$1,000,000 per claim and \$1,000,000 in the aggregate
Product Liability Insurance	\$1,000,000 per claim and \$1,000,000 in the aggregate
Personal and Advertising Liability Insurance	\$1,000,000 per claim and \$1,000,000 in the aggregate
Professional Liability Insurance	\$1,000,000
Participant Legal Liability Insurance	\$1,000,000
Cyber Liability	\$1,000,000

Type of Coverage	Limits/Specifications
Medical Expense (for any one person) Insurance	\$5,000
Umbrella	\$1,000,000
Surety Bond	Amount required based on your credit score

B. You must provide us with evidence of all required insurance coverage and payment of premiums before beginning construction of the Franchised Center. At least thirty (30) days before each insurance policy expires, you must furnish a copy of the renewal or replacement insurance policy and evidence of payment of the premium. The policy must contain a statement by the insurer that the policy will not be cancelled or materially altered without at least thirty (30) days' prior written notice to us. The procurement and maintenance of such insurance shall not relieve you of any liability to us under any indemnity requirement of this Agreement.

14.2 Our Rights. We have the right to increase the amounts of coverage required and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, new risks, changes in the law or standards of liability, higher damage awards or other relevant changes in circumstances. All public liability and property damage policies must contain a waiver by the insurance company of subrogation rights against us and our affiliates, successors and assigns.

14.3 Failure to Procure and Maintain Insurance. If you fail for any reason to procure and maintain the required insurance coverage, we have the right and authority (without having any obligation to do so) to immediately procure such insurance coverage, in which case you must: (1) reimburse us for the costs incurred to obtain the required insurance (including any premium amounts paid); and (2) pay to us our then-current administrative fee, as may be reasonably charged by us as consideration for securing the required insurance on your behalf.

15 PROPRIETARY MARKS AND MATERIALS

15.1 Identification of the Franchised Center. You must operate, advertise, and promote the Franchised Center only under the Proprietary Marks. In conjunction with any use of the Proprietary Marks, you must identify yourself to the public as an independent franchisee operating under the authority of this Agreement.

15.2 Proprietary Materials. You acknowledge and agree that we and/or our affiliates are the owners of certain copyrighted or copyrightable works (the “**Proprietary Materials**”) and that the copyrights in the Proprietary Materials are valuable property. We authorize you to use the Proprietary Materials on the condition that you comply with all of the terms and conditions of this Section 15.2. You acknowledge and agree that we may create, acquire or obtain licenses for certain additional copyrights in various works of authorship used in connection with the operation of an Upgrade Labs Center, including, but not limited to, all categories of works eligible for protection under the United States copyright law, all of which will be deemed to be part of the Proprietary Materials. The Proprietary Materials include, but are not limited to, the Manual, advertisements, promotional materials, labels, posters, coupons, gift certificates, signs, social media sites, websites, and facility designs, plans and specifications. The Proprietary Materials may incorporate all or part of the Proprietary Marks or other trade dress used as part of the System. You acknowledge that this Agreement does not confer any interest in the Proprietary Materials on you, other than the right to use them in the operation of the Franchised Center in compliance with the terms of this Agreement. If you prepare any adaptation, translation or work derived from the Proprietary Materials, including, but not limited to, advertisements, promotional materials, labels, posters, or websites, whether or not such adaptation was authorized by us, you agree that such material will be our property and you

hereby assign all your right, title and interest therein to us (or a person designated by us). You agree to execute any documents, in recordable form, which we deem necessary to reflect or perfect such ownership. You must submit all such adaptation, translation or derivative works to us for approval prior to use.

15.3 Limitations on Use. Your right to use the Proprietary Marks and the Proprietary Materials is limited to the uses we authorize under this Agreement and any unauthorized use will constitute an infringement of our rights. Therefore, you agree to:

A. Use only the Proprietary Marks that we designate and use them only in the manner we authorize;

B. Use the Proprietary Marks and Proprietary Materials only for the operation of the Franchised Center and only at the Franchised Location or in advertising for the Franchised Center and the services offered at or through the Franchised Center;

C. Operate and advertise the Franchised Center only under the name “Upgrade Labs” or such other Proprietary Marks as we specify, and use all Proprietary Marks without prefix or suffix, and not use the Proprietary Marks as part of your corporate or legal name;

D. Ensure that all advertising and promotional materials, packaging, signs, decorations, websites, and other items that we may specify, bear the Proprietary Marks in the form, color, size, and location we prescribe;

E. Identify yourself as the owner of the Franchised Center in conjunction with any use of the Proprietary Marks, including but not limited to on invoices, order forms, receipts, check stock, payroll forms, business stationery, websites (if approved by us), email auto-signatures, and other electronic media, as well as at such conspicuous locations on the Franchised Location as we may designate in writing;

F. Not use the Proprietary Marks to incur any obligation or indebtedness on behalf of us or our affiliates;

G. Comply with our instructions in filing and maintaining any requisite trade name or fictitious name registrations, and execute any documents we deem necessary to obtain protection for the Proprietary Marks and the Proprietary Materials or to maintain their continued validity and enforceability;

H. Not directly or indirectly contest the validity of, or take any other action which tends to jeopardize our or our affiliates’ rights to the ownership of or right to use and to license others to use the Proprietary Marks; and

I. Ensure that the Proprietary Marks and the Proprietary Materials bear the “®”, “™”, “SM” or copyright notice, respectively, as we may prescribe from time to time.

15.4 Your Acknowledgments. You acknowledge that:

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

B. Your use of the Proprietary Marks and Proprietary Materials pursuant to this Agreement does not give you any ownership interest or other interest in the Proprietary Marks or the Proprietary Materials;

C. Any and all goodwill arising from your use of the Proprietary Marks and the Proprietary Materials will inure exclusively to the benefit of us and our affiliates, and upon expiration or termination of this Agreement, no monetary amount will be assigned as attributable to any goodwill associated with your use of the System, the Proprietary Marks, or the Proprietary Materials; and

D. The license granted under this Agreement to use the Proprietary Marks and the Proprietary Materials is nonexclusive.

15.5 Third Party Challenges. You must promptly notify us of any unauthorized use or reproduction of the Proprietary Marks or the Proprietary Materials, any challenge to the validity of the Proprietary Marks or the Proprietary Materials, the ownership by us and our affiliates of the Proprietary Marks and the Proprietary Materials, our right to use and to license others to use the Proprietary Marks and the Proprietary Materials, or your right to use the Proprietary Marks or Proprietary Materials. You acknowledge that we and our affiliates have the right to direct and control any administrative proceeding or litigation involving the Proprietary Marks or Proprietary Materials, including any settlement thereof. We and our affiliates have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks or Proprietary Materials. We will defend you against any third-party claim that your use of the Proprietary Marks or the Proprietary Materials infringes the rights of the third party. We will bear the cost of defense (including the cost of any judgment or settlement) if you have used the Proprietary Marks and the Proprietary Materials in accordance with the terms of this Agreement, but otherwise you must bear the cost of the defense (including the cost of any judgment or settlement). You must execute any and all documents and do such acts as we deem necessary to carry out the defense or prosecution of any litigation involving the Proprietary Marks or the Proprietary Materials, including, but not limited to, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks or the Proprietary Materials in a manner inconsistent with the terms of this Agreement, we agree to reimburse you for your out of pocket litigation costs in doing such acts and things, except that you will bear the salary costs of your employees, and we will bear the costs of any judgment or settlement.

15.6 Changes to the Proprietary Marks. We reserve the right to modify or require you to discontinue use of any of the Proprietary Marks and/or to substitute different service marks, trademarks for use in identifying the System and the businesses operating thereunder. When required by us, you must promptly discontinue use of designated Proprietary Marks or implement any modification or substitution at your own cost and expense. We will have no obligation or liability to you as a result of such modification or substitution.

15.7 Electronic Identifiers and Websites. You may not use the Proprietary Marks or any variations of the Proprietary Marks or marks or names confusingly similar to the Proprietary Marks in any manner not authorized by us in writing as part of any Electronic Identifier. “**Electronic Identifier**” means any URL, domain name, website, meta-tag, download, application, posting, social networking profile, directory listing, screen name, anonymous name, blog, vlog, e-mail account, instant messaging account, texting identity, user generated content, or any other identification of you, the Franchised Center, or other Upgrade Labs Centers in any electronic medium. We may grant or withhold our consent in our sole discretion and may condition our consent on such requirements as we deem appropriate.

16 CONFIDENTIAL INFORMATION

16.1 Confidentiality

A. You acknowledge and agree that: (1) we own all right, title and interest in and to the System; (2) the System includes trade secrets and confidential and proprietary information and know-

how that gives us a competitive advantage; (3) we have taken all measures appropriate to protect the trade secrets and the confidentiality of the proprietary information and know-how of the System; (4) all material or other information now or hereafter provided or disclosed to you regarding the System is disclosed in confidence; (5) you have no right to disclose any part of the System to anyone who is not your employee; (6) you will disclose to your employees only those parts of the System that an employee needs to know; (7) you will have a system in place to ensure that your employees keep confidential our trade secrets and confidential and proprietary information, and, if requested by us, you shall obtain from those of your employees designated by us an executed confidentiality and non-disclosure agreement in the form prescribed by us; (8) by entering into this Agreement, you do not acquire any ownership interest in the System; and (9) your use or duplication of the System or any part of the System in any other business, or disclosure of any part of the System to others for use or duplication in any other business, would constitute an unfair method of competition, for which we would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

B. You shall not, during the term of this Agreement or at any time thereafter, communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the System. Any and all information, knowledge, know-how and techniques, including all drawings, materials, equipment, specifications, techniques and other data that we or our affiliates designate as confidential shall be deemed confidential for purposes of this Agreement.

16.2 Employees. At our request, you must require your management personnel to sign agreements that they will maintain the confidentiality of our information that they will receive in connection with their association with you. The agreements must be in a form satisfactory to us and identify us as a third-party beneficiary with the independent right to enforce the agreement. Our current form of Confidentiality Agreement is attached as Exhibit D. You must provide us with a copy of each executed agreement.

16.3 Consequences of Breach. You acknowledge that any failure to comply with the requirements of this Section 16 will cause us irreparable injury, and you agree to pay all costs (including, without limitation, reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 16.

17 COVENANTS

17.1 Restrictions On Competition

A. You acknowledge and agree that: (1) pursuant to this Agreement, you will have access to valuable trade secrets, specialized training and other confidential information from us and/or our affiliates regarding the development, operation, product preparation and sale, market and operations research, advertising and marketing plans and strategies, purchasing, sales and marketing methods and techniques owned by us and our affiliates; (2) the know-how regarding the System and the opportunities, associations and experience acquired by you pursuant to this Agreement are of substantial value; (3) in developing the System, we and our affiliates have made substantial investments of time, effort, and money; (4) we would be unable adequately to protect the System and its trade secrets and confidential and proprietary information against unauthorized use or disclosure and would be unable adequately to encourage a free exchange of ideas and information among operators of Upgrade Labs Centers if our franchisees were permitted to engage in the activities described in this Section 17.1 or to hold interests in the businesses described in this Section 17.1; and (5) the restrictions on your right to hold interests in, or perform services for, the businesses described in this Section 17.1 will not unduly limit your activities.

B. You covenant and agree that, except as we otherwise approve in writing, during the term of this Agreement, and for a continuous period of two (2) years following the expiration, transfer or termination of this Agreement, you will not, either directly or indirectly, for yourself or through, on behalf of, or in conjunction with any person or legal entity:

(1) Own, maintain, operate, engage in, grant a franchise to, advise, help, make loans to, lease property to, or have any interest in, either directly or indirectly, any “**Competing Business**”, which is defined as any business (a) that offers or provides adaptive cardio, neurofeedback, PEMF, other technologies intended to supercharge clients’ bodies, minds and spirits, and/or the other types of Approved Products and Services offered by Upgrade Labs Centers; or (b) whose method of operation or trade dress is similar to that employed in the System. During the term of this Agreement, there is no geographical limitation on this restriction. Following the expiration, transfer or termination of this Agreement, this restriction shall apply to any Competing Business located within a twenty-five (25) mile radius of the Franchised Location and any Competing Business located within a twenty-five (25) mile radius of any other Upgrade Labs Center that is open, under lease, or otherwise under development as of the date this Agreement expires, transfers, or is terminated; or

(2) Divert or attempt to divert any present or prospective business or customer to any Competing Business 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 and the System.

C. You acknowledge that the Franchised Location will itself acquire goodwill associated with the System and that it would be difficult for us to ascertain that you have no interest in the operation by a third party of a Competing Business at that location that would, if operated by you, violate the restrictions of this Section 17.1. Accordingly, you further covenant and agree that, during the term of this Agreement and for a period of two (2) years following the transfer, expiration or earlier termination of this Agreement, you shall not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, firm, partnership, corporation, or other entity, sell, assign, lease or transfer the Franchised Location to any person, firm, partnership, corporation, or other entity which you know, or have reason to know, intends to operate a Competing Business at the Franchised Location that would violate Section 17.1.B.(1) if operated by you. You, by the terms of any conveyance selling, assigning, leasing or transferring your interest in the Franchised Location, shall include such restrictive covenants as are necessary to ensure that a Competing Businesses that would violate Section 17.1.B.(1) if operated by you is not operated at the Franchised Location for this two (2) year period, and you shall take all steps necessary to ensure that these restrictive covenants become a matter of public record.

17.2 Exception for Publicly Traded Stock. The restrictions contained in Section 17.1 will not apply to ownership by you of less than a five percent (5%) beneficial interest in the equity securities of any publicly-held corporation.

17.3 Owners and Employees. Your owner(s) identified in Exhibit B that sign the Personal Guarantee and Assumption of Obligations attached to this Agreement as Exhibit C will agree to be bound personally by the provisions of Section 17, provided that, as to them, the time period in Section 17.1.B will run from the expiration, termination, or transfer of this Agreement or from the termination of the individual’s relationship with you, whichever occurs first. At our request, you must obtain signed agreements similar in substance to this Section 17 (including agreements applicable upon termination of a person’s relationship with you) from any: (1) Principal Owner; (2) Designated Manager; and (3) your officers, directors, and owners. Each agreement required by this Section 17.3 must be in a form we approve and specifically identify us as a third party beneficiary with the independent right to enforce the agreement.

17.4 Enforcement

A. We have the right, in our sole discretion, to reduce the scope of any restriction in Section 17.1 by giving you written notice and you agree to comply with any covenant so modified, which shall be fully enforceable notwithstanding the provisions of Section 25.

B. You agree that the existence of any claims you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of this Section 17.

C. You acknowledge that your violation of the terms of this Section 17 would result in irreparable injury to us for which no adequate remedy at law may be available, and you accordingly consent to the issuance of an injunction prohibiting any conduct by you in violation of the terms of this Section 17. Injunctive relief will be in addition to any other remedies we may have.

D. If you or any other person bound by this Section 17 fails or refuses to abide by any of the foregoing restrictions on competition, and we obtain enforcement in a legal proceeding, the obligations under the breached restriction will continue in effect for a period ending two (2) years after the date the person begins to comply with the order enforcing the restriction.

18 **TRANSFER**

18.1 By Us. We have the right to transfer or assign this Agreement or any part of our rights or obligations under this Agreement to any person or legal entity. You agree that we will have no liability after the effective date of the transfer or assignment for the performance of any obligations under this Agreement. You acknowledge that we can sell our assets; sell securities in a public offering or in a private placement; merge with, acquire, or be acquired by another company; or undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring, without restriction and without affecting your obligations under this Agreement.

18.2 By You. You acknowledge that the rights and duties set forth in this Agreement are personal to you and that we have granted these rights in reliance on your business skill, financial capacity, and personal character (or, if you are a business entity, on the business skill, financial capacity, and personal character of your owners and management). Accordingly, neither you nor any immediate or remote successor to any interest in this Agreement, nor any individual, partnership, corporation, or other legal entity which directly or indirectly owns any interest in you, will sell, assign, transfer, convey, pledge, encumber or give away any direct or indirect interest in this Agreement, in you, or in substantially all of the assets of the Franchised Center, without our prior written consent as provided in Sections 18.4 and 18.6, which will not be unreasonably withheld. You must notify us in writing of any proposed transfer at least thirty (30) days before the transfer is to take place and must provide all information and documentation relating to the proposed transfer that we reasonably request.

18.3 Our Right of First Refusal. We have the right, exercisable within thirty (30) days after receipt of a written request for our approval of a proposed transfer pursuant to this Section 18, to purchase the interest proposed to be transferred. The request for approval of transfer must include a true and complete copy of the term sheet, letter of intent, proposed purchase agreement, assignment document, or any other document necessary to implement the transfer, and not be subject to financing or any other contingencies. Our thirty (30) day period for determining whether or not to exercise our right of first refusal will not begin until the transferor has provided all information and documentation required under this Section 18 in a form and substance satisfactory to us. If we desire to exercise our right of first refusal, we will do so by providing written notice (the **“Purchase Notice”**) to the transferor, as follows:

A. If the transfer is proposed to be made pursuant to a sale, we may purchase the interest proposed to be transferred on the same financial terms and conditions offered by the third party. Closing on our purchase will occur within sixty (60) days after the date of the transferor's receipt of the Purchase Notice. If the consideration, terms, and/or conditions offered by the third party are such that we may not reasonably be required to furnish the same consideration, terms, and/or conditions, then we may purchase the interest proposed to be sold for the reasonable equivalent in cash. If, within thirty (30) days of the transferor's receipt of the Purchase Notice, the parties cannot agree as to the reasonable equivalent in cash consideration, an independent appraiser will be appointed by mutual agreement and the determination of the appraiser will be binding. Any material change in the terms of the offer from a third party after we have elected not to purchase the interest sought to be transferred will constitute a new offer subject to the same rights of first refusal by us as in the case of the third party's initial offer.

B. If the transfer is proposed to be made by gift, you and we will jointly designate, at our expense, an independent appraiser to determine the fair market value of the interest proposed to be transferred. We may purchase the interest at the fair market value determined by the appraiser. Closing on the purchase will occur within forty-five (45) days after our notice to the transferor of the appraiser's determination of fair market value.

18.4 Conditions of Our Consent. If we elect not to exercise our right of first refusal under Section 18.3, the proposed transferor may complete the transfer after obtaining our written consent as required under Section 18.2. We may withhold our consent on any reasonable grounds, or may give our consent subject to reasonable conditions, which may include, but are not limited to, the following:

A. That all of your accrued monetary obligations and all other outstanding obligations to us and our affiliates have been satisfied;

B. That you are not in default of any provision of this Agreement, any amendment or successor to this Agreement, or any other agreement between you and us, our affiliates, or any approved suppliers or Designated Suppliers;

C. That the transferor executes a general release, in a form satisfactory to us, of any and all claims against us, our affiliates and their respective past, present, and future officers, directors, shareholders, and employees, in their corporate and individual capacities;

D. That the transferee sign our then-current form of Franchise Agreement (which may contain materially different terms than this Agreement) for a ten-year term and the transferee's owners agree to personally guarantee the transferee's obligations under the new Franchise Agreement;

E. If the transferee is one of our or our affiliates' existing franchisees, that the transferee is not in default under its agreements with us or our affiliate and the location it manages has a record of patient service and compliance with our operating standards;

F. That the transferee, whether or not an existing Upgrade Labs Center franchisee, demonstrates to our satisfaction that he or she meets (or, if the transferee is a business entity, that its owners and management team meet) our educational, managerial, and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the business contemplated hereunder (as may be evidenced by prior related business experience or otherwise); and has adequate financial resources and capital to fulfill your obligations hereunder in a timely manner; however, the transferee shall not be in the same business as us either as the licensor, franchisor, independent operator or licensee of any other business or chain which is similar in nature or in competition with Upgrade Labs Centers, except that the transferee may be an existing Upgrade Labs Center franchisee;

G. The transferee shall have agreed to complete all such maintenance, refurbishing, renovating and remodeling of the Franchised Location as we reasonably require to meet the System Standards then in effect;

H. You must provide us 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 your obligations under this Agreement;

I. The transferee (including its Principal Owner and Designated Manager) shall satisfactorily complete our training program at the transferee's expense within the time frame we require, and the transferee will be responsible for all costs and expenses associated with attending the training program;

J. The transferee must demonstrate that it has obtained or maintained, within the time limits set by us, all permits and licenses required for the continued operation of the Franchised Center;

K. 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;

L. 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;

M. The purchase price and terms of the proposed transfer must not be so burdensome to the prospective transferee as to impair or materially threaten its future operation of the Franchised Center and performance under its franchise agreement; and

N. That you pay us any third-party broker fees that are due in connection with the proposed transfer and a transfer fee in the following amounts: (i) One Thousand Five Hundred Dollars (\$1,500) if transferring less than fifty percent (50%) of your ownership interests; (ii) Fifty Thousand Dollars (\$50,000) if the transferee is not an existing System franchisee; and (iii) Thirty Thousand Dollars (\$30,000) if the transfer is to an existing System franchisee. If the transaction involves one or more Upgrade Labs Centers other than the Franchised Center, you also must pay the transfer fee specified in the franchise agreement for each other Upgrade Labs Center in the transaction.

18.5 Transfer for Convenience of Ownership. If you are an individual or group of individuals and desire to assign your rights under this Agreement to a corporation or limited liability company, and if all of the following conditions are met, we will consent to the transfer without assessing the transfer fee and such assignment will not be subject to our right of first refusal in Section 18.3: (i) the corporation or limited liability company is newly organized and its activities are confined to operating the Franchised Center; (ii) you must own all of the outstanding shares of the corporation or membership interests in the limited liability company or, if you are owned by more than one individual, each person shall have the same proportionate ownership interest in the corporation (or the limited liability company) as prior to the transfer; (iii) the corporation or limited liability company agrees in writing to assume all of your obligations hereunder; and (iv) all stockholders of the corporation, or members and managers 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 us and our affiliates, under this Agreement and any other agreement between you and us and/or our affiliates, and execute the Personal Guarantee and Assumption of Obligations attached to this Agreement as Exhibit C.

18.6 Death, Incapacity or Bankruptcy. If you or any owner dies, becomes incapacitated, or enters bankruptcy proceedings, that person's executor, administrator, personal representative, or trustee must

apply to us in writing within three (3) months after the event (death, declaration of incapacity, or filing of a bankruptcy petition) for consent to transfer the person's interest. The transfer will be subject to the provisions of this Section 18, as applicable. In addition, if the deceased or incapacitated person is the Principal Owner who also serves as the Designated Manager, we will have the right (but no obligation) to take over operation of the Franchised Center upon giving notice to the executor, administrator, personal representative, or trustee and to manage the Franchised Center until the transfer is completed. If we exercise this right, we can charge a reasonable management fee for our services. For purposes of this Agreement, **"incapacity"** means any physical or mental infirmity that will prevent the person from performing his or her obligations under this Agreement (1) for a period of thirty (30) or more consecutive days, or (2) for sixty (60) or more total days during a calendar year. In the case of transfer by bequest or by intestate succession, if the heirs or beneficiaries are unable to meet the conditions of transfer set forth in Section 18.4, the executor may transfer the decedent's interest to another successor that we have approved, subject to all of the terms and conditions for transfers contained in this Agreement. If an interest is not disposed of under this Section 18.6 within one (1) year after the event (death, declaration of incapacity, or filing of a bankruptcy petition), we can terminate this Agreement under Section 19.2.

18.7 Securities Offering. All materials for a public offering of stock or partnership interests in you or any of your affiliates that are required by federal or state law shall be submitted to us for review as described below before such materials are filed with any government agency. Any materials to be used in any exempt offering shall be submitted to us for such review before their use. You agree that: (1) no offering by you or any of your affiliates may imply (by use of the Proprietary Marks or otherwise) that we are participating in an underwriting, issuance, or offering of your securities or your affiliates; (2) our review of any offering shall be limited solely to the relationship between you and us (and, if applicable, any of your affiliates and us); and (3) we will have the right, but not obligation, to require that the offering materials contain a written statement that we require concerning the limitations stated above. You (and the offeror if you are not the offering party), your owners, and all other participants in the offering must fully indemnify us, our subsidiaries, affiliates, successor, and assigns, and their respective directors, officers, shareholders, partners, agents, representatives, servants, and employees in connection with the offering. For each proposed offering, you agree to pay us a non-refundable fee of Ten Thousand Dollars (\$10,000) or such greater amount as is necessary to reimburse us for our reasonable costs and expenses (including legal and accounting fees) for reviewing the proposed offering as well as any subsequent or periodic documents needed in connection with your securities offering (e.g., quarterly or annual filings). You agree to give us written notice at least thirty (30) days before the date that any offering or other transaction described in this Section 18.7 commences. Any such offering shall be subject to all of the other provisions of this Section 18; and further, without limiting the foregoing, it is agreed that any such offering shall be subject to our approval as to the structure and voting control of the offeror (and you, if you are not the offeror) after the financing is completed.

18.8 Nonconforming Transfers Void. Any purported assignment or transfer that is not in compliance with this Section 18 will be null and void and will constitute a material breach of this Agreement, for which we may terminate this Agreement without opportunity to cure pursuant to Section 19.2 below. Our consent to a transfer will not constitute a waiver of any claims we may have against the transferor, nor will it be deemed a waiver of our right to demand exact compliance by the transferor, transferee or you with any of the terms of this Agreement.

19 DEFAULT AND TERMINATION

19.1 Termination without Notice. You will be deemed to be in default under this Agreement, and all rights granted to you herein will automatically terminate without notice to you, if you become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or is filed against you and not opposed by you; if you are adjudicated as bankrupt or insolvent; if a bill in equity

or other proceeding for the appointment of a receiver or other custodian for your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law are instituted by or against you; if a final judgment against you remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); if you are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the Franchised Location or equipment of the Franchised Center is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the Franchised Center is sold after levy thereupon by any sheriff, marshal, or constable.

19.2 Termination without Cure Period. If any of the following events of default occurs, we may terminate this Agreement without providing you any opportunity to cure the default, effective immediately upon receipt of written notice by you:

A. If you fail to secure a Franchised Location approved by us as required by Sections 6.1 through 6.3;

B. If you fail to construct the Franchised Center and open the Franchised Center before the Opening Deadline as set forth in Section 7.3.C;

C. If you and/or your personnel fail to complete all required training under Section 9 to our satisfaction prior to opening the Franchised Center;

D. You cease to operate the Franchised Center during the days and hours specified in the Manual for a period in excess of three (3) consecutive business days or for five (5) individual business days within a twelve (12) month period, unless the closing is due to an event of Force Majeure or other similar causes beyond your control or is approved in writing in advance by us;

E. If you or any of your owners or principal officers are convicted of or pleads guilty or no contest to a felony or other crime or offense that we believe is reasonably likely to have an adverse effect on the operation of the Franchised Center, the System, the Proprietary Marks, the goodwill associated therewith, or our interest therein;

F. Any transfer that requires our prior written consent occurs without your having obtained that prior written consent;

G. If you fail to comply with the confidentiality obligations and/or covenants in Sections 16 and/or 17;

H. If you or your owners commit any fraud or misrepresentation in the establishment or operation of the Franchised Center, including without limitation, any misrepresentation made in your franchise application;

I. If you misuse any proprietary software that we designate for use in connection with the Franchised Center;

J. If you knowingly maintain false books or records or knowingly submit any false reports to us;

K. If you refuse to permit us to inspect the Franchised Location, books, records, or accounts of the Franchised Center, as provided herein;

L. If you commit repeated violations of any health, zoning, sanitation, or other regulatory law, standard, or practice; operate the Franchised Center in a manner that presents a health or safety hazard to its employees or customers; or if lose your approval from any city, state, or other regulatory agency to operate a business that provides cryogenic temperature treatments;

M. If you have insufficient funds in your Account on three (3) or more occasions in any twelve (12) month period;

N. If after curing a default pursuant to Section 19.3 or Section 19.4, you commit the same default again within one (1) year, whether or not cured after notice;

O. If you are in default under Section 19.3 and/or Section 19.4 three (3) times within any twelve (12)-month period, whether such defaults are of a similar or different nature and whether or not any of them is cured after notice;

P. You or your affiliates (1) remain in default beyond the applicable cure period under any other agreement with us or our affiliates (provided that, if the default is not by you, we shall provide to you written notice of the default and a fifteen (15) day period to cure the default); (2) remain in default beyond the applicable cure period under any real estate lease, equipment lease, financing instrument or supplier contract relating to the Franchised Center; (3) fail to pay when due any taxes or assessments relating to the Franchised Center or its employees, unless you are actively prosecuting or defending the claim or suit in a court of competent jurisdiction or by appropriate government administrative procedure or by arbitration or mediation conducted by a recognized alternative dispute resolution organization.

19.3 Termination for Non-Payment. If you fail, refuse, or neglect to pay any monies owing to us or our affiliates or fail to submit financial or other information as required under this Agreement, within ten (10) days after receipt of notice of default from us, this Agreement will terminate at the end of the ten (10) day period without further notice from us.

19.4 Termination Following Expiration of Cure Period. Except as provided in Sections 19.1 through 19.3 above and Sections 19.5 and 19.6 below, we may terminate this Agreement only in the event of your default and only by giving you written notice of termination stating the nature of the default at least thirty (30) days before the effective date of termination. If the default is not cured to our reasonable satisfaction within the thirty (30) day period (or such longer period as applicable law may require) this Agreement will terminate without further notice to you, effective at the end of the cure period. Any material failure to comply with the requirements imposed by this Agreement (as it may from time to time reasonably be supplemented by the Manual) will be a default under this Section 19.4.

19.5 Emergency Closing. If we, in good faith, believe that you are utilizing procedures at the Franchised Center that are unsafe, we have the right, without prior notice, to immediately close the Franchised Center until such time as the unsafe procedures are no longer used. You will have twenty-four (24) hours after the closing of the Franchised Center to prepare a written plan detailing the procedures that you will put in place to ensure that the unsafe practice has been fully remedied and will not recur. If you and we cannot agree on a plan, or if you intentionally fail to follow the plan agreed upon, then we will have the right to terminate this Agreement by written notice, with no further opportunity for you to cure the default.

19.6 Termination Following Inspection. We will have the right to periodically conduct inspections of the Franchised Center to evaluate your compliance with the System and this Agreement. Following each inspection, we will provide you an inspection report listing your score on the inspection and those conditions at the Franchised Center that must be rectified. If you fail to achieve a passing score

on an inspection, the inspection report shall constitute a notice of default. If you fail to achieve a passing score on the next inspection (which shall be conducted at least thirty (30) days after your receipt of the inspection report for the prior inspection), we may terminate this Agreement, without opportunity to cure, by providing you written notice of termination along with the inspection report.

19.7 Step-In Rights. In addition to our right to terminate this Agreement, and not in lieu of such right or any other rights hereunder, if this Agreement is subject to termination due to your failure to cure any default within the applicable time period (if any), then we have the right, but not the obligation, to enter the Franchised Location and exercise complete authority with respect to the operation of the Franchised Center until such time that we determine, in our reasonable discretion, that the default(s) at issue have been cured and that you are otherwise in compliance with the terms of this Agreement. In the event we exercise these “step-in rights,” you must (i) pay us a management fee amounting to twenty percent (20%) of the Gross Sales of the Franchised Center during the time period that our representatives are operating the Franchised Center, and (ii) reimburse us for all reasonable costs and overhead that we incur in connection with its operation of the Franchised Center, including without limitation, costs of personnel supervising and staffing the Franchised Center and any travel, lodging and meal expenses. If we undertake to operate the Franchised Center pursuant to this Section 19.7, you must indemnify, defend and hold us (and our representatives and employees) harmless from and against any claims that may arise out of our operation of the Franchised Center.

19.8 Statutory Limitations. If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement requires a notice or cure period prior to termination longer than set forth in this Section 19, this Agreement will be deemed amended to conform to the minimum notice or cure period required by the applicable law or regulation.

20 OBLIGATIONS UPON TERMINATION OR EXPIRATION

20.1 Obligations. Except as provided in Section 20.2 below, upon termination or expiration of this Agreement, you must:

- A. Cease to operate the Franchised Center;
- B. Cease to use the confidential methods, procedures, and techniques associated with the System, any associated names and marks, all other Proprietary Marks, the Proprietary Materials, and all other distinctive forms, slogans, signs, symbols and devices associated with the Franchised Center or the System; withdraw all advertising matter (including electronic marketing); remove our trade dress features from the Franchised Location including all signs, letterhead, and other articles which display the Proprietary Marks; and except as provided in Section 20.2 below not thereafter, directly or indirectly, represent yourself to the public or hold yourself out as a present or former franchisee of ours. You agree that we or a designated agent may enter upon the Franchised Location at any time to make such changes at your sole risk and expense and without liability for trespass. Upon our request, you must provide all materials bearing the Proprietary Marks to us upon expiration or termination of this Agreement for any reason, without cost to us; and;
- C. Deliver to us any physical copies of the Manual and all other records (including but not limited to Membership Agreements), correspondence, and instructions in your possession or control, in any medium, that contain confidential information, trade secrets, or know-how relating to the System or the operation of an Upgrade Labs Center all of which are acknowledged to be our property;
- D. Take such action as may be necessary to cancel or transfer to us, at our option, any assumed name registration or equivalent registration, any Communication Addresses, or social media

accounts (including any login information to access such social media accounts) obtained by you which contains “Upgrade Labs” or any portion of any Proprietary Mark, and furnish evidence satisfactory to us of compliance with this obligation within five (5) days after termination or expiration of this Agreement. You hereby appoint us your attorney-in-fact to carry out the requirements of this Section 20.1.D, if you fail to do so within such five (5) day period;

E. Notify your telephone companies and all listing agencies of the termination of your right to use any telephone numbers and listings used or advertised with the Proprietary Marks, and transfer those number(s) and listings (including all Communication Addresses) to us or our designee; if you do not voluntarily transfer these items, the telephone companies and all listing agencies may accept this Agreement as evidence of your authorization to do so, and of our exclusive rights in the telephone numbers and directory listings, and of our authority to direct their transfer on your behalf. You agree to execute all documents necessary to comply with the obligations of this Section 20.1.E, including the form Conditional Assignment and Power of Attorney attached to this Agreement as Exhibit F;

F. Cease use of, and at our request transfer to us any websites and Electronic Identifiers, whether or not authorized by us, used by you while operating the Franchised Center; if you do not voluntarily transfer these websites and Electronic Identifiers, the registrars and hosts of any such websites and Electronic Identifiers may accept this Agreement as evidence of your authorization to do so, and of our exclusive rights in the websites and Electronic Identifiers, and of our authority to direct their transfer on your behalf. You acknowledge that when the websites and Electronic Identifiers are transferred, all content hosted on the websites will also be transferred to us including all data housed on the websites as well as all members, friends, contacts, and others who are linked to the websites;

G. Turn over to us all Data, including all customer lists, and make no further use of that Data (or any related information) for any purpose whatsoever; and

H. Not use any reproduction, counterfeit, copy, or colorable imitation of the Proprietary Marks or the Proprietary Materials in connection with any other business which, in our sole discretion, is likely to cause confusion, mistake, or deception or to dilute our and our affiliates’ rights in and to the Proprietary Marks and the Proprietary Materials. You must not use any designation of origin or description or representation which, in our sole discretion, falsely suggests or represents an association or connection with us;

I. Promptly pay all sums owing under this Agreement or any other agreement with our affiliates or us to us, our affiliates, any lender that has provided financing to you, and your suppliers. Such sums include, but are not limited to, any outstanding balance due of the initial franchise fee, Royalties, Brand Fund contributions and other fees, damages, expenses, and attorneys’ fees incurred as a result of your default; and

J. Comply with all obligations that expressly or by their nature survive termination of this Agreement, including the restrictions on competition contained in Section 17.

K. You must provide us with written evidence that you have complied with the post-term obligations, within thirty (30) days’ of the termination or expiration of this Agreement.

20.2 Our Rights to Acquire the Franchised Location and the Franchised Center Assets. Upon expiration or termination of this Agreement, at our option you must:

A. Assign to us your interest in the lease or sublease for the Franchised Location (or provide us with a commercially reasonable lease in the event you own the Franchised Location). If we elect

not to exercise our option to acquire the lease or sublease, you must make such modifications or alterations to the Franchised Location (including, without limitation, changing the telephone number) as may be necessary to comply with Section 20.1 and to distinguish the Franchised Location from those of an Upgrade Labs Center. If you fail or refuse to comply with the requirements of this Section 20.2.A, we will have the right to enter the Franchised Location without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at your expense, which expense you agree to pay on demand.

B. Sell to us such of the furnishings, equipment, signs, and fixtures of the Franchised Center as we may designate, at fair market value, and such of the inventory and supplies of the Franchised Center as we may designate, at fair market wholesale value. If the parties cannot agree on the price of any such items within a reasonable time, an independent appraiser will be appointed by us at our expense, and the appraiser's determination will be binding on both parties. If we exercise our option to purchase any items, we will have the right to set off all amounts due from you against any payment for such items.

C. We may exercise either or both of our options under Sections 20.2.A and 20.2.B: (1) at any time before the expiration of the term of this Agreement, in the case of expiration of this Agreement; and (2) at any time between the date of delivery of written notice of termination and ninety (90) days after the effective date of termination, in the case of termination of this Agreement. If we deem such action desirable in order to preserve the value of such options, we may issue to you, and you must comply with, written instructions to refrain from, delay, or reverse any of the actions required of you under Section 20.1.

20.3 Continuing Obligations. After termination, or expiration, of this Agreement under any circumstances, you will remain liable to us for certain obligations. Among other things, you must:

- A. Promptly pay all sums owing to us and our affiliates;
- B. Permit access to, and examination of, books and records as provided in Section 13 to determine any amounts due;
- C. Protect our confidential information as provided in Section 16;
- D. Comply with the post-term restrictions on competition in Section 17;
- E. Comply with your indemnification obligations in Section 22.3; and
- F. Pay us all damages, costs, and expenses (including, but not limited to, reasonable attorneys' fees) we incur in obtaining injunctive, declaratory, or other relief to enforce this Section 20.

20.4 Liquidated Damages. If you default on your obligations and we terminate this Agreement prior to the expiration of the Initial Term of this Agreement, it is hereby agreed by the parties that the amount of damages which we would incur for any such termination of this Agreement would be difficult, if not impossible, to accurately ascertain. Accordingly, within thirty (30) days following such termination, you must pay us a lump sum payment (as damages and not as a penalty) for breaching this Agreement in an amount equal to: (1) the average monthly Royalty Fees and Brand Fund Contributions owed by you (even if not paid) for the last twelve (12) months before the termination, (2) multiplied by the lesser of sixty (60) months or the number of months (including any partial month) remaining in the Initial Term. The parties acknowledge and agree that: (i) the liquidated damages are a reasonable estimation of the damages that would be incurred by us resulting from or arising out of the premature termination of this Agreement; and (ii) your payment of such liquidated damages is intended to fully compensate us only for any and all

damages related to or arising out of the premature termination of this Agreement, and shall not constitute an election of remedies, waiver of any default under this Agreement, nor waiver of our claim for other damages and/or equitable relief arising out of your breach of this Agreement.

21 TAXES; INDEBTEDNESS; NOTICE OF SUIT

21.1 Taxes. You must promptly pay when due all taxes levied or assessed, including, without limitation, unemployment and sales taxes, and all accounts and other indebtedness incurred in the operation of the Franchised Center. You agree to pay us an amount equal to any sales tax, gross receipts tax, or similar tax (other than income tax) imposed on us with respect to any payments that you make to us as required under this Agreement, unless the tax is credited against income tax that we otherwise pay to a state or federal authority. In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law, but in no event will you permit a tax sale or seizure by levy or execution or similar writ or warrant, or attachment by a creditor, to occur against the Franchised Center.

21.2 Debts and Obligations. You hereby expressly covenant and agree to accept full and sole responsibility for any and all debts and obligations incurred in the operation of the Franchised Center.

21.3 Notice of Suit. You must immediately notify us in writing of the commencement of any action, suit, or proceeding and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality with claims in excess of \$50,000 or that may adversely affect the operation or financial condition of the Franchised Center.

22 INDEPENDENT CONTRACTOR AND INDEMNIFICATION

22.1 Nature of the Relationship. The parties acknowledge and agree that: (1) this Agreement does not create a fiduciary relationship between them; (2) that you will be an independent contractor; (3) you are the only party that is in day-to-day control of the Franchised Center, and neither this Agreement nor any of the systems, guidance, processes, or requirements under which you operate alter that basic fact; (4) nothing in this Agreement is intended to make either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever; and (5) neither this Agreement nor our course of conduct is intended, nor may anything in this Agreement (nor our course of conduct) be construed, to state or imply that we are the employer of your employees and/or independent contractors, nor vice versa. This Agreement does not authorize you to make any contract, agreement, warranty, or representation on our behalf or to incur any debt or other obligation in our name. We will not be deemed liable as a result of any such action, nor will we be liable by reason of your act or omission in the operation of the Franchised Center, or for any claim or judgment arising therefrom against you or us.

22.2 Notice of Status. At all times during the term of this Agreement and any extensions hereof, you will hold yourself out to the public as an independent contractor operating the Franchised Center pursuant to a franchise agreement from us. You agree to take such action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place at the Franchised Location, the content of which we reserve the right to specify.

22.3 Indemnification

A. You and your owners will defend, indemnify and hold harmless, us and our parent, affiliates, subsidiaries and their successors and assigns, and each of their respective direct and indirect owners, directors, officers, managers, employees, agents, attorneys, and representatives (collectively,

"Indemnified Parties") from and against all Losses (as defined below) which any of the Indemnified Parties may suffer, sustain or incur as a result of a claim asserted or inquiry made formally or informally, or a legal action, investigation, or other proceeding brought by a third party and directly or indirectly arising out of your development and operation of the Franchised Center, your conduct of business under this Agreement, your breach of this Agreement or any other agreement with us or any third party, or your noncompliance or alleged noncompliance with any law, ordinance, rule or regulation including any allegation that we or another Indemnified Party is a joint employer or otherwise responsible for your acts or omissions relating to your employees. We will promptly notify you of any claim that may give rise to a claim of indemnity hereunder, provided, however, that the failure to provide such notice will not release you from your indemnification obligations under this section except to the extent you are actually and materially prejudiced by such failure.

B. You will have the right, upon written notice delivered to the Indemnified Party within fifteen (15) days thereafter assuming full responsibility for Losses resulting from such claim, to assume and control the defense of such claim, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of the fees and disbursements of such counsel. If (1) the Indemnified Party will have been advised by counsel that there are one or more legal or equitable defenses available to it that are different from or in addition to those available to you and, in the reasonable opinion of the Indemnified Party, your counsel could not adequately represent the interests of the Indemnified Party because such interests could be in conflict with your interests, or (2) you do not assume responsibility for such Losses in a timely manner or you fail to defend a claim with counsel reasonably satisfactory to the Indemnified Party as contemplated above, then the Indemnified Party will have the right to employ counsel of its own choosing, and you will pay the fees and disbursements of such Indemnified Party's counsel as incurred. In connection with any claim, the Indemnified Party or you, whichever is not assuming the defense of such claim, will have the right to participate in such claim and to retain its own counsel at such party's own expense.

C. You or the Indemnified Party (as the case may be) will keep you or the Indemnified Party (as the case may be) reasonably apprised of, and will respond to any reasonable requests concerning, the status of the defense of any claim and will cooperate in good faith with each other with respect to the defense of any such claim. You will not, without the prior written consent of the Indemnified Party, (1) settle or compromise any claim or consent to the entry of any judgment with respect to any claim which does not include a written release from liability of such claim for the Indemnified Party and its affiliates, direct and indirect owners, directors, managers, employees, agents and representatives, or (2) settle or compromise any claim in any manner that may adversely affect the Indemnified Party other than as a result of money damages or other monetary payments which will be paid by you. No claim that is being defended in good faith by you in accordance with the terms of this section will be settled by the Indemnified Party without your prior written consent. Notwithstanding anything to the contrary herein, if a claim involves the Proprietary Marks, you agree that we will have the exclusive right to assume the defense of such claim, at your expense with counsel selected by us, but reasonably satisfactory to you.

D. You have no obligation to indemnify or hold harmless an Indemnified Party for any Losses to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party's gross negligence, willful misconduct, or willful wrongful omissions.

E. For purposes of this Section 22.3, "**Losses**" include all obligations, liabilities, damages (actual, consequential, or otherwise), and defense costs that any Indemnified Party incurs. Defense costs include accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, and alternative dispute resolution.

F. Your obligations in this Section 22.3 will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against you under this Section 22.3. You agree that a failure to pursue a recovery or mitigate a Loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section 22.3.

23 FORCE MAJEURE

If the performance of any obligation by any party under this Agreement is prevented, hindered or delayed by reason of Force Majeure that cannot be overcome by reasonable commercial measures, the parties shall be relieved of their respective obligations (to the extent that the parties, having exercised best efforts, are prevented, hindered or delayed in such performance) during the period of such Force Majeure. The party whose performance is affected by an event of Force Majeure shall give prompt written notice of such Force Majeure event to the other party by setting forth the nature thereof and an estimate as to its duration. As used in this Agreement, the term “**Force Majeure**” means any act of nature, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, pandemic, fire or other catastrophe, act of any government or other third party and any other cause not within the control of the party affected thereby. Your inability to obtain financing (regardless of the reason) shall not constitute Force Majeure.

24 APPROVALS AND WAIVERS

24.1 Approvals. Whenever this Agreement requires our prior approval or consent, you must make a timely written request to us, and our approval or consent must be obtained in writing and signed by one of our officers.

24.2 No Warranty. We make no warranties or guarantees upon which you may rely and assume no liability or obligation to you by providing any waiver, approval, consent, or suggestion to you in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefor.

24.3 No Implied Waiver. No delay or failure by us to exercise any right reserved to us under this Agreement or to insist upon strict compliance by you with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, will constitute a waiver of our right to exercise such right or to demand exact compliance by you with any of the terms hereof. Waiver by us of any particular default by you will not affect or impair our rights with respect to any subsequent default of the same, similar, or a different nature. Acceptance by us of any payments due to us hereunder will not be deemed to be a waiver by us of any preceding breach by you.

25 NOTICES

All notices pursuant to this Agreement must be in writing and delivered in person or sent by personal delivery, by next day delivery service, by e-mail or electronic means, or by certified mail, return receipt requested, to the respective parties at the addresses listed on the signature page of this Agreement. Any notices sent by personal delivery, next day delivery service, e-mail or electronic means shall be deemed given on the next business day after transmittal. Any notices sent by certified mail shall be deemed given on the third business day after the date of mailing. Any change in the foregoing addresses shall be made effective by giving fifteen (15) days written notice of such change to the other party. We may provide you with routine information, invoices, updates to the Manual, System Standards and other System requirements and programs, including any modifications thereto, by regular mail or by e-mail, or by making such information available to you on the Internet, an extranet, or other electronic means.

26 ENTIRE AGREEMENT

We and you acknowledge that each element of this Agreement is essential and material and that, except as otherwise provided in this Agreement, the parties shall deal with each other in good faith. This Agreement, the Manual, the documents referred to in this Agreement and the attachments to this Agreement, constitute the entire, full and complete agreement between the parties concerning the matters covered in this Agreement, and supersede any and all prior or contemporaneous negotiations, discussions, understandings or agreements. There are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement, our Franchise Disclosure Document, the Manual, the documents referred to in this Agreement and the attachments to this Agreement. Nothing in this Agreement requires you to waive reliance on the representations made in our Franchise Disclosure Document. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth in this Agreement, no amendment, change or variance from this Agreement shall be binding on either party, unless mutually agreed to by the parties and signed in writing.

27 APPLICABLE LAW AND DISPUTE RESOLUTION

27.1 Choice of Law. This Agreement takes effect when we accept and sign this document. This Agreement shall be interpreted and construed exclusively under the laws of the state of Florida, which laws shall prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Florida choice-of-law rules). Nothing in this Section 27.1 is intended by the parties to subject this Agreement to any franchise or similar law, rule, or regulation of the state of Florida to which this Agreement would not otherwise be subject.

27.2 Choice of Venue. Subject to Section 27.3 below, the parties agree that any action that you bring against us, in any court, whether federal or state, must be brought only within such state and in the judicial district in which we have our principal place of business. Any action brought by us against you in any court, whether federal or state, may be brought within the state and judicial district in which we maintain our principal place of business, in the jurisdiction where the Franchised Center is or was located, or where the claim arose. The parties agree that this Section 27.2 will not be construed as preventing either party from removing an action from state to federal court; provided, however, that venue will be as set forth above. The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Any such action will be conducted on an individual basis, and not as part of a consolidated, common, or class action.

27.3 Internal Dispute Resolution. You must first bring any claim or dispute between you and us to our management, after providing notice as set forth in Section 25 of this Agreement and make every effort to resolve the dispute internally. You must exhaust this internal dispute resolution procedure before you may bring your dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, you must notify us 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.

27.4 Mediation. Before any party may bring an action in court against the other, the parties agree that they must first meet to mediate the dispute (except as otherwise provided in Section 27.6 below or if the claims at issue related to a non-curable default set forth in Sections 19.1 or 19.2). Any such mediation will be non-binding and will be conducted in accordance with the then-current rules for mediation of commercial disputes of the American Arbitration Association at its location nearest to our principal place

of business. Notwithstanding anything to the contrary, this Section 27.4 will not bar either party from obtaining injunctive relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions, without having to engage in mediation.

27.5 Parties Rights Are Cumulative. No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor will be deemed, exclusive of any other right or remedy provided under this Agreement or provided or permitted under law or equity; rather, each remedy shall be cumulative of every other right or remedy.

27.6 Injunctions. Nothing in this Agreement will bar our right to obtain injunctive relief against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions (without the need to post a supersedeas bond or other security).

27.7 WAIVER OF JURY TRIALS. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

27.8 MUST BRING CLAIMS WITHIN ONE YEAR. ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES' RELATIONSHIP, OR YOUR OPERATION OF THE FRANCHISED CENTER, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, MUST BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION WILL BE BARRED; PROVIDED, HOWEVER, THAT THE PARTIES AGREE THAT THIS SECTION 27.8 WILL NOT APPLY TO A CLAIM BY EITHER PARTY SEEKING INDEMNIFICATION UNDER THIS AGREEMENT.

27.9 WAIVER OF PUNITIVE DAMAGES. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH WILL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES IT HAS SUSTAINED.

27.10 WAIVER OF CLASS ACTIONS. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISE, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN THE PARTIES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN US AND ANY OTHER THIRD PARTY.

27.11 Reimbursement of Costs and Expenses. If either party brings an action to enforce this Agreement in a judicial proceeding, the party prevailing in that proceeding shall be entitled to reimbursement of costs and expenses, including reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, the cost of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, during, in preparation for, or in contemplation of the filing of, the proceeding. In any judicial proceeding, the amount of these costs and expenses will be determined by the court and not by a jury.

27.12 No Right of Set-Off. You have no right to withhold or set-off any amount owed to us under this Agreement based on any claim that you may have or purport to have against us.

28 SEVERABILITY AND CONSTRUCTION

28.1 Severability. If any provision of this Agreement is determined to be invalid or in conflict with any existing or future law or regulation by a court or agency having valid jurisdiction, the invalidity will not impair the operation of any other provisions which remain otherwise intelligible. The latter will continue to be given full force and effect, and the invalid provisions will be deemed not to be a part of this Agreement.

28.2 Counterparts. This Agreement may be signed in multiple counterparts, each of which when signed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of a signed counterpart of a signature page to this Agreement by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually signed counterpart of this Agreement.

28.3 Gender and Number. All references to gender and number shall be construed to include such other gender and number as the context may require.

28.4 Captions. All captions in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision of this Agreement.

28.5 Time. Time is of the essence of this Agreement for each provision in which time is a factor. Whenever this Agreement refers to a period of days or months, the first day or month to be counted shall be the day or month of the designated action, event or notice. Days shall be measured by calendar days, except that if the last day of a period is a Saturday, Sunday or national holiday, the period automatically shall be extended to the next day that is not a Saturday, Sunday or national holiday.

28.6 Survival of Obligations. All obligations that expressly or by reasonable implication are to be performed, in whole or in part, after the expiration, termination, or assignment of this Agreement will survive expiration, termination, or assignment.

28.7 No Implied Third Party Beneficiaries. Except as explicitly provided to the contrary herein, nothing in this Agreement is intended or will be deemed to confer any rights or remedies on any person or legal entity other than you, your owner(s), us, and our affiliates.

28.8 References. Each reference in this Agreement to a corporation or partnership also shall be deemed to refer to a limited liability company and any other entity or organization similar thereto if applicable. Each reference to the organizational documents, owners, directors, and officers of a corporation in this Agreement shall be deemed to refer to the functional equivalents of such organizational documents, owners, directors, and officers, as applicable, in the case of a limited liability company or any other entity or organization similar thereto if applicable.

28.9 Lesser Included Obligations. You agree to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement, that may result from (1) striking any portion of a provision that a court or agency may hold to be unreasonable and unenforceable; or (2) reducing the scope of any promise or covenant to the extent required to comply with a court or agency order.

and (b) the proposed franchisee or licensee has met all of Franchisor's applicable program criteria and requirements and has executed Franchisor's standard franchise agreement. Upon such assignment, Franchisor shall be released from any further liability under the terms and conditions of the Lease, provided, however, that this Addendum to Lease shall remain in full force and effect.

3. **Tenant's Obligations:** Landlord acknowledges and agrees that Tenant shall be solely responsible for all obligations, debts and payments under the Lease.

4. **Default Under Franchise Agreement:** Any default under the Lease which is not cured by Tenant within the applicable cure period shall also constitute grounds for termination of the Franchise Agreement.

5. **Exclusive Use.** Landlord agrees that, during the term of the Lease, Tenant shall have the exclusive right to engage in the offering of offering longevity/fitness services (including adaptive cardio, neurofeedback, pulsed electromagnetic field therapy, cell trainer, legendary, and other biohacking technologies) at the Premises and within the [shopping center] [facility] [property] in which the Premises is located. Landlord agrees that it shall not lease, rent, or license any portion of the [shopping center] [facility] [property] in which the Premises is located, including but not limited to any other unit, space, or premises within such [shopping center] [facility] [property], to any third party for the purpose of operating a business that is the same as or substantially similar to Upgrade Labs Centers including any longevity/fitness centers. This restriction shall not apply to: (i) any existing tenants within the [shopping center] [facility] [property], as of the effective date of the Lease who currently operate or are permitted to operate a similar business; (ii) any future tenants who do not primarily engage in the restricted business but may incidentally offer similar goods or services; or (iii) [any additional agreed-upon exceptions]. Landlord agrees that it shall advise other tenants, and any future landlord, of Tenant's exclusivity rights as set forth herein and shall not allow any other party to violate the terms of this exclusivity provision. If a violation occurs, Tenant, in addition to any other rights it may have in law or equity shall have the right to terminate this Lease upon thirty (30) days prior written notice.

6. **Notice:** Landlord and Tenant agree to provide Franchisor (at the same time sent to or received by Tenant) a copy of all amendments, assignments and notices of default pertaining to the Lease and the Premises at the following address, or to such other address as Franchisor may provide to Landlord from time to time:

Upgrade Labs Franchise, Inc.
Attn: Legal Department
9295 Lake Park Drive, P203
Fort Myers, Florida 33919

7. **Amendment of Lease:** Landlord and Tenant agree not to amend or otherwise modify the Lease in any manner that would affect any of the foregoing requirements without Franchisor's prior written consent, which consent shall not be unreasonably withheld.

8. **Third Party Beneficiary.** Franchisor, along with its successors and assigns, is an intended third party beneficiary of the provisions of this Addendum.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, which is made effective as of the Effective Date noted below.

FRANCHISOR:
UPGRADE LABS FRANCHISE, INC.,
a Delaware corporation

FRANCHISEE:
_____,
a _____

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

EFFECTIVE DATE: _____

Date: _____

Notice Address:
9295 Lake Park Drive, P203
Fort Myers, Florida 33919
Email: _____

Notice Address:

Email: _____

EXHIBIT A TO UPGRADE LABS FRANCHISE AGREEMENT

FRANCHISE INFORMATION

Franchisee: _____

Initial Franchise Fee. The Initial Franchise Fee is the fee initialed by both parties below:

Initials - Franchisee	Initials - Franchisor	Fee
		Initial Franchise Fee: \$65,000 – Single Franchise Agreement
		Initial Franchise Fee: \$65,000 – The Franchised Center is one of the first four Franchised Centers developed under a Development Agreement. The Development Fee you paid will be credited here and no amount will be due when you sign the Franchise Agreement.
		Initial Franchise Fee: \$50,000 – The Franchised Center is the fifth or additional Franchised Center developed under a Development Agreement. The Development Fee you paid will be credited here and no amount will be due when you sign the Franchise Agreement.
		Initial Franchise Fee: \$ _____ (Amount due per Development Agreement)
		Transfer Fee: \$1,500 (Less than 50% of your ownership interests)
		Transfer Fee: \$5,000 (Transferee is new to Upgrade Labs)
		Transfer Fee: \$30,000 (Transferee operates an Upgrade Labs Center)
		Renewal Fee: \$35,000

Site Selection Area: If the Franchised Location has not been accepted by us as of the Effective Date, the **Site Selection Area** shall be identified as *(if applicable attach map)*:

Franchised Location: _____

Protected Territory: _____

Principal Owner:

Name: _____

Telephone No.: _____

E-mail Address: _____

EXHIBIT B TO UPGRADE LABS FRANCHISE AGREEMENT

OWNERSHIP INFORMATION

Franchisee: _____

Form of Ownership. Franchisee is a _____ incorporated or formed on _____ in the state of _____.

Owners. The following list includes the full name of each person who is an owner of a legal or beneficial interest in Franchisee and fully describes the nature of each owner's interest (attach additional pages if necessary).

Name	Home Address	Percentage and Description of Ownership Interest

[If Franchisee consists of individuals, delete the above and use the below:]

Franchisee Names and Home Addresses:

Name	Home Address

EXHIBIT C TO UPGRADE LABS FRANCHISE AGREEMENT

PERSONAL GUARANTEE AND ASSUMPTION OF OBLIGATIONS

As an inducement to **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation, to execute a Franchise Agreement (the “**Agreement**”) with _____ (“**Franchisee**”), a _____, the undersigned individuals (collectively, the “**Guarantors**”), jointly and severally, hereby unconditionally guarantee to Franchisor, its affiliates, and their successors and assigns (collectively, (“**Franchisor**”) that all of Franchisee’s obligations under the Agreement, and under other agreements or arrangements between Franchisee and Franchisor, will be punctually paid and performed.

Upon demand by Franchisor, the Guarantors will immediately make each contribution or payment required of Franchisee under the Agreement and under other agreements or arrangements between Franchisee and Franchisor. Each Guarantor waives any right to require Franchisor to: (a) proceed against Franchisee or any other Guarantor for any contribution or payment required under the Agreement; (b) proceed against or exhaust any security from Franchisee or any other Guarantor; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee or any other Guarantor. Without affecting the obligations of the Guarantors under this Guarantee, Franchisor may, without notice to the Guarantors, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee. The Guarantors waive notice of amendment of the Agreement and notice of demand for contribution or payment by Franchisee and agree to be bound by any and all such amendments and changes to the Agreement.

The Guarantors hereby agree to defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorney’s fees, reasonable costs of investigation, court costs, and fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Agreement, any amendment to the Agreement, or any other agreement referred to in the Agreement that is executed and delivered by Franchisee.

The Guarantors hereby acknowledge and agree to be individually bound by all of the promises contained in the following Sections of the Agreement: Section 15 (with respect to trademarks and copyrighted materials); Section 16 (with respect to confidentiality); Section 17 (with respect to covenants against competition); Section 18 (with respect to transfers of interests in Franchisee); Section 20 (with respect to obligations after termination of the Agreement); and Section 22.3 (with respect to indemnification). The Guarantors acknowledge and agree that: (a) this Guarantee does not grant the Guarantors any right to use any of Franchisor’s marks (including but not limited to the “Upgrade Labs” marks) or the System licensed to Franchisee under the Agreement; (b) that they have read, in full, and understand, all of the provisions of the Agreement that are referred to above in this paragraph, and that they intend to fully comply with those provisions of the Agreement as if they were printed here; and (c) that they have had the opportunity to consult with a lawyer of their own choosing in deciding whether to sign this Guarantee.

This Guarantee will terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of the Guarantors arising from events which occurred on or before the effective date of termination will remain in full force and effect until satisfied or discharged by the Guarantors, and all covenants which by their terms continue in force after the expiration or termination of the Agreement will remain in force according to their terms.

Upon the death of a Guarantor, the Guarantor's estate will be bound by this Guarantee, but only for obligations existing at the time of death. The obligations of the surviving Guarantors will continue in full force and effect.

Unless specifically stated otherwise, the terms used in this Guarantee shall have the same meaning as in the Agreement and shall be interpreted and construed in accordance with Section 27 of the Agreement (including but not limited to the waiver of punitive damages, waiver of jury trial, agreement to bring claims within one year, and agreement not to engage in class or common actions). This Guarantee shall be interpreted and construed under the laws of the State of Florida. In the event of any conflict of law, the laws of the State of Florida shall prevail (without regard to, and without giving effect to, the application of Florida conflict of law rules).

GUARANTORS:

Date: _____

Print Name: _____

Address: _____

Date: _____

Print Name: _____

Address: _____

Date: _____

Print Name: _____

Address: _____

Date: _____

Print Name: _____

Address: _____

EXHIBIT D TO UPGRADE LABS FRANCHISE AGREEMENT

CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT

(for trained employees, officers, directors, general partners, members, Designated Managers and any other management personnel of Franchisee)

In consideration of my role (as indicated on the signature page of this Agreement) with _____ (the "Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I (the undersigned) hereby acknowledge and agree that Franchisee has acquired the right from Upgrade Labs Franchise, Inc. (the "Company") to: (i) establish and operate a franchised Upgrade Labs Center (the "Franchised Center"); and (ii) use in the operation of the Franchised Center the Company's trade names, trademarks and service marks (collectively, the "Proprietary Marks") and the Company's unique and distinctive format and system relating to the establishment and operation of Upgrade Labs Centers (the "System"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only at the following authorized and approved location identified on the signature page of this Agreement (the "Franchised Location").

1. The Company possesses certain proprietary and confidential information relating to the operation of the Franchised Center and System generally, including without limitation: Company's proprietary and confidential Operations Manual and other manuals providing guidelines, standards and specifications related to the establishment and operation of the Franchised Center (collectively, the "Manual"); the Company's proprietary training materials and programs, as well as proprietary marketing methods and other instructional materials, trade secrets; information related to any other proprietary methodology or aspects of the System or the establishment and continued operation of the Franchised Center; financial information; any and all customer lists, contracts and other customer information obtained through the operation of the Franchised Center and other Upgrade Labs Centers; any information related to any type of proprietary software that may be developed and/or used in the operation of with the Franchised Center; and any techniques, methods and know-how related to the operation of Upgrade Labs Centers or otherwise used in connection with the System, which includes certain trade secrets, copyrighted materials, methods and other techniques and know-how (collectively, the "Confidential Information").

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

3. In my role with the Franchisee, the Company and the 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.

4. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Center during the term hereof, and the use or duplication of the Confidential Information, in whole or in part, for any use outside the System would constitute an unfair method of competition.

5. 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 easily accessible other than by the breach of an obligation of the Franchisee under the Franchise Agreement.

6. I will surrender any material containing some or all of the Confidential Information to the Company, upon request, or upon conclusion of the use for which the information or material may have been furnished.

7. *This Section 7 shall only apply in the event that I am the Designated Manager or another manager of the Franchised Center, or an officer/director/manager/partner of the Franchisee that has not already executed a personal guaranty agreeing to be bound by the terms of the Franchise Agreement. I shall not, while in my position with the Franchisee and for a two (2) year period thereafter, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company, or other business entity: (i) own an interest in, maintain, operate, engage in, be employed by or serve as an officer, director, manager, employee, consultant, representative, or agent for, lend money or extend credit to, lease or sublease space to, or have any interest in or involvement with, any other business that (a) offers or provides adaptive cardio, neurofeedback, PEMF, and many other technologies intended to supercharge clients' bodies, minds and spirits, and/or the other types of products and services offered by an Upgrade Labs Center (each, a "Competing Business") or (b) offer or grant licenses or franchises, or establish joint ventures, for the ownership or operation of a Competing Business; or (ii) divert, or attempt to divert, any prospective customer to a Competing Business in any manner. There is no geographical limitation on these restrictions while I hold a position with the Franchisee. For a two (2) year period thereafter, these restrictions shall apply: (i) at or within a twenty five (25) mile radius of the Franchised Location; and (ii) within a twenty five (25) mile radius of any other Upgrade Labs Center.*

8. 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.

9. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

10. 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 a temporary and/or permanent injunction and a decree for the specific performance of the terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security. 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.

11. I shall not at any time, directly or indirectly, do any act that would or would likely be injurious or prejudicial to the goodwill associated with the Confidential Information and the System.

12. Franchisee shall make all commercially reasonable efforts to ensure that I act as required by this Agreement.

13. Any failure by the Company to object to or take action with respect to any breach of this Agreement by me shall not operate or be construed as a waiver of or consent to that breach or any subsequent breach by me.

14. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA AND I HEREBY IRREVOCABLY SUBMIT MYSELF TO THE JURISDICTION OF THE STATE COURT CLOSEST TO THE COMPANY'S THEN-CURRENT HEADQUARTERS. I HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. I HEREBY AGREE THAT SERVICE OF PROCESS MAY BE MADE UPON ME IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY FLORIDA OR FEDERAL LAW. I FURTHER AGREE THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE ONE OF THE COURTS DESCRIBED ABOVE IN THIS SECTION; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION WHICH INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, THE COMPANY MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE WHICH HAS JURISDICTION.

15. The parties acknowledge and agree that each of the covenants contained in this Agreement are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of the Company. The parties 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 any unappealed final decision to which the Company is a part, I expressly agree to be bound by any lesser covenant subsumed within the terms of the 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.

16. This Agreement contains the entire agreement of the parties regarding the subject matter of this Agreement. This Agreement may be modified only by a duly authorized writing executed by all parties.

17. All notices and demands required to be given must be in writing and sent by personal delivery, expedited delivery service, certified or registered mail, return receipt requested, first-class postage prepaid, to the respective party at the following address unless and until a different address has been designated by written notice. The notice shall be addressed to (a) the Company at Upgrade Labs Franchise, Inc., 9295 Lake Park Drive, P203, Fort Myers, Florida 33919; and (b) to me at the address listed with my signature below. Any notices sent by personal delivery shall be deemed given upon receipt. Any notice sent by expedited delivery service or registered or certified mail shall be deemed given three (3) business days after the time of mailing. Any change in the foregoing addresses shall be effected by giving fifteen (15) days written notice of such change to the other parties.

18. The rights and remedies of the Company under this Agreement are fully assignable and transferable and inure to the benefit of its respective parent, successor and assigns.

IN WITNESS WHEREOF, this Agreement is made and entered into by the undersigned parties as of the Effective Date noted below.

UNDERSIGNED

Signature: _____

Name: _____

Home Address: _____

Role or Title with Franchisee: _____

ACKNOWLEDGED BY FRANCHISEE

[FRANCHISEE NAME]

By: _____

Name: _____

Title: _____

Effective Date: _____

Franchised Center Franchised Location: _____

EXHIBIT E TO UPGRADE LABS FRANCHISE AGREEMENT

FORM OF ADDENDUM TO LEASE

This Addendum to the Lease Agreement (this “Addendum”) between _____ (“Landlord”) and _____ (“Tenant”) is entered into as of the effective date noted on the signature page of this Addendum.

RECITALS

Landlord has agreed to lease the premises at _____ (the “Premises”) to Tenant pursuant to the Lease Agreement between the parties dated as of _____ (the “Lease”).

Pursuant to an Upgrade Labs Franchise Agreement to be entered into between Upgrade Labs Franchise, Inc. (“Franchisor”) and Tenant (the “Franchise Agreement”), Franchisor shall grant Tenant the right to operate a franchised Upgrade Labs Center at the Premises.

Pursuant to the Franchise Agreement, Tenant is required to request that Landlord include certain provisions in the Lease.

NOW THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties are entering into this Addendum:

1. **Right to Enter:** Franchisor shall have the right to: (i) enter the Premises to make any modifications or alterations necessary to protect the Upgrade Labs System and Franchisor’s trademarks that would not violate the terms of the Lease; and (ii) cure, within the time periods provided by the Lease, any default under the Lease, all without being guilty of trespass or other tort, and to charge Tenant for these costs.

A. Landlord agrees that, following the expiration or earlier termination of the Franchise Agreement, Tenant shall have the right to make those alterations and modifications to the Premises as may be necessary to clearly distinguish to the public the Premises from an Upgrade Labs Center and also make those specific additional changes as Franchisor reasonably may request for that purpose.

B. Landlord also agrees that, if Tenant fails to promptly make such alterations and modifications, Franchisor shall have the right to do so without being guilty of trespass or other tort so long as Franchisor makes any necessary repairs to the building caused by such removal.

2. **Assignment:**

A. Tenant may assign the Lease to Franchisor, or its designee, with Landlord’s consent (which consent shall not be unreasonably withheld) and without payment of any assignment fee or similar charge or increase in any rentals payable to Landlord. Landlord agrees to consent to Tenant’s collaterally assigning the Lease to Franchisor and granting Franchisor the option, but not the obligation, to assume the Lease from the date Franchisor takes possession of the Premises, without payment of any assignment fee or similar charge or increase in any rentals payable to the landlord.

B. If Franchisor assumes the Lease, as provided above, Franchisor may, with Landlord’s prior written consent (which consent shall not be unreasonably withheld), further assign the Lease to another franchisee or licensee of Franchisor to operate the Upgrade Labs Center at the Premises provided that the following criteria are met: (a) Franchisor has an established franchising program for Upgrade Labs Centers;

and (b) the proposed franchisee or licensee has met all of Franchisor's applicable program criteria and requirements and has executed Franchisor's standard franchise agreement. Upon such assignment, Franchisor shall be released from any further liability under the terms and conditions of the Lease, provided, however, that this Addendum to Lease shall remain in full force and effect.

3. **Tenant's Obligations:** Landlord acknowledges and agrees that Tenant shall be solely responsible for all obligations, debts and payments under the Lease.

4. **Default Under Franchise Agreement:** Any default under the Lease which is not cured by Tenant within the applicable cure period shall also constitute grounds for termination of the Franchise Agreement.

5. **Exclusive Use.** Landlord agrees that, during the term of the Lease, Tenant shall have the exclusive right to engage in the offering of offering longevity/fitness services (including adaptive cardio, neurofeedback, pulsed electromagnetic field therapy, cell trainer, legendary, and other biohacking technologies) at the Premises and within the [shopping center] [facility] [property] in which the Premises is located. Landlord agrees that it shall not lease, rent, or license any portion of the [shopping center] [facility] [property] in which the Premises is located, including but not limited to any other unit, space, or premises within such [shopping center] [facility] [property], to any third party for the purpose of operating a business that is the same as or substantially similar to Upgrade Labs Centers including any longevity/fitness centers. This restriction shall not apply to: (i) any existing tenants within the [shopping center] [facility] [property], as of the effective date of the Lease who currently operate or are permitted to operate a similar business; (ii) any future tenants who do not primarily engage in the restricted business but may incidentally offer similar goods or services; or (iii) [any additional agreed-upon exceptions]. Landlord agrees that it shall advise other tenants, and any future landlord, of Tenant's exclusivity rights as set forth herein and shall not allow any other party to violate the terms of this exclusivity provision. If a violation occurs, Tenant, in addition to any other rights it may have in law or equity shall have the right to terminate this Lease upon thirty (30) days prior written notice.

6. **Notice:** Landlord and Tenant agree to provide Franchisor (at the same time sent to or received by Tenant) a copy of all amendments, assignments and notices of default pertaining to the Lease and the Premises at the following address, or to such other address as Franchisor may provide to Landlord from time to time:

Upgrade Labs Franchise, Inc.
Attn: Legal Department
9295 Lake Park Drive, P203
Fort Myers, Florida 33919

7. **Amendment of Lease:** Landlord and Tenant agree not to amend or otherwise modify the Lease in any manner that would affect any of the foregoing requirements without Franchisor's prior written consent, which consent shall not be unreasonably withheld.

8. **Third Party Beneficiary.** Franchisor, along with its successors and assigns, is an intended third party beneficiary of the provisions of this Addendum.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the Effective Date noted below.

LANDLORD:

By: _____

Print Name: _____

Title: _____

Effective Date: _____

TENANT:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT F TO THE FRANCHISE AGREEMENT

CONDITIONAL ASSIGNMENT AND POWER OF ATTORNEY

This Conditional Assignment and Power of Attorney (“**Assignment**”) is made by and between **Upgrade Labs Franchise, Inc.** (“**Franchisor**”) and _____ (“**Franchisee**”) and shall be effective as of the Effective Date on the signature page of this Assignment.

FOR VALUE RECEIVED, and pursuant to Franchisee’s obligations under the Upgrade Labs Franchise Agreement dated as referenced below by and between Franchisor and Franchisee (the “**Franchise Agreement**”), Franchisee hereby assigns to Franchisor all of Franchisee's right, title and interest in and to those certain telephone numbers, domain names, email addresses, and on-line directory listings (collectively, the “**Assigned Property**”) used from time to time in connection with Franchisee’s operations under the Franchise Agreement.

1. Assignment.

- (a) Upon termination or expiration of the Franchise Agreement (without renewal or extension), Franchisor will have the right (and Franchisor is hereby empowered) to implement this Assignment, and, in such event, Franchisee will have no further right, title or interest in the Assigned Property but will remain liable to the telephone company, domain name registrars, email service providers, and/or the listing agencies (all such entities are collectively referred to herein as the “**Company**”) for all past due fees owing to the Company on or before the effective date of this Assignment.
- (b) Franchisee acknowledges and agrees that as between Franchisor and Franchisee, upon termination or expiration of the Franchise Agreement (without renewal or extension), Franchisor will have the sole right to and interest in the Assigned Property.

2. Power of Attorney.

- (a) Franchisee appoints Franchisor as Franchisee's true and lawful attorney in fact to direct the Company to assign same to Franchisor (or to the party Franchisor designates) and execute such documents and take such actions as may be necessary to effectuate the assignment. Upon such event, Franchisee will immediately notify the Company to assign the Assigned Property to Franchisor (or Franchisor's designee). If Franchisee fails to promptly direct the Company to assign the Assigned Property to Franchisor (or Franchisor's designee), Franchisor may direct the Company to effectuate the assignment contemplated hereunder to Franchisor (or Franchisor's designee).
- (b) The parties agree that the Company may accept Franchisor's written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor's exclusive rights in and to the Assigned Property upon such termination or expiration (without renewal or extension) and that such assignment will be made automatically and immediately effective upon the Company's receipt of such notice from Franchisor or Franchisee.
- (c) The parties further agree that if the Company requires that the parties execute the Company's assignment forms or other documentation at the time of termination or expiration (without renewal or extension) of the Franchise Agreement, Franchisor's execution of such forms or documentation on behalf of Franchisee will be sufficient to document that Franchisee has given its consent and agreement to the assignment.

- (d) The parties agree that at any time after the date hereof, they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration (without renewal or extension) of the Franchise Agreement.

This Assignment will inure to the benefit of Franchisor and will be binding upon Franchisee and its successors and assigns.

IN WITNESS WHEREOF, the parties to this Assignment have executed and delivered this Assignment effective as of the Effective Date referenced below.

FRANCHISOR:
UPGRADE LABS FRANCHISE, INC.,
a Delaware corporation

FRANCHISEE:
_____,
a _____

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

EFFECTIVE DATE: _____

Date: _____

**DATE OF THE UPGRADE LABS FRANCHISE AGREEMENT
BETWEEN THE PARTIES:** _____

EXHIBIT C
DEVELOPMENT AGREEMENT



UPGRADE LABS DEVELOPMENT AGREEMENT

DEVELOPER:

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EXHIBIT A - DEVELOPMENT INFORMATION

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UPGRADE LABS DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “Agreement”) is entered into by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“we”, “us” or “**Franchisor**”) and the person(s) or entity identified on the signature page to this Agreement (“you” or “**Developer**”) as of the date noted on the signature page of this Agreement (the “Effective Date”).

RECITALS

We and our affiliates have developed and own a proprietary system (the “**System**”) relating to the establishment and operation of businesses that feature certain products and non-invasive treatments such as artificial intelligence adaptive cardio, neurofeedback, pulsed electromagnetic field therapy (“**PEMF**”), cell trainer, legendary, and many other biohacking technologies intended to supercharge clients’ bodies, minds and spirits (the “**Approved Products and Services**”) provided to clients in a spa-like setting using the Upgrade Labs brand, operating system and standards (each an “**Upgrade Labs Center**” or “**Center**”).

The distinguishing characteristics of the System include our proprietary methodology and procedures for the establishment and operation of an Upgrade Labs Center; site selection guidance and criteria; specifications for the design, layout and construction of the interior of a Center; standards and specifications for the furniture, fixtures and equipment located within a Center; established relationships with approved or designated suppliers for certain products and services; and standards and specifications for sales techniques, merchandising, marketing, advertising, inventory management systems, advertising, bookkeeping, sales and other aspects of operating a Center. We may change, improve, add to, delete from, and further develop the elements of the System from time to time.

We identify the System and the Centers operating under it by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including but not limited to the mark UPGRADE LABS®, as well as certain other trade names, trademarks, service marks and trade dress as we may designate in the future for use in connection with the System (the “**Proprietary Marks**”). We have established substantial goodwill and business value in the Proprietary Marks, expertise and System, and such goodwill inures solely to our and our affiliates’ benefit.

You desire to be granted the opportunity, and we desire to grant to you the right, to develop a specified number of franchised Upgrade Labs Centers (collectively, the “**Franchised Centers**” and individually, a “**Franchised Center**”) within a specified geographic area.

Concurrently with signing this Agreement, we and you or your Controlled Affiliate (as defined in Section 1.1.C) have signed a franchise agreement for the operation of an Upgrade Labs Business (the “**Current Franchise Agreement**”).

NOW, THEREFORE, in recognition of all of the details noted above, the parties have decided to enter into this Agreement, taking into account all of the promises and commitments that they are each making to one another in this Agreement, and they agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

1.1 Development Rights.

A. We hereby grant to you (and/or any of your approved Controlled Affiliates, subject to the terms and conditions set forth in this Agreement, the right to develop Franchised Centers at specific locations to be designated in separate Upgrade Labs Franchise Agreements (each a “**Franchise Agreement**”) pursuant to the schedule set forth in Exhibit A to this Agreement (the “**Development**”).

Schedule”). Each Franchised Center developed pursuant to this Agreement shall be located within the area designated on Exhibit A (the “**Development Area**”).

B. This Agreement is not a Franchise Agreement. It does not give you the right to operate Upgrade Labs Centers or use the System. This Agreement only gives you the opportunity to enter into Franchise Agreements for the operation of Upgrade Labs Centers at locations approved by us in the Development Area. Each Franchised Center developed pursuant to this Agreement shall be established and operated in strict accordance with a separate Franchise Agreement. You have no right to use the Proprietary Marks in connection with any business other than a Franchised Center operating under a license contained in a Franchise Agreement. We and our affiliates retain all rights not granted by this Agreement.

C. A “**Controlled Affiliate**” means any corporation, limited liability company or other entity of which you or one or more of your owners owns more than fifty percent (50%) of the total authorized ownership interests, as long as you or such owner(s) have the right to control the entity’s management and policies.

1.2 **Territorial Rights.** Provided you and your Controlled Affiliates are in full compliance with this Agreement and all other agreements between you (or any of the Controlled Affiliates) and us (or any of our affiliates), including the Current Franchise Agreement, then, during this Agreement’s term only, except as otherwise provided in this Agreement, neither we nor our affiliates will operate, or authorize any other party to operate, an Upgrade Labs Center, the physical premises of which are located within the Development Area.

1.3 **Reservation of Rights.** Except as expressly limited by Section 1.2, we and our affiliates retain all rights with respect to Upgrade Labs Centers, the Proprietary Marks, the sale of similar or dissimilar products and services, and any other activities we deem appropriate whenever and wherever we desire. During this Agreement’s term, we reserve the following rights to:

A. establish and operate, and license any third party the right to establish and operate, other Upgrade Labs Centers using the Proprietary Marks and System at any location outside of the Development Area;

B. market, offer and sell products and services that are similar to the products and services offered by Upgrade Labs Centers under a different trademark or trademarks at any location, within or outside the Development Area;

C. use the Proprietary Marks and System and other such marks designated by us to distribute the Approved Products and/or Services in any alternative channel of distribution, within or outside the Development Area (including e-commerce, mail order, catalog sales, toll-free numbers, traditional retail outlets, wholesale stores, etc.)

D. acquire, merge with, or otherwise affiliate with, and after that own and operate, and franchise or license others to own and operate, any business of any kind, including, without limitation, any business that offers products or services the same as or similar to the Approved Products and Services (but under different marks), within or outside the Development Area;

E. establish and operate, and license any other party the right to establish and operate, businesses using the Proprietary Marks and System in “**Non-Traditional Sites**” including, but not limited to, amusement parks, military bases, college campuses, hospitals, airports, sports arenas and stadiums, any

other kind of captive market venue, train stations, travel plazas, toll roads, and casinos, both within or outside the Development Area; and

F. 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.

1.4 **No Subfranchising Rights.** This Agreement does not give you any right to franchise or subfranchise others to operate Upgrade Labs Centers. Only you (and/or your Controlled Affiliates) may develop, open, and operate the Franchised Centers contemplated by this Agreement and only pursuant to signed Franchise Agreements. Although you may reference your rights and obligations under this Agreement in discussions with landlords, employees, and others with whom you may deal in connection with the Franchised Centers, this Agreement does not grant you any rights to use, or authorize others to use, the Proprietary Marks in any manner. Your right to use the Proprietary Marks arises only under the Franchise Agreements. We or our affiliates own all rights to the Proprietary Marks and your use of the Proprietary Marks in any way, other than pursuant to signed Franchise Agreements, is an infringement of our (and our affiliates') rights and a breach of this Agreement.

1.5 **Forms of Agreement.** You acknowledge that, over time, we have entered, and will continue to enter, into agreements with other franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that we and our affiliates and other franchisees may have different rights and obligations does not affect the duties of the parties to this Agreement to comply with the terms of this Agreement.

1.6 **Best Efforts.** You agree that you will at all times faithfully, honestly and diligently perform your obligations under this Agreement, that you will continuously exert your best efforts to the development of the Franchised Centers, and that you will not engage in any other business or activity that may conflict with your obligations under this Agreement, except the operation of the Franchised Centers.

2. DEVELOPMENT FEE

When you sign this Agreement, you must pay us a development fee for the Franchised Centers that you agree to develop under this Agreement in the amount identified on Exhibit A (the "**Development Fees**"). The Development Fee is fully earned by us when this Agreement is signed and is not refundable even if you fail to develop any Franchised Centers. We will apply a credit in the amount of the Development Fee paid for each Franchised Center against the initial franchise fee that is due under the Franchise Agreement for each Franchised Center.

3. DEVELOPMENT SCHEDULE

3.1 Development Schedule

A. To maintain your rights under this Agreement, you (and/or your Controlled Affiliates) must: (1) obtain our approval of a site and sign a Franchise Agreement for each of the agreed-upon number of Franchised Centers by the dates specified in the Development Schedule, and (2) have open and operating within the Development Area the agreed-upon number of Franchised Centers by the dates specified in the Development Schedule. You (or a Controlled Affiliate) will operate each Franchised Center under a separate Franchise Agreement with us. The Franchise Agreement that you (or your Controlled Affiliate) will sign for each Franchised Center will be our then-current form of Franchise Agreement except that the initial franchise fee will reflect the fee structure set forth in Exhibit A. To retain your rights under this Agreement, you must operate each Franchised Center that you open pursuant to this Agreement

continuously throughout this Agreement's term in full compliance with the applicable Franchise Agreement.

B. Before executing any binding letter of intent, lease, purchase agreement or other document by which you would commit to occupy or acquire a location for any Franchised Center that you will develop under this Agreement, you must obtain our acceptance of the site for the Franchised Center in accordance with the site selection procedures set forth in Section 3.2, execute and deliver to us copies of our then-current standard form of Franchise Agreement with respect to such Franchised Center, pay the initial franchise fee to us in accordance with the terms of such Franchise Agreement and we must countersign such Franchise Agreement.

C. Notwithstanding anything to the contrary in any Franchise Agreement that is signed after the Current Franchise Agreement, for each additional Franchised Center that you develop we are not required to provide the initial Franchise Training Program, Pre-Opening Sales Training; or on-site Center Launch Assistance (as each term is defined in the Current Franchise Agreement). For your second Franchised Center, we shall provide a prescribed training refresher course for your Principal Owner (as defined in Section 4.1 below) and the manager for that Franchised Center at least thirty (30) days before the opening of the Franchised Center. You will be responsible for all expenses incurred in connection with attending this refresher training. Thereafter, you shall be responsible for training your personnel who will manage and operate your Franchised Centers.

3.2 Site Selection

A. We will provide you with a copy of our site selection guidelines and minimum requirements for the location of Upgrade Labs Centers. Our requirements may include standards and specifications regarding accessibility, available parking, and minimum square footage for certain portions of Upgrade Labs Centers (such as customer reception areas, treatment areas, restrooms, and back-office areas).

B. You must submit a site application for one or more proposed sites within the Development Area for each Franchised Center, in the form specified by us, and a completed site evaluation package that includes a copy of the site plans, photographs, demographic information, financial information, and such other information and materials as we may reasonably require, together with option contracts, letters of intent, or other evidence satisfactory to us which confirms your favorable prospects for obtaining ownership or leasehold interests in the sites. If we determine that an on-site evaluation is necessary, then you must reimburse us for the expenses incurred in connection with such an evaluation.

C. We will use reasonable efforts to review any proposed site within thirty (30) days of receiving all reasonably requested information from you. If we do not provide our specific acceptance of a proposed site within this thirty (30)-day period, the proposed site will be deemed rejected. We may require you to use an approved supplier for site selection and other assistance related to securing an accepted site for a Franchised Center. You must obtain our written acceptance of a site before you make any binding commitments related to the site. Our acceptance or rejection of a site may be subject to reasonable conditions as we determine in our sole discretion.

D. You agree that our acceptance of a site for a Franchised Center and any information communicated to you regarding our site selection criteria for an Upgrade Labs Center does not constitute a warranty or representation of any kind, express or implied, as to the suitability of any site for the Franchised Center or for any other purpose. Our acceptance of a site is not a representation or a promise by us that the Franchised Center at the site will achieve certain revenues or a certain level of profitability. Similarly, our acceptance of one or more sites and our rejection of other sites is not a representation or a promise that the accepted site will have higher revenues or be more profitable than a site that we rejected.

E. You agree that the decision to develop and operate a Franchised Center at a site that we accept is based solely on your own independent investigation of the suitability of that site for a Franchised Center. We assume no liability or responsibility for: (1) evaluation of the soil of the site for hazardous substances; (2) inspection of any structure at the site for asbestos or other toxic or hazardous materials; (3) compliance with the Americans with Disabilities Act (“ADA”); or (4) compliance with any other applicable law. It is your sole responsibility to obtain satisfactory evidence and/or assurances that the site and any structures on the site are free from environmental contamination and in compliance with the requirements of the ADA.

3.3 Lease Conditions. We have the right to require you and the landlord for the premises of a Franchised Center to sign our then-current form of Lease Addendum (our current form of which is attached to the Current Franchise Agreement) as a condition to giving our approval to your lease.

4. YOUR MANAGEMENT AND ORGANIZATION

4.1 Principal Owner. If you are an entity or a group of individuals, you must appoint one of your owners who is an individual to serve as your “**Principal Owner**.” If you are an individual, you will serve as the Principal Owner. To serve as a Principal Owner, the individual must be an owner of yours who: is authorized to initiate and receive communications between us and you; has authority over all business decisions related to the development of the Franchised Centers; has the power to bind you in all dealings with us in our relationship under this Agreement; and must have signed and delivered to us the Personal Guarantee and Assumption of Obligations attached to this Agreement as Exhibit C. You further acknowledge and agree that Principal Owner will be the single liaison for all matters between the parties to this Agreement; will be solely responsible for communicating all relevant information to your other owners; and will be considered by us as the only owner authorized to make decisions on your behalf. Any decision made by the Principal Owner will be deemed to have the full force and effect as if all of your owners made the decision. As of the Effective Date, the individual who will serve as the Principal Owner is specified in Exhibit A of this Agreement. You may not change the Principal Owner without our prior written approval.

4.2 Your Organizational Structure

A. If you are a legal entity such as a corporation, a limited liability company or a partnership, you make the following representations and warranties: (1) you are duly organized and validly existing under the laws of the state of your formation; (b) you are qualified to do business in the state or states in which the Development Area is located; (c) execution of this Agreement and the development and operation of the Franchised Centers is permitted by your governing documents; and (d) unless waived in writing by us, your articles of incorporation, articles of organization or written partnership agreement shall at all times provide that your activities are limited exclusively to the development and operation of Upgrade Lab Centers.

B. If you are an individual, or a partnership comprised solely of individuals, you make the following additional representations and warranties: (1) each individual has executed this Agreement; (2) each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and (3) notwithstanding any transfer to a business entity, each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and breach of, each and every provision of this Agreement.

4.3 Ownership Information. You and each of your owners represent and warrant that the ownership information on Exhibit B to this Agreement is correct and complete as of the Effective Date. You must comply with the transfer requirements of Section 7 prior to any change in your ownership

interests. You must maintain a current list of all stockholders, general partners, limited partners, members, or other direct or indirect beneficial owners (as applicable) and furnish the list to us upon request.

4.4 Governing Documents. Upon our request, you must promptly deliver to us, as applicable, true and complete copies of the articles or certificate of incorporation, partnership agreement, bylaws, subscription agreements, buy-sell agreements, voting trust agreements and all other documents relating to your ownership, organization, capitalization, management and control and all amendments thereto. When any of these governing documents are modified or changed, you promptly shall provide copies to us. If your entity is a corporation, you shall maintain stop transfer instructions against the transfer on the records of any voting securities, and each stock certificate of the corporation shall have conspicuously endorsed upon its face the following statement: “Any assignment or transfer of this stock is subject to the restrictions imposed on assignment by the Upgrade Labs Area Development Agreement and Franchise Agreement(s) to which the corporation is a party.” If your entity is a limited liability company, each membership or management certificate shall have conspicuously endorsed upon its face the following statement: “Any assignment or transfer of an interest in this limited liability company is subject to the restrictions imposed on assignment by the Upgrade Labs Area Development Agreement and Franchise Agreement(s) to which the limited liability company is a party.” If you are a partnership, your written partnership agreement shall provide that ownership of an interest in the partnership is held, and that further assignment or transfer thereof, is subject to all restrictions imposed on assignment by this Agreement.

4.5 Personal Guarantee. Your owners and each of their spouses, if applicable, must execute a Personal Guarantee and Assumption of Obligations in the form we prescribe (“**Guarantee**”), undertaking to be bound jointly and severally by the terms of this Agreement. The current form of Guarantee is attached to this Agreement as Exhibit C. Notwithstanding the foregoing, we reserve the right, in our sole discretion, to waive the requirement that some or all of the previously described individuals sign the Guarantee. We also reserve the right to require any guarantor to provide personal financial statements to us from time to time. With respect to your owners, you acknowledge that, unless otherwise agreed to in writing by us, it is our intent to have individuals (and not corporations, limited liability companies or other entities) sign the Guarantee. Accordingly, if any owner is not an individual, we shall have the right to require individuals who have only an indirect ownership interest in your entity to sign the Guarantee. (By way of example, if an owner is a corporation, we have the right to require individuals who have an ownership interest in that corporation to sign the Guarantee.)

4.6 Confidentiality Agreements. Each person who is, or becomes, one of your executive officers must execute a Confidentiality and Restrictive Covenant Agreement in a form we prescribe, the current form of which is attached to the Current Franchise Agreement.

5. **CONFIDENTIAL INFORMATION**

5.1 Confidentiality

A. You acknowledge and agree that: (1) we own all right, title and interest in and to the System; (2) the System includes trade secrets and confidential and proprietary information and know-how that gives us a competitive advantage; (3) we have taken all measures appropriate to protect the trade secrets and the confidentiality of the proprietary information and know-how of the System; (4) all material or other information now or hereafter provided or disclosed to you regarding the System is disclosed in confidence; (5) you have no right to disclose any part of the System to anyone who is not your employee; (6) you will disclose to your employees only those parts of the System that an employee needs to know; (7) you will have a system in place to ensure that your employees keep confidential our trade secrets and confidential and proprietary information, and, if requested by us, you shall obtain from those of your employees designated by us an executed confidentiality and non-disclosure agreement in the form prescribed by us; (8) by entering into this Agreement, you do not acquire any ownership interest in the

System; and (9) your use or duplication of the System or any part of the System in any other business, or disclosure of any part of the System to others for use or duplication in any other business, would constitute an unfair method of competition, for which we would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

B. You shall not, during the term of this Agreement or at any time thereafter, communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the System. Any and all information, knowledge, know-how and techniques, including all drawings, materials, equipment, specifications, techniques and other data that we or our affiliates designate as confidential shall be deemed confidential for purposes of this Agreement.

5.2 Consequences of Breach. You acknowledge that any failure to comply with the requirements of this Section 5 will cause us irreparable injury, and you agree to pay all costs (including, without limitation, reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 5.

6. COVENANTS

6.1 Restrictions On Competition

A. You acknowledge and agree that: (1) pursuant to this Agreement, you will have access to valuable trade secrets, specialized training and other confidential information from us and/or our affiliates regarding the development, operation, product preparation and sale, market and operations research, advertising and marketing plans and strategies, purchasing, sales and marketing methods and techniques owned by us and our affiliates; (2) the know-how regarding the System and the opportunities, associations and experience acquired by you pursuant to this Agreement are of substantial value; (3) in developing the System, we and our affiliates have made substantial investments of time, effort, and money; (4) we would be unable adequately to protect the System and its trade secrets and confidential and proprietary information against unauthorized use or disclosure and would be unable adequately to encourage a free exchange of ideas and information among operators of Upgrade Labs Centers if franchisees were permitted to engage in the activities described in this Section 6.1 or to hold interests in the businesses described in this Section 6.1; and (5) the restrictions on your right to hold interests in, or perform services for, the businesses described in this Section 6.1 will not unduly limit your activities.

B. You covenant and agree that, except as we otherwise approve in writing, during the term of this Agreement, and for a continuous period of two (2) years following the expiration, transfer or termination of this Agreement, you will not, either directly or indirectly, for yourself or through, on behalf of, or in conjunction with any person or legal entity:

(1) Own, maintain, operate, engage in, grant a franchise to, advise, help, make loans to, lease property to, or have any interest in, either directly or indirectly, any "**Competing Business**", which is defined as any business that that (1) offers or provides adaptive cardio, neurofeedback, PEMF, other technologies intended to supercharge clients' bodies, minds and spirits, and/or the other types of Approved Products and Services offered by Upgrade Labs Centers; or (2) whose method of operation or trade dress is similar to that employed in the System. During the term of this Agreement, there is no geographical limitation on this restriction. Following the expiration, transfer or termination of this Agreement, this restriction shall apply to any Competing Business located within a twenty-five (25) mile radius of the border of the Development Area and any Competing Business located within a twenty-five (25) mile radius of any Upgrade Labs Center that is open, under lease, or otherwise under development as of the date this Agreement expires, transfers, or is terminated; or

(2) Divert or attempt to divert any present or prospective business or customer to any Competing Business 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 and the System.

6.2 Exception for Publicly Traded Stock. The restrictions contained in Section 6.1 will not apply to ownership by you of less than a five percent (5%) beneficial interest in the equity securities of any publicly-held corporation.

6.3 Owners and Employees. Your owner(s) identified in Exhibit B that sign the Guarantee attached to this Agreement as Exhibit C will agree to be bound personally by the provisions of Section 6, provided that, as to them, the time period in Section 6.1.B will run from the expiration, termination, or transfer of this Agreement or from the termination of the individual's relationship with you, whichever occurs first. At our request, you must obtain signed agreements similar in substance to this Section 6 (including agreements applicable upon termination of a person's relationship with you) from your Principal Owner and your officers, directors, and owners. Each agreement required by this Section 6.3 must be in a form we approve and specifically identify us as a third party beneficiary with the independent right to enforce the agreement.

6.4 Enforcement

A. We have the right, in our sole discretion, to reduce the scope of any restriction in Section 6.1 by giving you written notice and you agree to comply with any covenant so modified, which shall be fully enforceable notwithstanding the provisions of Section 13.

B. You agree that the existence of any claims you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of this Section 6.

C. You acknowledge that your violation of the terms of this Section 6 would result in irreparable injury to us for which no adequate remedy at law may be available, and you accordingly consent to the issuance of an injunction prohibiting any conduct by you in violation of the terms of this Section 6. Injunctive relief will be in addition to any other remedies we may have.

D. If you or any other person bound by this Section 6 fails or refuses to abide by any of the foregoing restrictions on competition, and we obtain enforcement in a legal proceeding, the obligations under the breached restriction will continue in effect for a period ending two (2) years after the date the person begins to comply with the order enforcing the restriction.

7. **TRANSFER**

7.1 By Us. We have the right to transfer or assign this Agreement or any part of our rights or obligations under this Agreement to any person or legal entity. You agree that we will have no liability after the effective date of the transfer or assignment for the performance of any obligations under this Agreement. You acknowledge that we can sell our assets; sell securities in a public offering or in a private placement; merge with, acquire, or be acquired by another company; or undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring, without restriction and without affecting your obligations under this Agreement.

7.2 No Transfer by You Without Our Approval. You acknowledge that the rights and duties set forth in this Agreement are personal to you and that we have granted these rights in reliance on your business skill, financial capacity, and personal character (or, if you are a business entity, on the business skill, financial capacity, and personal character of your owners and management). Accordingly, you may

not sell, transfer, or assign any right granted in this Agreement without our prior written consent, which may be withheld in our sole discretion.

7.3 Ownership. In addition to those acts described in Section 7.2, a transfer or assignment requiring our prior written consent shall be deemed to occur: (1) 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 of ownership; (2) if you are a partnership, upon the assignment, sale, pledge or transfer of any fractional partnership ownership interest; or (3) if you is a limited liability company, upon the assignment, sale, pledge of transfer or any interest in the limited liability company. Notwithstanding the foregoing, if you are an individual or a or group of individuals, you have the right to assign your rights under this Agreement to a corporation or limited liability company that is wholly owned by you according to the same terms and conditions as provided in your Current Franchise Agreement.

8. TERM

This Agreement will commence as of the Effective Date and, unless earlier terminated by us, will end on the earlier of: (1) the date that the final Franchised Center is required to be opened and operating under the Development Schedule; or (2) the date that the final Franchised Center is opened. Upon expiration or termination of this Agreement for any reason, you will not have any rights within the Development Area other than the territorial rights granted in connection with any Franchised Centers that you have opened and commenced operating as of the date this Agreement is terminated or expires (under the respective Franchise Agreements that you entered into for such Franchised Centers).

9. TERMINATION

9.1 Termination without Notice. You will be deemed to be in default under this Agreement, and all rights granted to you herein will automatically terminate without notice to you, if you become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or is filed against you and not opposed by you; if you are adjudicated as bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law are instituted by or against you; if a final judgment against you remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); if you are dissolved; or if execution is levied against your business or property.

9.2 Termination without Cure Period. If any of the following events of default occurs, we may terminate this Agreement without providing you any opportunity to cure the default, effective immediately upon receipt of written notice by you:

- A. You fail to satisfy your development obligations under the Development Schedule;
- B. You or any or your owners or principal officers are convicted of or plead guilty or no contest to a felony or other crime or offense that we believe is reasonably likely to have an adverse effect on the development and operation of the Franchised Centers, the System, the Proprietary Marks, the goodwill associated therewith, or our interest therein;
- C. Any transfer that requires our prior written consent occurs without your having obtained that prior written consent;

D. You fail to comply with the confidentiality obligations and/or covenants in Section 5 and 6;

E. You or your owners commit any fraud or misrepresentation in the development of the Franchised Centers, including without limitation, any misrepresentation made in your franchise application; and

F. Any Franchise Agreement that is entered into in order to fulfill your development obligations under this Agreement is terminated or subject to termination by us pursuant to the terms of that Franchise Agreement.

9.3 Termination for Non-Payment. If you fail, refuse, or neglect to pay any monies owed to us or our affiliates within ten (10) days after receipt of notice of default from us, this Agreement will terminate at the end of the ten (10) day period without further notice from us.

9.4 Termination Following Expiration of Cure Period. Except as provided in Sections 9.1 through 19.3 above, we may terminate this Agreement only in the event of your default and only by giving you written notice of termination stating the nature of the default at least thirty (30) days before the effective date of termination. If the default is not cured to our reasonable satisfaction within the thirty (30) day period (or such longer period as applicable law may require) this Agreement will terminate without further notice to you, effective at the end of the cure period. Any material failure to comply with the requirements imposed by this Agreement will be a default under this Section 9.4.

9.5 Statutory Limitations. If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement requires a notice or cure period prior to termination longer than set forth in this Section 9, this Agreement will be deemed amended to conform to the minimum notice or cure period required by the applicable law or regulation.

9.6 Effect of Termination or Expiration. Upon termination or expiration of this Agreement:

A. Any and all rights granted to you under this Agreement will immediately terminate; however, you will not be relieved of any of your obligations, debts or liabilities under this Agreement, including, without limitation, any debts, obligations or liabilities which have accrued before such termination.

B. You will have no further rights to develop and open Franchised Centers in the Development Area, except that you may develop and open any Franchised Centers for which you have executed Franchise Agreements prior to the date of expiration or termination of this Agreement and continue to operate Franchised Centers that are open and operating as of the date this Agreement expires or terminates.

C. We and our affiliates will have the right to operate, and authorize others to operate, Upgrade Labs Centers located within the Development Area and continue to engage, and grant to others the right to engage, in any activities that we and our affiliates desire within the Development Area without any restrictions whatsoever, subject only to your rights under existing Franchise Agreements.

D. We shall retain the Development Fees payable pursuant to Section 2 of this Agreement^[MFI].

9.7 No Waiver. Termination of this Agreement by us shall not constitute an election of remedies by us. The exercise of the rights granted under this Section 9 are in addition to, and not in lieu of,

any and all other rights and remedies available to us at law, in equity or otherwise, including without limitation the right to an injunction as set forth in Section 6.4.C, all of which are cumulative.

10. FORCE MAJEURE

If the performance of any obligation by any party under this Agreement is prevented, hindered or delayed by reason of Force Majeure that cannot be overcome by reasonable commercial measures, the parties shall be relieved of their respective obligations (to the extent that the parties, having exercised best efforts, are prevented, hindered or delayed in such performance) during the period of such Force Majeure. The party whose performance is affected by an event of Force Majeure shall give prompt written notice of such Force Majeure event to the other party by setting forth the nature thereof and an estimate as to its duration. As used in this Agreement, the term “**Force Majeure**” means any act of nature, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, pandemic, fire or other catastrophe, act of any government or other third party and any other cause not within the control of the party affected thereby. Your inability to obtain financing (regardless of the reason) shall not constitute Force Majeure.

11. APPROVALS AND WAIVERS

11.1 Approvals. Whenever this Agreement requires our prior approval or consent, you must make a timely written request to us, and our approval or consent must be obtained in writing and signed by one of our officers.

11.2 No Warranty. We make no warranties or guarantees upon which you may rely and assume no liability or obligation to you by providing any waiver, approval, consent, or suggestion to you in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefor.

11.3 No Implied Waiver. No delay or failure by us to exercise any right reserved to us under this Agreement or to insist upon strict compliance by you with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, will constitute a waiver of our right to exercise such right or to demand exact compliance by you with any of the terms hereof. Waiver by us of any particular default by you will not affect or impair our rights with respect to any subsequent default of the same, similar, or a different nature. Acceptance by us of any payments due to us hereunder will not be deemed to be a waiver by us of any preceding breach by you.

12. INCORPORATION OF OTHER TERMS

Sections 22 (Independent Contractor and Indemnification), 27 (Applicable Law and Dispute Resolution), 28 (Severability and Construction) and 29 (Representations and Acknowledgements) of the Current Franchise Agreement are incorporated by reference in this Agreement and will govern all aspects of this Agreement and the relationship of the parties to this Agreement as though fully restated within the text of this Agreement.

13. ENTIRE AGREEMENT

We and you acknowledge that each element of this Agreement is essential and material and that, except as otherwise provided in this Agreement, the parties shall deal with each other in good faith. This Agreement, the documents referred to in this Agreement and the attachments to this Agreement, constitute the entire, full and complete agreement between the parties concerning the matters covered in this Agreement, and supersede any and all prior or contemporaneous negotiations, discussions, understandings or agreements. There are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other

than those set forth in this Agreement, our Franchise Disclosure Document, the Manual, the documents referred to in this Agreement and the attachments to this Agreement. Nothing in this Agreement requires you to waive reliance on the representations made in our Franchise Disclosure Document. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth in this Agreement, no amendment, change or variance from this Agreement shall be binding on either party, unless mutually agreed to by the parties and signed in writing

14. NOTICES

All notices pursuant to this Agreement must be in writing and delivered in person or sent by personal delivery, by next day delivery service, by e-mail or electronic means, or by certified mail, return receipt requested, to the respective parties at the addresses listed on the signature page of this Agreement. Any notices sent by personal delivery, next day delivery service, e-mail or electronic means shall be deemed given on the next business day after transmittal. Any notices sent by certified mail shall be deemed given on the third business day after the date of mailing. Any change in the foregoing addresses shall be made effective by giving fifteen (15) days written notice of such change to the other party. We may provide you with routine information, and invoices by regular mail or by e-mail, or by making such information available to you on the Internet, an extranet, or other electronic means.

15. COUNTERPARTS AND TRANSMISSION

This Agreement may be signed in multiple counterparts, each of which when signed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of a signed counterpart of a signature page to this Agreement by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually signed counterpart of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed as of the Effective Date noted below.

FRANCHISOR:
UPGRADE LABS FRANCHISE, INC.,
a Delaware corporation

DEVELOPER:
_____,
a _____

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

EFFECTIVE DATE: _____

Date: _____

Notice Address:
9295 Lake Park Drive
P203
Fort Myers, FL 33919
Email: _____

Notice Address:

Email: _____

EXHIBIT A TO UPGRADE LABS DEVELOPMENT AGREEMENT

DEVELOPMENT INFORMATION

1. **Developer:** _____

2. **Development Fee due at signing.**

\$65,000 x ____ Centers = _____

\$50,000 x ____ Centers = _____

Total Due at Signing: = _____

The total Development Fee is due when you sign the Development Agreement and reflects the sum of the initial franchise fees that are owed under the Franchise Agreements for the Franchised Centers you agree to develop under the Development Agreement. The Development Fee paid for each Franchised Center will be applied as a credit against the initial franchise fee due for that Center, and, if paid in full, no further amount will be payable when you sign the Franchise Agreement for that Center.

3. **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:

4. **Development Schedule.** Developer agrees to open a total of _____ new Franchised Centers within the Development Area according to the following Development Schedule:

Franchised Center No.	Deadline for Signing Franchise Agreement	Date by which Franchised Center Must Open	Cumulative Number of Franchised Centers Developer Must Have Open Within Development Area
1			
2			
3			

FRANCHISOR:
UPGRADE LABS FRANCHISE, INC.

DEVELOPER:
_____ ,

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT B TO UPGRADE LABS DEVELOPMENT AGREEMENT
OWNERSHIP INFORMATION

Developer: _____

Form of Ownership. Developer is a _____ incorporated or formed on _____ in the state of _____.

Owners. The following list includes the full name of each person who is an owner of a legal or beneficial interest in Developer and fully describes the nature of each owner's interest (attach additional pages if necessary).

Name	Home Address	Percentage and Description of Ownership Interest

[If Developer consists of individuals, delete the above and use the below:

Developer Names and Home Addresses:

Name	Home Address

FRANCHISOR:
UPGRADE LABS FRANCHISE, INC.

DEVELOPER:

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT C TO UPGRADE LABS DEVELOPMENT AGREEMENT

PERSONAL GUARANTEE AND ASSUMPTION OF OBLIGATIONS

As an inducement to **UPGRADE LABS FRANCHISE, INC.** (“**Franchisor**”), to execute a Development Agreement (the “**Agreement**”) with _____ (“**Developer**”), the undersigned individuals (collectively, the “**Guarantors**”), jointly and severally, hereby unconditionally guarantee to Franchisor, its affiliates, and their successors and assigns that all of Developer’s obligations under the Agreement, and under other agreements or arrangements between Developer and Franchisor, will be punctually paid and performed.

Upon demand by Franchisor, the Guarantors will immediately make each contribution or payment required of Developer under the Agreement and under other agreements or arrangements between Developer and Franchisor. Each Guarantor waives any right to require Franchisor to: (a) proceed against Developer or any other Guarantor for any contribution or payment required under the Agreement; (b) proceed against or exhaust any security from Developer or any other Guarantor; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against Developer or any other Guarantor. Without affecting the obligations of the Guarantors under this Guarantee, Franchisor may, without notice to the Guarantors, extend, modify, or release any indebtedness or obligation of Developer, or settle, adjust, or compromise any claims against Developer. The Guarantors waive notice of amendment of the Agreement and notice of demand for contribution or payment by Developer and agree to be bound by any and all such amendments and changes to the Agreement.

The Guarantors hereby agree to defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorney’s fees, reasonable costs of investigation, court costs, and fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Developer to perform any obligation of Developer under the Agreement, any amendment to the Agreement, or any other agreement referred to in the Agreement that is executed and delivered by Developer.

The Guarantors hereby acknowledge and agree to be individually bound by all of the promises contained in the following Sections of the Agreement: Section 5 (with respect to confidentiality); Section 6 (with respect to covenants against competition); Section 7 (with respect to transfers of interests in Developer); Section 9.6 (with respect to obligations after termination of the Agreement); and Section 12 (with respect to indemnification). The Guarantors acknowledge and agree that: (a) this Guarantee does not grant the Guarantors any right to use any of Franchisor’s marks (including but not limited to the “Upgrade Labs” marks) or the System licensed to Developer under the Agreement; (b) that they have read, in full, and understand, all of the provisions of the Agreement that are referred to above in this paragraph, and that they intend to fully comply with those provisions of the Agreement as if they were printed here; and (c) that they have had the opportunity to consult with a lawyer of their own choosing in deciding whether to sign this Guarantee.

This Guarantee will terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of the Guarantors arising from events which occurred on or before the effective date of termination will remain in full force and effect until satisfied or discharged by the Guarantors, and all covenants which by their terms continue in force after the expiration or termination of the Agreement will remain in force according to their terms.

Upon the death of a Guarantor, the Guarantor’s estate will be bound by this Guarantee, but only for obligations existing at the time of death. The obligations of the surviving Guarantors will continue in full force and effect.

Unless specifically stated otherwise, the terms used in this Guarantee shall have the same meaning as in the Agreement and shall be interpreted and construed in accordance with Section 12 of the Agreement. This Guarantee shall be interpreted and construed under the laws of the State of Florida. In the event of any conflict of law, the laws of the State of Florida shall prevail (without regard to, and without giving effect to, the application of Florida conflict of law rules).

GUARANTORS:

Date: _____

Print Name: _____

Address: _____

Date: _____

Print Name: _____

Address: _____

Date: _____

Print Name: _____

Address: _____

Date: _____

Print Name: _____

Address: _____

EXHIBIT D
FINANCIAL STATEMENTS

UPGRADE LABS FRANCHISE, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2024

UPGRADE LABS FRANCHISE, INC
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MUHAMMAD ZUBAIRY, CPA PC

Certified Public Accountant

646.327.7013

INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of
Upgrade Labs Franchise, Inc.**

Opinion

We have audited the financial statements of Upgrade Labs Franchise, Inc., which comprises the balance sheet as of December 31, 2024 and 2023, and the related statement of operations, changes in shareholders' (deficit), and cash flow 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 Upgrade Labs Franchise, Inc., 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 Upgrade Labs Franchise, Inc., 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 Upgrade Labs Franchise, Inc.'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.

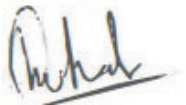
Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

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 Upgrade Labs Franchise, Inc.'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 Upgrade Labs Franchise, Inc.'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.

A handwritten signature in dark ink, appearing to read 'Muhammad', with a horizontal line underneath.

Muhammad Zubairy, CPA PC
Westbury, NY
May 8, 2025

UPGRADE LABS FRANCHISE, INC
BALANCE SHEET

	<u>ASSETS</u>	
	<u>YEARS ENDED DECEMBER 31</u>	
	<u>2024</u>	<u>2023</u>
Current Assets		
Cash	\$ 660,826	\$ 510,024
Accounts Receivable	120,065	13,692
Prepaid expenses	32,034	9,648
	<u> </u>	<u> </u>
Total Assets	\$ 812,925	\$ 533,364
	<u> </u>	<u> </u>
 <u>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</u>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 68,728	\$ 81,912
Due to related parties	3,501,488	1,936,093
Contract Liability	179,020	238,360
Total Current Liabilities	3,749,236	2,256,365
	<u> </u>	<u> </u>
Contract Liability, net of current	404,558	419,160
	<u> </u>	<u> </u>
Shareholders' Equity (Deficit)	(3,340,869)	(2,142,161)
	<u> </u>	<u> </u>
Total Liabilities and Shareholders' Equity (Deficit)	\$ 812,925	\$ 533,364
	<u> </u>	<u> </u>

See notes to financial statements

UPGRADE LABS FRANCHISE, INC.
STATEMENT OF SHAREHOLDERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

	Common Stock	Additional Paid in Capital	Retained Earnings	Total
Opening Balance, 2023	\$ —	\$ —	\$ (1,445,253)	\$ (1,183,071)
Net (Loss)	\$ —	\$ —	\$ (959,090)	\$ (959,090)
Ending Balance, 2023	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (2,142,161)</u>
Net (Loss)	\$ —	\$ —	\$ (1,198,708)	\$ (1,198,708)
Shareholder's (Distribution)	—	—	—	—
Shareholders' Contributions	—	—	—	—
Ending Balance, 2024	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (3,340,869)</u>

See notes to financial statements

UPGRADE LABS FRANCHISE, INC
STATEMENTS OF OPERATIONS AND SHAREHOLDER'S (DEFICIT)

	YEARS ENDED DECEMBER 31	
	2024	2023
Revenues	\$ 399,522	\$ 93,098
Operating Expenses	1,598,230	1,052,188
Net (Loss)	(1,198,708)	(959,090)
Shareholders' Equity - Beginning	(2,142,161)	(1,183,071)
Shareholders' Contributions	—	—
Shareholders' Equity (Deficit) - Ending	<u>\$ (3,340,869)</u>	<u>\$ (2,142,161)</u>

See notes to financial statements

UPGRADE LABS FRANCHISE, INC
STATEMENTS OF CASH FLOWS

	YEARS ENDED DECEMBER 31	
	2024	2023
Cash Flows from Operating Activities:		
Net (Loss)	\$ (1,198,708)	\$ (959,090)
Depreciation		
Adjustments to reconcile net loss to net cash		
(used) by operating activities:		
Changes in assets and liabilities		
Accounts receivable	(106,373)	(13,692)
Inventory	—	2,249
Prepaid expenses	(22,386)	(9,648)
Accounts payable and accrued expenses	(13,184)	49,915
Due to related parties	1,565,395	374,054
Contract Liability	(73,942)	264,458
	<u>150,802</u>	<u>(291,753)</u>
Net Increase in Cash	150,802	(291,753)
Cash - Beginning of Year	510,024	801,778
Cash - End of Year	<u><u>\$ 660,826</u></u>	<u><u>\$ 510,024</u></u>

See notes to financial statements

UPGRADE LABS FRANCHISE, INC.

NOTES TO FINANCIAL STATEMENT

1. THE COMPANY

Upgrade Labs Franchise, Inc. is a Delaware corporation formed on April 16, 2021. The Company offers a franchise for the right to own and operate a distinctive Center that operates under the Upgrade Labs mark and features non-invasive treatments such as adaptive cardio, neurofeedback, PEMF, and many other technologies, provided to clients in a spa-like setting.

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 is 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 an Upgrade Labs Franchise 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 exceeded the Federal Deposit Insurance Company's (FDIC) insurance limit of \$250,000 by approximately \$410,826. The Company maintains its cash and cash equivalents with accredited financial institutions.

Use of Estimates-The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the 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 differ from those estimates.

Income Taxes-The Company is a "C" corporation for income tax purposes. There was no accrued liability for taxes payable at December 31, 2024. The Company elected not to recognize any deferred tax assets due to uncertainty if the Company will benefit from a tax asset.

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. Commissions paid for franchises are amortized over the life of the franchise agreement. The Company adopted ASC-606 and ASU 2021-02 since inception in July 2021.

UPGRADE LABS FRANCHISE, INC.
NOTES TO FINANCIAL STATEMENT

4. CONTRACT LIABILITY

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 \$583,578 and \$657,520, respectively.

5. SHARED SERVICES AGREEMENTS

During the year the Company relied on the support from two related party companies (the “Shared Service Providers”) for management and back-office support services, such as, but not limited to, strategic planning, legal and tax compliance, human resources, accounting and financial statement preparation, and etc.

For the provision of management and back-office services all related parties are charged for the Shared Services Providers costs of providing the services, plus a markup of ten and five percent, respectively. Markups for the services was determined through a transfer pricing study and is consistent with the arm’s length standard. The costs incurred by the Shared Services Providers in providing management services are allocated according to effort that went into supporting the related party, whereas, back-office services are allocated according to the entity’s share of revenue, which would reasonably capture consumption of the services.

During the period ended December 31, 2024, the Company was charged \$25,477 and \$4,194 for management and back-office support services, respectively.

6. SUBSEQUENT EVENTS

The Company evaluates events that have occurred after the balance sheet 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 May 8, 2025, the date the financial statements were available to be issued.

**UPGRADE LABS FRANCHISE, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

UPGRADE LABS FRANCHISE, INC
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MUHAMMAD ZUBAIRY, CPA PC

Certified Public Accountant

646.327.7013

INDEPENDENT AUDITOR'S REPORT

*To the Shareholders of
Upgrade Labs Franchise, Inc.*

Opinion

We have audited the financial statements of Upgrade Labs Franchise, Inc., which comprises the balance sheet as of December 31, 2023, and the related statement of operations, changes in shareholders' (deficit), and cash flow 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 Upgrade Labs Franchise, Inc., as of December 31, 2023, and the results of its' operations and its' cash flow for the for 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 Upgrade Labs Franchise, Inc., 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 Upgrade Labs Franchise, Inc.'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 Upgrade Labs Franchise, Inc.'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 Upgrade Labs Franchise, Inc.'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 PC
Westbury, NY
April 12, 2024

**UPGRADE LABS
FRANCHISE, INC
BALANCE SHEET**

	<u>ASSETS</u>	
	<u>YEARS ENDED DECEMBER 31</u>	
	<u>2023</u>	<u>2022</u>
Current Assets		
Cash	\$ 510,024	\$ 801,778
Accounts Receivable	13,692	—
Prepaid expenses	9,648	—
Inventory	—	2,249
	<u> </u>	<u> </u>
Total Assets	\$ 533,364	\$ 804,027
	<u> </u>	<u> </u>
 <u>LIABILITIES AND SHAREHOLDERS' (DEFICIT)</u>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 81,912	\$ 31,997
Due to related parties	1,936,093	1,562,039
Contract Liability	238,360	166,860
Total Current Liabilities	2,256,365	1,760,896
	<u> </u>	<u> </u>
Contract Liability, net of current	419,160	226,202
	<u> </u>	<u> </u>
Shareholders' (Deficit)	(2,142,161)	(1,183,071)
	<u> </u>	<u> </u>
Total Liabilities and Shareholders' (Deficit)	\$ 533,364	\$ 804,027
	<u> </u>	<u> </u>

See notes to financial statements

UPGRADE LABS FRANCHISE, INC.
STATEMENT OF SHAREHOLDERS' (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2023 and
2022

	Commo n Stock	Additiona l Paid in Capital	Retained Earnings	Total
Opening Balance	\$ —	\$ —	\$ (246,545)	\$ (246,545)
Net (Loss)	—	—	(959,090)	(936,526)
Shareholders' Contributions	—	—	—	—
Ending Balance, 2022	\$ —	\$ —	\$ (1,205,635)	\$ (1,183,071)
Net (Loss)	\$ —	\$ —	\$ (959,090)	\$ (959,090)
Shareholder's (Distribution)	—	—	—	—
Shareholders' Contributions	—	—	—	—
Ending Balance, 2023	\$ —	\$ —	\$ —	\$ (2,142,161)

See notes to financial statements

UPGRADE LABS FRANCHISE, INC
STATEMENTS OF OPERATIONS AND SHAREHOLDER'S
(DEFICIT)

	<u>YEARS ENDED</u>	
	<u>DECEMBER 31</u>	
	<u>2023</u>	<u>2022</u>
Revenues	\$ 93,098	\$ 11,938
Operating Expenses	<u>1,052,188</u>	<u>948,464</u>
Net (Loss)	(959,090)	(936,526)
Shareholders' Equity - Beginning	(1,183,071)	(246,545)
Shareholders' Contributions	<u>—</u>	<u>—</u>
Shareholders' (Deficit) - Ending	<u>\$ (2,142,161)</u>	<u>\$ (1,183,071)</u>

See notes to financial statements

**UPGRADE LABS FRANCHISE,
INC
STATEMENTS OF CASH
FLOWS**

	<u>YEARS ENDED</u>	
	<u>DECEMBER 31</u>	
	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Net (Loss)	\$ (959,090)	\$ (936,526)
Depreciation		
Adjustments to reconcile net loss to net cash		
(used) by operating activities:		
Changes in assets and liabilities		
Accounts receivable	(13,692)	—
Inventory	2,249	(2,249)
Prepaid expenses	(9,648)	2,500
Accounts payable and accrued expenses	49,915	502
Due to related parties	374,054	1,338,537
Contract Liability	<u>264,458</u>	<u>328,062</u>
	(291,753)	730,826
Net Increase in Cash	(291,753)	730,826
Cash - Beginning of Year	801,778	70,952
Cash - End of Year	<u><u>\$ 510,024</u></u>	<u><u>\$ 801,778</u></u>

See notes to financial statements

1. THE COMPANY

Upgrade Labs Franchise, Inc. is a Delaware corporation formed on April 16, 2021. The Company offers a franchise for the right to own and operate a distinctive Center that operates under the Upgrade Labs mark and features non-invasive treatments such as adaptive cardio, neurofeedback, PEMF, and many other technologies, provided to clients in a spa-like setting.

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 is 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 an Upgrade Labs Franchise 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 exceeded the Federal Deposit Insurance Company's (FDIC) insurance limit of \$250,000 by approximately \$552,000. The Company maintains its cash and cash equivalents with accredited financial institutions.

Use of Estimates-The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the 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 differ from those estimates.

Income Taxes-The Company is a "C" corporation for income tax purposes. There was no accrued liability for taxes payable at December 31, 2023. The Company elected not to recognize any deferred tax assets due to uncertainty if the Company will benefit from a tax asset.

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. Commissions paid for franchises are amortized over the life of the franchise agreement. The Company adopted ASC-606 and ASU 2021-02 since inception in July 2021.

UPGRADE LABS FRANCHISE, INC. NOTES TO FINANCIAL STATEMENT

4. CONTRACT LIABILITY

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 \$657,520 and \$393,062, respectively.

5. SHARED SERVICES AGREEMENTS

During the year the Company relied on the support from two related party companies (the “Shared Service Providers”) for management and back-office support services, such as, but not limited to, strategic planning, legal and tax compliance, human resources, accounting and financial statement preparation, and etc.

For the provision of management and back-office services all related parties are charged for the Shared Services Providers costs of providing the services, plus a markup of ten and five percent, respectively. Markups for the services was determined through a transfer pricing study and is consistent with the arm’s length standard. The costs incurred by the Shared Services Providers in providing management services are allocated according to effort that went into supporting the related party, whereas, back-office services are allocated according to the entity’s share of revenue, which would reasonably capture consumption of the services.

During the period ended December 31, 2023, the Company was charged \$374,054 and \$211,090 for management and back-office support services, respectively.

6. SUBSEQUENT EVENTS

The Company evaluates events that have occurred after the balance sheet 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 April 12, 2024, the date the financial statements were available to be issued.

UNAUDITED FINANCIAL STATEMENTS

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

Upgrade Labs Franchise Inc

Balance Sheet

As of March 31, 2025

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1010 Deposits in Transit	18,800.93
1020 Bank Account - USD	418,737.06
1025 Brand Bank Account -USD	26,722.71
Total Bank Accounts	\$464,260.70
Accounts Receivable	
1200 Accounts Receivable - USD	64.95
Total Accounts Receivable	\$64.95
Other Current Assets	
1260 Other Receivables	120,000.00
1500 Prepaid Expense	29,599.47
Total Other Current Assets	\$149,599.47
Total Current Assets	\$613,925.12
Fixed Assets	
1610 Machinery & Equipment	16,135.08
1611 Machinery & Equipment - Accumulated Depreciation	-384.16
Total Fixed Assets	\$15,750.92
Other Assets	
1300 Intercompany Loan Receivables	
40 Years of Zen	2,036.74
BeProof Inc	2,500.00
Legendary Neuroscience	10,500.00
Upgrade Labs Distribution	88,676.55
Upgrade Labs Franchise Canada Inc	522,067.61
Upgrade Labs IP	500.00
Upgrade Labs Products	5,307.67
Total 1300 Intercompany Loan Receivables	631,588.57
Total Other Assets	\$631,588.57
TOTAL ASSETS	\$1,261,264.61

Upgrade Labs Franchise Inc

Balance Sheet

As of March 31, 2025

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable - USD	141,582.22
Total Accounts Payable	\$141,582.22
Other Current Liabilities	
2020 Franchise Fee Payable	20,000.00
2200 Accrued Liabilities	39,552.00
2400 Payroll Liabilities	63,425.08
2500 Deferred Revenue - Current Portion	194,620.00
Texas State Comptroller Payable	4.13
Utah State Tax Commission Payable	7.45
Total Other Current Liabilities	\$317,608.66
Total Current Liabilities	\$459,190.88
Long-Term Liabilities	
2501 Deferred Revenue - Long-term portion	440,403.37
2600 Intercompany Loan Payables	
40 Years of Zen	90,900.00
Biohacked Inc	2,680,367.22
Bulletproof Media Inc	106,141.52
Danger Coffee Inc	46,000.00
Homebiotic Inc	5,500.00
Neurotech 40 Unc	45,617.56
Upgrade Events	102,272.15
Upgrade Labs Holdings	1,100,355.60
Upgrade Labs Inc	149,311.40
Upgrade Labs Products	1,000.00
Total 2600 Intercompany Loan Payables	4,327,465.45
2650 Shareholder Loan Payables	60.00
Total Long-Term Liabilities	\$4,767,928.82
Total Liabilities	\$5,227,119.70
Equity	
3050 Common Stock - Dave Asprey	0.10
Additional Paid-In Capital - Dave Asprey	249,999.90
Retained Earnings	-3,590,871.66
Net Income	-624,983.43
Total Equity	\$ -3,965,855.09
TOTAL LIABILITIES AND EQUITY	\$1,261,264.61

Upgrade Labs Franchise Inc

Profit and Loss January - March, 2025

	TOTAL
Income	
4000 Service Revenue	
4005 Equipment Fees Income	7,500.00
4010 Marketing Fee Income	10,389.63
4015 Marketing Messaging	330.70
4020 Royalty Fee Income	31,168.73
4030 Technology Fee Income	3,901.65
4400 Franchise Fee Revenue	13,554.96
Total 4000 Service Revenue	66,845.67
Total Income	\$66,845.67
Cost of Goods Sold	
5055 COGS - Payment Processing	16.98
Total Cost of Goods Sold	\$16.98
GROSS PROFIT	\$66,828.69
Expenses	
6000 Advertising & Promotion Expense	22,386.45
6025 Affiliate Expense	1.17
6049 Legal Fees Expense	18,000.00
6050 Professional Fees Expense	349,582.26
6060 Meals & Entertainment Expense	5,334.43
6100 General & Administrative Expense	1,136.23
6150 IT Expense	45,010.92
6200 Travel Expense	34,689.69
6300 Facilities, Repairs & Maintenance Expense	2,409.48
6310 Equipment Tech Fees	4,800.00
6350 Utilities Expense	1.83
6400 Insurance Expense	11,339.05
6450 HR & Professional Development Expense	21,036.38
6650 Shipping & Duties Expense	1,464.93
6850 Other Taxes	225.00
Staff Allocation Expense	
6750 Staff Allocation - Wages	152,829.57
6751 Staff Allocation - Payroll taxes	11,844.91
6752 Staff Allocation - Group Benefit Expense	10,432.16
Total Staff Allocation Expense	175,106.64
Total Expenses	\$692,524.46
NET OPERATING INCOME	\$ -625,695.77
Other Income	
7400 Other Income	1,500.00
Total Other Income	\$1,500.00

Upgrade Labs Franchise Inc

Profit and Loss

January - March, 2025

	TOTAL
Other Expenses	
6800 Depreciation Expense	384.16
7000 Foreign exchange gain (loss)	403.50
Total Other Expenses	\$787.66
NET OTHER INCOME	\$712.34
NET INCOME	\$ -624,983.43

EXHIBIT E

STATE SPECIFIC ADDENDA

Illinois
Maryland
Minnesota
New York
North Dakota
Rhode Island
Virginia
Washington

**ADDENDUM TO THE UPGRADE LABS FRANCHISE AGREEMENT
REQUIRED FOR ILLINOIS FRANCHISEES**

This Addendum to the Upgrade Labs Franchise Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Franchisee**”).

1. The following is added to Section 3.A.1.:

Payment of Initial Fees will be deferred until Franchisor has met its initial obligations to Franchisee, and Franchisee has commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition. (Section 200.508 of the Rules).

2. The following sentence is added at the end of Section 21.A:

Notwithstanding the foregoing, Illinois law shall govern this Agreement.

3. The following sentence is added to the end of Section 21.E:

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action that otherwise is enforceable in Illinois.

4. The following paragraph is added at the end of Section 21.H:

Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Act must be brought within the earlier of: three (3) years of the violation, one (1) year after the franchisee becomes aware of the underlying facts or circumstances or ninety (90) days after delivery to the franchisee of a written notice disclosing the violation.

5. The following sentence is added to the end of Section 19:

In conformance with Section 41 of the Illinois Franchise Disclosure Act any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

6. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the 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. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
9. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

FRANCHISEE:

[NAME OF FRANCHISEE]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS DEVELOPMENT AGREEMENT
REQUIRED FOR ILLINOIS DEVELOPERS**

This Addendum to the Upgrade Labs Development Agreement dated _____ (“**Development Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Developer**”).

1. The following is added to Section 2:

Payment of Initial/Development Fees will be deferred until Franchisor has met its initial obligations to Developer, and Developer has opened the first Franchise Center under this Development Agreement. The Illinois General's Office imposed this deferral requirement due to Franchisor's financial condition. (Section 200.508 of the Rules)..

2. The following paragraphs are added at the end of Section 12:

Notwithstanding the foregoing, Illinois law shall govern this Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action that otherwise is enforceable in Illinois.

Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Act must be brought within the earlier of: three (3) years of the violation, one (1) year after the franchisee becomes aware of the underlying facts or circumstances or ninety (90) days after delivery to the franchisee of a written notice disclosing the violation.

In conformance with Section 41 of the Illinois Franchise Disclosure Act any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

6. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the 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. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.
8. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.
9. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

DEVELOPER:

[NAME OF DEVELOPER]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS FRANCHISE AGREEMENT
REQUIRED FOR MARYLAND FRANCHISEES**

This Addendum to the Upgrade Labs Franchise Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Franchisee**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of Maryland; **(B)** Franchisee is a resident of the State of Maryland; and/or **(C)** the Franchised Center will be located or operated in the State of Maryland.
2. The following sentence is added to the end of Section 3.A.(1) (Initial Franchise Fee):

Based upon our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees including payments for goods and services owed by you shall be deferred until we complete our pre-opening obligations under the Franchise Agreement.
3. The following sentence is added to the end of Sections 2.B.5 (Renewal) and 12.E.3 (Transfer):

This release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
4. The following sentence is added to the end of Section 21.E (Venue):

Notwithstanding the foregoing, Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
5. The following is added as Section 23.D (Representations):

Representations. Representations in this Agreement are not intended to, nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
6. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the 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. Any capitalized term that is not defined in this Addendum shall have the meaning given it in the Franchise Agreement.
8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
9. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the

same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

FRANCHISEE:

[NAME OF FRANCHISEE]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS DEVELOPMENT AGREEMENT
REQUIRED FOR MARYLAND DEVELOPERS**

This Addendum to the Upgrade Labs Development Agreement dated _____ (“**Development Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Developer**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Maryland; **(B)** Developer is a resident of the State of Maryland; and/or **(C)** the Development Area will be located or operated in the State of Maryland.
2. The following sentence is added to the end of Section 2 (Development Fee):

Based upon our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all development fees and initial payments owed shall be deferred until the first Franchised Center under the Development Agreement opens.
3. The following sentence is added to the end of Section 12 (Incorporation of Other Terms):

Notwithstanding the foregoing, Developer may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Representations in this Agreement are not intended to, nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
4. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the 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.
5. Any capitalized term that is not defined in this Addendum shall have the meaning given it in the Development Agreement.
6. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.
7. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

DEVELOPER:

[NAME OF DEVELOPER]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS FRANCHISE AGREEMENT
REQUIRED FOR MINNESOTA FRANCHISEES**

This Addendum to the Upgrade Labs Franchise Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ *[insert type of organization and delete these brackets]* formed in _____ *[insert state and delete these brackets]* (“**Franchisee**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of Minnesota; **(B)** Franchisee is a resident of the State of Minnesota; and/or **(C)** the Franchised Center will be located or operated in the State of Minnesota.
2. The following sentence is added to the end of Sections 2.B.5 and 12.E.3:

Notwithstanding the foregoing, Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.
3. The following sentence is added to the end of Sections 2 and 15:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minnesota Statute § 80C.14, Subdivisions 3, 4, and 5, which requires, except in certain cases, that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of franchise agreements.
4. The following sentence is added to the end of Section 19.B:

Franchisee may not consent to Franchisor obtaining injunctive relief. Franchisor may seek injunctive relief. See Minn. Rule 2860.4400J. A court will determine if a bond is required.
5. The following sentences are added to the end of Sections 21.A and 21.E:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of Franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
6. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the 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. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
9. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

FRANCHISEE:

[NAME OF FRANCHISEE]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS FRANCHISE AGREEMENT
REQUIRED FOR MINNESOTA DEVELOPERS**

This Addendum to the Upgrade Labs Development Agreement dated _____ (“**Development Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Developer**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Minnesota; **(B)** Developer is a resident of the State of Minnesota; and/or **(C)** the Development Area will be located or operated in the State of Minnesota.
2. The following sentence is added to the end of Sections 11:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minnesota Statute § 80C.14, Subdivisions 3, 4, and 5, which requires, except in certain cases, that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of franchise agreements.
3. The following sentence is added to the end of Sections 12:

Developer will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.
4. The following sentence is added to the end of Section 8.D, 11.D and 12:

Developer may not consent to Franchisor obtaining injunctive relief. Franchisor may seek injunctive relief. See Minn. Rule 2860.4400J. A court will determine if a bond is required.
5. The following sentences are added to the end of Sections 12:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of Developer’s rights as provided for in Minnesota Statutes, Chapter 80C, or Developer’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
6. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the 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. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

8. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.
9. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

DEVELOPER:

[NAME OF DEVELOPER]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS FRANCHISE AGREEMENT
REQUIRED FOR NEW YORK FRANCHISEES**

This Addendum to the Upgrade Labs Franchise Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ *[insert type of organization and delete these brackets]* formed in _____ *[insert state and delete these brackets]* (“**Franchisee**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of New York; **(B)** Franchisee is a resident of the State of New York; and/or **(C)** the Franchised Center will be located in the State of New York.
2. Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Sections 680 – 695, may not be enforceable.
3. The following sentence is added to the end of Sections 2.B.5 and 12.E.3:

Any provision in this Agreement requiring Franchisee to sign a general release of claims against Franchisor does not release any claim Franchisee may have under New York General Business Law, Article 33, Sections 680-695.
4. The following sentence is added to Section 13.G:

Franchisor will not assign its rights under this Agreement, except to an assignee who in Franchisor’s good faith and judgment is willing and able to assume Franchisor’s obligations under this Agreement.
5. The following sentence is added to the end of Sections 14.D, 19.B, and 21.D:

Franchisor’s right to obtain injunctive relief exists only after proper proofs are made and the appropriate authority has granted such relief.
6. The following sentence is added to the end of Section 21.A:

Notwithstanding the foregoing, the New York Franchises Law shall govern any claim arising under that law.
7. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
9. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

FRANCHISEE:

[NAME OF FRANCHISEE]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS DEVELOPMENT AGREEMENT
REQUIRED FOR NEW YORK DEVELOPERS**

This Addendum to the Upgrade Labs Development Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“Effective Date”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Developer**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of New York; **(B)** Developer is a resident of the State of New York; and/or **(C)** the Development Area will be located in the State of New York.
2. Any provision in the Development Agreement that is inconsistent with the New York General Business Law, Article 33, Sections 680 – 695, may not be enforceable.
3. The following sentence is added to Section 9.C.:

Franchisor will not assign its rights under this Agreement, except to an assignee who in Franchisor’s good faith and judgment is willing and able to assume Franchisor’s obligations under this Agreement.
4. The following sentence is added to the end of Sections 8.D, 11.D, and 12:

Franchisor’s right to obtain injunctive relief exists only after proper proofs are made and the appropriate authority has granted such relief.
5. The following sentence is added to the end of Section 12:

Notwithstanding the foregoing, the New York Franchises Law shall govern any claim arising under that law.
6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.
7. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.
8. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

DEVELOPER:

[NAME OF DEVELOPER]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS FRANCHISE AGREEMENT
REQUIRED FOR NORTH DAKOTA FRANCHISEES**

This Addendum to the Upgrade Labs Franchise Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Franchisee**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of North Dakota; **(B)** Franchisee is a resident of the State of North Dakota; and/or **(C)** the Franchised Center will be located in the State of North Dakota.
2. Section 3.A.1 of the Franchise Agreement shall be amended by adding the following to the end of the Section:

Based upon Franchisor’s financial condition, the North Dakota Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by Franchisee shall be deferred until Franchisor completes its pre-opening obligations under the Franchise Agreement and you open the Franchised Center. Upon the opening of the Franchised Center, you shall pay all initial fees and payments to us.

3. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):
 - A. Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.
 - B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.
 - C. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
 - D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
 - E. Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.
 - F. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.
 - G. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.
 - H. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

- I. Limitation of Claims: Requiring that North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
 - J. Enforcement of Agreement: Requiring that North Dakota franchisees to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.
- 3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
 - 4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
 - 5. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

FRANCHISEE:

[NAME OF FRANCHISEE]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS DEVELOPMENT AGREEMENT
REQUIRED FOR NORTH DAKOTA DEVELOPERS**

This Addendum to the Upgrade Labs Development Agreement dated _____ (“**Development Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Developer**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of North Dakota; **(B)** Developer is a resident of the State of North Dakota; and/or **(C)** the Development Area will be located in the State of North Dakota.

2. Section 2 of the Development Agreement shall be amended by adding the following to the end of the Section:

Based upon Franchisor’s financial condition, the North Dakota Securities Commissioner has required a financial assurance. Therefore, we will defer the payment of the Development Fee until the first Franchised Center that you develop under this Agreement opens for business. Upon the opening of the first Franchised Center, you will pay to us the Development Fee..

3. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):
 - A. Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.
 - B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.
 - C. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
 - D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
 - E. Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.
 - F. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.
 - G. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.
 - H. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

- I. Limitation of Claims: Requiring that North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
 - J. Enforcement of Agreement: Requiring that North Dakota franchisees to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.
- 3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.
 - 4. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.
 - 5. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

DEVELOPER:

[NAME OF DEVELOPER]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS FRANCHISE AGREEMENT
REQUIRED FOR RHODE ISLAND FRANCHISEES**

This Addendum to the Upgrade Labs Franchise Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ *[insert type of organization and delete these brackets]* formed in _____ *[insert state and delete these brackets]* (“**Franchisee**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of Rhode Island; **(B)** Franchisee is a resident of the State of Rhode Island; and/or **(C)** the Franchised Center will be located in the State of Rhode Island.
2. The following language is added to Sections 21.A and 21.E:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”
3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
5. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

FRANCHISEE:

[NAME OF FRANCHISEE]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS DEVELOPMENT AGREEMENT
REQUIRED FOR RHODE ISLAND DEVELOPERS**

This Addendum to the Upgrade Labs Development Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“Effective Date”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Developer**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Rhode Island; **(B)** Developer is a resident of the State of Rhode Island; and/or **(C)** the Development Area will be located in the State of Rhode Island.
2. The following language is added to Sections 12:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”
3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.
4. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.
5. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

DEVELOPER:

[NAME OF DEVELOPER]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS FRANCHISE AGREEMENT
REQUIRED FOR VIRGINIA FRANCHISEES**

This Addendum to the Upgrade Labs Franchise Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Franchisee**”).

1. The following sentence is added to the end of Section 3.A.(1) (Initial Franchise Fee):

Notwithstanding the foregoing, we will defer the payment of the Initial Franchise Fee until the Franchised Center opens for business. Upon the opening of the Franchised Center, you shall pay the Initial Franchise Fee to us.

2. 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 behalf of the 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.
3. Any capitalized term that is not defined in this Addendum shall have the meaning given it in the Franchise Agreement.
4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
5. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

FRANCHISEE:

[NAME OF FRANCHISEE]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS DEVELOPMENT AGREEMENT
REQUIRED FOR VIRGINIA DEVELOPERS**

This Addendum to the Upgrade Labs Development Agreement dated _____ (“**Development Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Developer**”).

1. The following sentence is added to the end of Section 2 (Development Fee):

Notwithstanding the foregoing, in the Commonwealth of Virginia, we will defer the payment of the Development Fee until we complete our initial obligations and you open the first Upgrade Labs Center that you develop under this Agreement. At that time, you shall pay the Development Fee to us. The Virginia Attorney General’s Office imposed this deferral requirement due to our financial condition.

2. 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 behalf of the 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.
3. Any capitalized term that is not defined in this Addendum shall have the meaning given it in the Development Agreement.
4. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.
5. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

DEVELOPER:

[NAME OF DEVELOPER]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS FRANCHISE AGREEMENT
DISCLOSURE VERIFICATION, AND RELATED AGREEMENTS
REQUIRED FOR WASHINGTON FRANCHISEES**

This Addendum to the Upgrade Labs Franchise Agreement dated _____ (“**Franchise Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Franchisee**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of Washington; **(B)** Franchisee is a resident of the State of Washington; and/or **(C)** the Franchised Center will be located in the State of Washington.
2. The state of Washington has a statute, the Washington Franchise Investment Protection Act, Section 19.100.180 of which may supersede this Agreement in Franchisee’s relationship with Franchisor, including in the areas of termination and renewal of the franchise. There also may be court decisions that may supersede this Agreement in Franchisee’s relationship with Franchisor, including in the areas of termination and renewal of your franchise.
3. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
5. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Franchise Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
6. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
7. Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.
8. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

9. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
10. The following is added to the end of Section 3.A.1 of the Franchise Agreement:
- Notwithstanding the foregoing, we will defer the payment of the Initial Franchise Fee until the Franchised Center opens for business. Upon the opening of the Franchised Center, you shall pay the Initial Franchise Fee to us.
11. 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 behalf of the 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.
12. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
13. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified in full force and effect.
14. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

FRANCHISEE:

[NAME OF FRANCHISEE]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE UPGRADE LABS DEVELOPMENT AGREEMENT
DISCLOSURE VERIFICATION, AND RELATED AGREEMENTS
REQUIRED FOR WASHINGTON DEVELOPERS**

This Addendum to the Upgrade Labs Development Agreement dated _____ (“**Development Agreement**”) is entered into as of _____ (“**Effective Date**”) by and between **UPGRADE LABS FRANCHISE, INC.**, a Delaware corporation (“**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**Developer**”).

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Washington; **(B)** Developer is a resident of the State of Washington; and/or **(C)** the Development Area will be located in the State of Washington.
2. The state of Washington has a statute, the Washington Franchise Investment Protection Act, Section 19.100.180 of which may supersede this Agreement in Developer’s relationship with Franchisor, including in the areas of termination and renewal of the franchise. There also may be court decisions that may supersede this Agreement in Developer’s relationship with Franchisor, including in the areas of termination and renewal of your franchise.
3. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
4. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Development Agreement, a developer may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
5. A release or waiver of rights executed by a developer may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.
8. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a developer, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a developer under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Development Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

9. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a developer from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Development Agreement or elsewhere are void and unenforceable in Washington.
10. The following is added to the end of Section 2 of the Development Agreement:
- Notwithstanding the foregoing, we will defer payment of that portion of the Development Fee allocated to a Franchised Center that you develop under this Agreement until that Franchised Center opens for business. Upon the opening of a Franchised Center, you will pay to us that portion of the Development Fee allocated to that Franchised Center.
11. 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 behalf of the 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.
12. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.
13. Except as expressly modified by this Addendum, the Development Agreement remains unmodified in full force and effect.
14. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum under seal as of the Effective Date.

FRANCHISOR:

UPGRADE LABS FRANCHISE, INC.

By: _____

Name: _____

Title: _____

Effective Date: _____

DEVELOPER:

[NAME OF DEVELOPER]

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT F
LIST OF FRANCHISEES

UPGRADE LABS
LIST OF FRANCHISED CENTERS AS OF DECEMBER 31, 2024

Franchisee	Center Street Address	City	State	Zip	Contact Phone Number
Biohacked CDA Corporation	2086 N. Main Street	Coeur d'Alene	ID	83814	(208) 620-7134
Longevity Labs, LLC	1611 W. 5 th Street, Suite 125	Austin	TX	78703	(360) 720-3541
LKTR, LLC	6030 North Market Street, Suite 135	Park City	UT	84098	(208) 290-7162
Improved Physiology LLC	4594 W. Partridgehill Lane, Suite B-170,	Riverton	UT	84096	(801) 336-1515
Legacy Labs Inc.	909 112 th Ave NE #201	Bellevue	WA	98004	(425) 532-3300

**LIST OF FRANCHISEES THAT SIGNED FRANCHISE AGREEMENTS
BUT HAVE NOT OPENED AS OF DECEMBER 31, 2024**

Franchisee	Area Where Franchised Center Will Be Located	State Where Franchised Center Will Be Located	Phone Number
Equanimity Labs LLC	Orlando	Florida	(954) 699-9659
Noble Life, LLC	St. Johns	Florida	(904) 477-4387
Sigue Adelante, LLC	Greenville	South Carolina	(863) 808-9883
Upgrade Tennessee, LLC	Nashville	Tennessee	(615) 947-7056

**LIST OF DEVELOPERS WITH SIGNED DEVELOPMENT AGREEMENTS
AS OF DECEMBER 31, 2024**

Franchisee	Area Where Franchised Center(s) Will Be Located	State Where Franchised Center(s) Will Be Located	Phone Number
Longevity Labs, LLC	Austin	Texas	(360) 720-3541
Biohacked CDA Corporation	Spokane	Washington	(208) 720-0476

**LIST OF FRANCHISEES THAT TRANSFERRED A CENTER, CLOSED A CENTER
OR WERE TERMINATED IN 2024**

Franchisee and Contact Person	City	State	Phone Number	Reason
Renewed Life, LLC	Charlotte	North Carolina	(803) 493-3523	Center Not Opened
Elevated Performance LLC	Meridian	Idaho	(208) 900-6411	Closed Center

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

EXHIBIT G
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EXHIBIT H

SAMPLE RELEASE AGREEMENT

In consideration for the consent of Upgrade Labs Franchise, Inc. (the “Franchisor”) to the assignment by _____ (“Franchisee”) of its interest in that certain franchise agreement entered into by and between Franchisor and Franchisee dated _____ (the “Franchise Agreement”), Franchisee and its principals hereby remise, release, and forever discharge Franchisor, its affiliates, parents, subsidiaries, principals, officers, directors and employees and agents, and their respective successors, assigns, heirs and personal representatives, from all debts, covenants, liabilities, actions, and causes of action of every kind and nature through the date of this Release, including but not limited to those arising out of or existing under (a) the Franchise Agreement and the parties’ respective rights and obligations thereunder, (b) the offer and sale of the Upgrade Labs Franchised Center described therein, and (c) the franchise relationship between the parties hereto, whether in law or in equity. Franchisee acknowledges that this Release is intended to release all claims held by any person against the parties to be released, arising out of any of the matters to be released.

This Release has been entered into and agreed to as of the ____ day of _____, 20 ____

FRANCHISEE:

By: _____

Print Name: _____

By: _____

Print Name: _____

EXHIBIT I

STATE EFFECTIVE DATES

The following states 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 Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws if an effective date is noted below for the state:

State	Effective Date
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT J
RECEIPTS

RECEIPTS (OUR COPY)

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 Upgrade Labs Franchise, Inc. offers you a franchise it must provide this Disclosure Document to you within 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. If Upgrade Labs Franchise, Inc. offers you a franchise in New York, we must give you this disclosure document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. If Upgrade Labs Franchise, Inc. offers you a franchise in Michigan, we must give you this disclosure document at least 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If Upgrade Labs Franchise, Inc. 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 our agents registered to receive service of process is listed as Exhibit A to this Franchise Disclosure Document.

The franchisor is Upgrade Labs Franchise, Inc., located at 9295 Lake Park Drive. P203 Fort Myers Fl. 33919. Its telephone number is (305) 402-4882.

The issuance date of this Disclosure Document is: May 19, 2025

I have received a Franchise Disclosure Document with an issuance date of May 19, 2025 which contained the following Exhibits.

- | | |
|---|---|
| A. List of State Franchise Administrators/Agents for Service of Process | F. List of Franchisees |
| B. Franchise Agreement (and Exhibits) | G. Operations Manual Table of Contents |
| C. Development Agreement | H. Sample Termination and Release Agreement |
| D. Financial Statements | I. State Effective Dates |
| E. State Specific Addenda | J. Receipts |

A list of the names, principal business addresses, and telephone numbers of each franchise seller offering this franchise is as follows: Upgrade Labs Franchise Inc.: Griff Long, President; Michael Moore, Senior Director of Design and Construction; Alexander "Chaz" Wolfson, Manager of Business Development and Lorrie Hiti, Franchise Administration Paralegal, 9295 Lake Park Drive. P203, Fort Myers Fl. 33919, (305) 402-4882.

By: _____
Name: _____
Date: _____
Telephone Number: _____

Title: _____
Name of Entity: _____
Address: _____

RECEIPTS (YOUR COPY)

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 Upgrade Labs Franchise, Inc. offers you a franchise it must provide this Disclosure Document to you within 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. If Upgrade Labs Franchise, Inc. offers you a franchise in New York, we must give you this disclosure document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. If Upgrade Labs Franchise, Inc. offers you a franchise in Michigan, we must give you this disclosure document at least 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

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