

FRANCHISE DISCLOSURE DOCUMENT

THE REAL FOOD ACADEMY FRANCHISE LLC

A Florida Limited Liability Company
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Miami, FL 33181
305-753-6644
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The Real Food Academy Franchise LLC offers a franchise for the establishment and operation of a culinary-based teaching business for both children and adults operating under the name “The Real Food Academy” and our other Marks and offering a variety of services including birthday parties, cooking classes, camps, field trips, after school programs, team building sessions, and other community cooking events.

The total investment necessary to begin operations of The Real Food Academy franchise is \$332,100 to \$511,950. This includes \$49,500 that must be paid to the franchisor or affiliate.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale or grant. **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 Arthur Cummins, 11111 Biscayne Blvd Ste 205, Miami, FL 33181, art@therealfoodacademy.com, (305-753-6644).

The terms of your contract will govern your franchise relationship. Don’t rely on this Disclosure Document alone to understand your contract. Read all of your 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.

Date of Issuance: May 6, 2024, as amended June 11, 2024

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Exhibit F to this FDD.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Exhibit E to this FDD 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 Franchised The Real Food Academy in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a The Real Food Academy Franchisee?	Exhibit F to this FDD lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in **Exhibit A**. Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in 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, arbitrate, or litigate with the franchisor in Florida than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guaranty will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

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.

MICHIGAN DISCLOSURE NOTICE

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 offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to:

Department of the Attorney General
Consumer Protection Division, Franchise Unit
525 Ottawa Street
G. Mennen Williams Building, 6th Floor
Lansing, Michigan 48909
(517) 373-7117

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

To simplify the language in this Disclosure Document, the words “we,” “our,” “us,” and “The Real Food Academy” refer to The Real Food Academy Franchise LLC, the franchisor of this business. “You” and “your” refer to the person who buys the franchise, whether you are a corporation, limited liability company, other business entity, or an individual. If you are a corporation, limited liability company or other business entity, certain provisions of this disclosure also apply to your owners and will be noted.

Cross-references to “Section” below refer to sections in the Franchise Agreement attached as **Exhibit C**. Reference to “Item” refers to items in this Disclosure Document or FDD. For your convenience in navigating electronic versions of this FDD, the FDD contains hyperlinks to both Exhibits to the FDD and Exhibits to the Franchise Agreement. Clicking the hyperlink will take you directly to the linked Exhibit, and clicking the hyperlink in the bottom left-hand corner of each page will return you to the Table of Contents (TOC) for the FDD or the Franchise Agreement, as designated in the link.

The Franchisor

We were formed in Florida in December 2022 to offer The Real Food Academy franchises. Our principal business address is 11111 Biscayne Blvd Ste 205, Miami, FL 33181. We do business under our corporate name and the name “The Real Food Academy.” We began offering franchises as of May 11, 2023. We do not operate a business of the type being franchised, but our affiliates do. We are not involved in any other business activities and do not offer franchises in any other line of business.

Our Parents, Predecessors and Affiliates

We do not have a parent company or predecessors. We have one affiliate, The Real Food Academy, LLC which operates a The Real Food Academy business substantially similar to the Franchise Business offered for sale by us. We and our affiliate are independent entities, and our affiliate does not assume any of our legal or other obligations. Our affiliate does not offer franchises. Our affiliate does not offer franchises in this or any other line of business.

Our Business

We franchise the right to operate a business providing a variety of cooking classes for clients of all age ranges. Our services include cooking classes for children and adults, holding party events, conducting cooking camps, arranging for after school programs, team building events, and other community oriented activities; in addition, and with our approval, you may optionally acquire a beer & wine license for the purpose of providing alcohol at approved events. The Franchise or Franchised business does business under the trade name Real Food Academy, and also uses the other related service marks, trademarks and/or logos (our “Marks”). The Franchise is a sales and service business which will run and operate from a fixed retail location, although we may approve certain offsite events as described in the Franchise Agreement. The Franchise operates using our standards, methods, procedures and specifications, called our “System.”

General Description of the Market and Competition

The food services education market is a growing industry, but the markets for events, camps, and activities for adults and children is well developed and highly competitive. You can expect market conditions to vary widely depending on the geographic location of your Franchised Business – some areas will be highly developed with very high traffic while others may be fairly undeveloped with a smaller pool of customers.

You will face competition from other franchised and independent culinary education businesses and will also face competition from a variety of franchised and independent businesses offering event space,

camps, and activities for adults and children. You will be competing with other businesses, including other cooking class businesses, restaurants and food service businesses, educational facilities, entertainment centers, independent operators, and specialty stores that offer food and food-related products. These businesses may be associated with national or regional chains or may be local independent businesses. You also will be competing with other food service outlets that feature products and services that differ from those offered by THE REAL FOOD ACADEMY outlets, including a wide variety of businesses that provide entertainment activities and host events and parties. You may also encounter competition from other The Real Food Academy franchises and us or our affiliates. Changes in local and national economic conditions and population density affect this industry and are generally difficult to predict. You will face other business risks that could have an adverse effect on your business, including pricing policies of competitors, changes to laws or regulations, changes in supply and demand, new technologies and competition from internet-based organizations that provide online classes.

Regulations Specific to the Industry

Most states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of a Real Food Academy business, including food safety & storage regulations and food handler licensing. For example, a Real Food Academy franchise in the state of Florida would require a Food Handler permit, and a similar food handler’s license will be required in most other states. Additional licenses or training requirements may be imposed by states or local marketplaces; before accepting this franchise you should familiarize yourself with the laws and regulations of your marketplace. Other licenses including food service business licenses may be required in the future as we add services to the business model.. You may need to obtain additional certifications depending on your local or state requirements. You must investigate and comply with all applicable federal, state, county and city laws and regulations at the local, state and/or federal level. You alone are responsible for complying with all applicable laws and regulations despite any advice or information that we may give you.

General Laws

Most states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of all businesses, including occupational health and safety; labor; licensing and bonding; insurance; and advertising. Also, some jurisdictions have passed laws that require businesses to pay their employees a higher minimum wage than what is required under federal law, which laws may disproportionately affect franchised businesses. In addition to the food handler licensing discussed above, you may need to obtain other certifications or licenses depending on your local or state requirements. You must also comply with federal, state, and local intellectual property laws and escheat laws. You must investigate and comply with all applicable federal, state, county and city laws and regulations. You alone are responsible for complying with all applicable laws and regulations despite any advice or information that we may give you.

Agents for Service of Process

Our agents for service of process are listed on **Exhibit B** to this Disclosure Document.

ITEM 2. BUSINESS EXPERIENCE

We are co-owned and managed by husband and wife team, Arthur Cummins and Maria Cummins.

CO-FOUNDER/CHIEF EXECUTIVE OFFICER: ARTHUR CUMMINS

Arthur Cummins has been our Chief Executive Officer since we were formed in December 2022. Mr. Cummins has over 30 years experience in the financial services industry and also serves and has served since March 2010 as a manager of our affiliate The Real Food Academy LLC which owns and operates a Real Food Academy location in Miami Florida.

CO-FOUNDER/CHIEF OPERATING OFFICER: MARIA CUMMINS

Maria Cummins has been our Chief Operating Officer since we were formed in December 2022. Ms. Cummins has over 30 years experiences as a chef and also serves and has served since March 2010 as a manager of our affiliate The Real Food Academy LLC which owns and operates a Real Food Academy location in Miami Florida.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

You pay us a \$49,500 initial franchise fee when you sign the Franchise Agreement for The Real Food Academy Franchise. (California residents, see State Addendum.) We are currently offering the below discounts to existing franchisees opening one or more additional locations:

Franchise Number	Location	Initial Franchise Fee
2nd		\$42,000
3rd		\$38,000
4th		\$36,000
5th		\$34,000
6th		\$32,000
7 th or more		\$30,000

To qualify for the existing franchisee discount, the same individual owners must own 51% or more of both franchise entities.

You also pay us a technology set-up fee of \$2,000 at the time you sign the Franchise Agreement.

The initial fees are uniform, except as set forth in this Item 5. The initial franchise fee is nonrefundable. The initial fee is compensation to us for our efforts in offering and selling a franchise to you, our franchise sales and marketing activities to promote the sale of a franchise to qualified franchisees, our participation in the franchise sale, our legal compliance with franchise laws and regulations, the development and hosting of initial training programs, our participation in terminating the franchise, and our lost or deferred opportunity to enter into a Franchise Agreement with others. We reserve the right to modify the initial fees in the future to reflect the changing costs of doing business and changes in the value of the franchises being

offered. We may also discount the initial franchise fee if we are unable to locate a franchisee in a particular area we consider desirable or based on other subjective factors we deem important to the System.

ITEM 6. OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee ²	8% of weekly Gross Revenues ¹ , subject to weekly minimums after the first year	Payable each Tuesday based on the previous week's Gross Revenues.	You must pay your royalty directly to us. We reserve the right to change the payment date for royalties and may, with notice to you, collect royalties weekly or monthly. After the first year of operations, minimum royalties apply. See Notes below for minimum royalty requirements ² and definition of Gross Revenue ¹ .
Brand Marketing Fund	1% - 2% of weekly Gross Revenues ¹	Payable each Tuesday based on the previous week's Gross Revenues.	You must pay your contribution to the Brand Marketing Fund directly to us. See Item 11 for details regarding the Brand Marketing Fund. Currently 1% of Gross Revenue but may be increased to 2% of Gross Revenue. See definition of Gross Revenue ¹ .
Local or Regional Advertising Cooperatives	Varies based on the vote of the cooperative	As required by the Cooperative	You may be required to join a local or regional advertising cooperative where each Real Food Academy in the cooperative has one vote. The amounts contributed to the cooperative may be applied toward your minimum local advertising requirement.
Local Advertising Requirement	\$1,500 - \$3,000 per month	To vendors before the 10 th day of the month following the month of reference.	You must commit to a local advertising campaign and must be prepared to spend the amount we designate from time to time. Currently, you are required to spend at least \$1,500 each month on your local advertising monthly, but we may increase this to \$3,000 each month upon notice to you.
Technology Fee	\$80 per week	Payable together with royalties	You must pay us a system technology fee, which may be increased with thirty (30) days' notice and is currently \$80 per week.
Accounting Fees	\$400 - \$500 per month base package	Monthly as arranged with vendor	You must use the accounting firm designated by us and must pay their monthly fees, which will vary depending on the services you select and may change from time to time. The base package from the authorized accountant

Type of Fee	Amount	Due Date	Remarks
			includes (i) Monthly Bookkeeping Services provided by a dedicated bookkeeping specialist, (ii) Preparation of Monthly Financial Statements (P&L and Balance Sheet), (iii) Reconciling of Cash and Credit Card Accounts and (iv) Posting of Payroll Entries and Reconciling Payroll Accounts
Insufficient Funds Fee	\$150 per returned/not processed transaction	At the time a payment to Us is returned or not processed for insufficient funds	Payable only if a payment to us is returned or an ACH withdrawal is not processed due to insufficient funds; amount subject to state law.
Audit Expenses ³	All costs and expenses associated with audit, approximately \$1,500 - \$5,000	Upon demand	Audit costs payable only if the audit shows you underreported amounts you owe us by 2% or more for any period of time. (Section 13.5)
Quality Assurance Costs and Expenses	The cost as billed by the vendor, which may vary	At the time of inspection	If we retain a third party inspector, quality assurance firm, or mystery shopper to inspect your franchised The Real Food Academy to ensure you are complying with our System Standards, you will reimburse us for the costs and expenses of the inspection.
Interest ⁴	Lesser of (i) the highest commercial contract interest rate permitted by state law and (ii) the rate of 1.5% per month	From the dates the payments are due until paid in the past due amount and all accrued interest are paid in full	Applies to all overdue fees you owe us and our affiliates for any reason, including royalties, contributions to the Brand Marketing Fund, technology fees, purchases of products, and any other amounts owed. Also applies to any understatement in amounts due revealed by an audit. (Section 13.5)
Products or Services Ordered	The purchase price plus shipping costs (if any), as may be periodically provided to you, of any products or services you purchase from us or our affiliates.	At the time you place an order	Your cost to purchase products or services from us will be provided to you in the Operations Manual and may be periodically updated from time to time by providing notice to you.

Type of Fee	Amount	Due Date	Remarks
Approval of Products or Suppliers ⁵	Approximately \$100 - \$1,000	Time of evaluation	Applies to our evaluation of new suppliers you wish to purchase from or products you wish to purchase. Costs vary depending on the availability of product samples for testing, shipping costs or travel costs to review the product or service, the type of product or service under review, whether the product or supplier has been rated and other similar factors. (Section 14.1)
Indemnification ⁶	All costs and expenses including attorneys' fees	Upon demand	You must defend lawsuits at your cost and hold us (and our officers, employees, agents, and affiliates) harmless against lawsuits arising from your ownership and operation of the franchised The Real Food Academy. We also provide indemnification to you for any lawsuits or claims arising from your authorized use of the Marks. (Sections 7.4 and 22)
Franchise Renewal Fee	\$3,000	At Renewal	Payable to us at the time of renewal.
Franchise Transfer Fee	\$20,000	At the time of transfer	Payable to us at time of transfer and includes the initial training program for the new owners. Does not apply to an assignment under Section 19.3 of the Franchise Agreement.
Modifications, Maintenance, and Refurnishing of the Franchise	Costs incurred, which may vary	As required	You must maintain, remodel and refurnish your franchised business periodically to maintain our standards. If we make changes to our System standards, you must also adapt your business to conform to the changes. Some examples of changes include new equipment, fixtures, software or new Marks. (Section 11.2). If we provide notice to you of deficiencies and you do not undertake correction of the deficiencies, we may correct the deficiencies, and you must reimburse us for all costs and expenses we incur.
Relocation Assistance	\$10,000	Time of assistance	If you intend to relocate, you must obtain our approval and pay us a Relocation Assistance Fee to assist you. (Section 6.5)

Type of Fee	Amount	Due Date	Remarks
New Designee Training	Currently estimated at \$0 - \$3,000 per trainee, plus the trainees costs and expenses of training	When a Designated Manager is replaced	Our initial training program is covered by your franchise fee if all trainees attend at the same time. If your Designated Manager is replaced by an individual who has not completed our initial training program, you must have your new Designee complete our initial training program and pay our training costs, plus the costs and expenses of your Designee attending the training program.
Additional Training	Currently, \$400 per day, plus your expenses in attending	Time of training	Our initial training program is covered by your franchise fee if all trainees attend at the same time. If you have to repeat initial training or require additional training, we may charge you. (Sections 9.1, 9.2 and 9.3) If you require training at a time or place other than our regularly scheduled initial training programs, you agree to pay our fees plus all costs and expenses of such training. Further information about training programs is included in ITEM 11. You may also request additional Special Training after the conclusion of the initial training program. Special Training is provided upon your request and at our convenience, and you agree to pay our fee plus all costs and expenses of such additional training. We may also require additional training as a condition of curing any non-payment default. (Section 9.4)
Ongoing Training ⁷	Approximately \$400 - \$3,000	Time of program	We may periodically offer ongoing training programs, including an annual conference, regional in-person training programs, and periodic online or in-person training programs. You agree to attend the ongoing training programs we specify from time to time. While we may not charge a fee for all ongoing training programs, we reserve the right to charge a fee for these programs, and you will be responsible for your costs of attendance.

Type of Fee	Amount	Due Date	Remarks
Management Fee	The greater of \$500 per day or 10% of daily Gross Revenue ¹ , plus any costs or expenses we incur	As incurred	If you breach the Franchise Agreement or following the death or incapacity of an owner of the franchise, we may temporarily manage your franchised Real Food Academy. (Sections 4.8)
Insurance	Premium amounts incurred plus all costs and expenses and a 10% administrative charge	Upon Demand	Payable if you fail to maintain required insurance and we obtain coverage for you.
Non-compliance Charge ⁹	Up to \$500 per violation	As incurred	We may charge you a non-compliance charge per violation for any violation by you of any term or condition of the Franchise Agreement.
Termination Fee	An amount equal to the lesser of 24 months of your average royalties (based on the average royalties for the previous 12 months) or the balance of your franchise term if less than 24 months.	As incurred	Payable if we terminate your franchise for cause or you terminate your franchise before your franchise term expires.
De-identification	All amounts incurred by us, plus a 10% administrative charge	As incurred	Payable if we de-identify the franchised location upon termination, expiration, or relocation
Cost of Enforcement	All costs and expenses including attorneys' fees	Upon demand	You must reimburse us for all costs and expenses in enforcing obligations if we prevail. (Section 23.4)

We may require that all fees payable to us be paid through automatic debit.

The fees above may not be uniformly applied. No other fees or payments are to be paid to us or our Affiliate, nor do we impose or collect any other fees or payments for any other third party. All fees are generally non-refundable.

NOTES

¹“Gross Revenue” means the aggregate of all revenue and receipts from sales conducted at, from, or through the Franchised The Real Food Academy (whether or not in compliance with this Agreement), (including but not limited to classes, parties, events, other services, gift cards, and goods), whether in cash, by check, credit card, debit card, digital currency, exchange, other credit transactions, or otherwise, but (1) excluding applicable sales taxes collected and paid to the appropriate taxing authority; (2) excluding any voluntary pass-through tips added voluntarily by customers to any sales total and received solely for the benefit of and paid to the staff of the Franchised Real Food Academy (not excluding any mandatory gratuity or service charges or other amounts automatically added), and (3) reduced by the amount of any documented refunds, credits, and discounts granted to customers in good faith. Gross Revenue includes gift certificates, gift cards, Groupons, and similar program payments at the time the gift card or other instrument is purchased. Gross Revenue also includes all insurance proceeds you receive for the loss of business due to a casualty or similar event.

²All franchisees are subject to the following minimum royalties:

WEEK OF OPERATION	MINIMUM ROYALTY
Weeks 1 - 52	No minimum
Weeks 53-104	\$300 per week
Weeks 105 and after	\$400 per week

³ We assume costs vary depending on factors, including prevailing auditor’s rates in your area, the business activity being audited and how well you keep your books and records. You pay our actual costs only. You should be able to investigate these costs by contacting auditors in your area.

⁴ Late fees begin from the date payment was due, but not received, or date of underpayment. The maximum interest rate in California is ten percent (10%) per annum.

⁵ Costs vary depending on the availability of product samples for testing, shipping costs or travel costs to review the product, the type of product under review, whether the product or supplier has been rated and other similar factors. You pay our actual costs only.

⁶ Costs vary depending on factors, including nature of the complaint, expertise needed and the time involved. You pay our actual costs only.

⁷ You must attend our ongoing training programs. We may charge you an attendance fee for some ongoing training programs and may not charge for some ongoing training programs. The estimate in the chart is a range from \$0 to \$3,000, as we may not charge a fee for some ongoing training programs, and, if a fee is charged, the fee for a particular training program may vary. In addition to paying any fee charged, you must pay your costs to attend. Costs vary depending on the number of people attending, how far you travel and the type of accommodations you choose. You should investigate these costs. For further reference, review the estimated costs to attend our initial training program included in ITEM 7.

⁸ This charge compensates us for the time and expense we devote toward dealing with an issue of non-compliance when you violate your obligations under this Agreement.

ITEM 7. ESTIMATED INITIAL INVESTMENT**YOUR ESTIMATED INITIAL INVESTMENT**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee ¹	\$49,500	Cashier's Check or ACH	At Signing of Franchise Agreement	Us
Approved Location Lease Acquisition ²	\$15,000 \$36,000 -	As Arranged	Before Beginning Operations	Lessor
Utility Deposits ³	\$1,500 \$3,500 -	As Arranged	Before Beginning Operations	Utilities
Leasehold Improvements ⁴	\$150,000 \$250,000 -	As Arranged	Before Beginning Operations	Contractor, Suppliers
Architecture & Engineering / Bid Assistance ⁵	\$16,750 20,000 -	As Arranged	Before Beginning Operations	Approved Supplier
Construction Management Service ⁶	\$16,500 \$20,000 -	As Arranged	Before Beginning Operations	Approved Supplier
Insurance ⁷	\$1,500 \$3,500 -	As Arranged	Before Beginning Operations	Insurance Companies
Furniture, Fixtures, & Equipment ⁸	\$35,000 \$50,000 -	As Arranged	Before Beginning Operations	Approved Suppliers
Technology Set-Up Fee ⁹	\$2,000	Cashier's Check or ACH	Before Beginning Operations	Us
Point of Sale (POS) and Computers ¹⁰	\$2,000 \$5,000 -	As Arranged	Before Beginning Operations	Approved Suppliers
Opening Inventory and Supplies ¹¹	\$3,000 \$6,000 -	As Arranged	Before Beginning Operations	Us and Approved Suppliers
Initial Training Expenses ¹²	\$1,500 \$5,000 -	As Arranged	When you attend training	Airlines, Hotels & Restaurants
Signage ¹³	\$4,000 \$9,000 -	As Arranged	Before Beginning Operations	Approved Suppliers

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Grand Opening Marketing ¹⁴	\$8,000 \$12,000 -	As Arranged	First 3 Months of Operation	Approved Suppliers
Licenses & Permits ¹⁵	\$2,500 \$3,000 -	As Arranged	Before Beginning Operations	Licensing Authorities
Background Checks / Certifications ¹⁶	\$350 \$950 -	As Arranged	Before Beginning Operations & As Needed	Approved Suppliers
Legal & Accounting ¹⁷	\$3,000 \$6,500 -	As Arranged	Before Beginning Operations	Attorney, Accountant
Additional Funds ¹⁸ (3 months)	\$20,000 \$30,000 -	As Arranged	As Necessary	Employees, Utilities, Lessor, Suppliers
TOTAL ¹⁹	\$332,100 \$511,950 -			

NOTES

¹ Franchise Fee. The franchise fee and its refund policy are described in greater detail in ITEM 5. We do not finance any fee. (California Residents please see addendum)

² Approved Location Lease Acquisition. You must operate your franchised business from an approved location with a minimum of 2,400 square feet. The estimates are based on the assumption that, to acquire your lease, you will pay \$5,000 to \$12,000 per month for your lease and, to acquire your lease, will pay an equivalent of three months' rent: first months' rent, last months' rent, and a security deposit equal to 1 months' rent. It is difficult to estimate lease acquisition costs because of the wide variation in these costs between various locations. Lease costs will vary based upon square footage and cost per square foot. Some lessors may refund the security deposit if you cancel the lease before you occupy the premises. We also recommend that you have funds available for three additional months of rent. Estimated rental costs for rent for three additional months of operations are included with the category "Additional Funds," (see Note 17 below).

³ Utility Deposits. If you are a new customer of your local utilities, you will generally have to pay deposits to obtain services, including electric, telephone, gas and water. The amount of the deposit and whether the deposit is refundable will vary depending on the local utilities. You should contact your local utilities for more information.

⁴ Leasehold Improvements. You must build out your location pursuant to our plans and specifications. Our plans and specifications will be provided to you in a general format, and you will be required to incur architectural, design, and permitting costs to develop a site plan for your location based on our plans and specifications. This estimate includes the architectural design, permitting, and construction costs. The low estimate assumes you will be making minimum improvements or have tenant buildout funds from the landlord, and the high estimate allows for buildout from a white box. The cost of the leasehold improvements will vary depending on factors, including the size, condition and location of the facility, local wage rates and

the cost of materials. The amounts you pay for leasehold improvements are typically non-refundable. You should inquire about the refund policy of the architect and contractor at or before the time of hiring.

⁵Architecture & Engineering / Bid Assistance. The low end of this estimate assumes that you will be retaining our preferred supplier. This fee is for all architectural/design services for your Academy and for bid assistance. Architectural services include all architectural design documents, all mechanical, electrical, and plumbing plans. This service also includes coordination with the architect teams, permitting process, coordinating with permit expeditors if required, and working with the general contractor to obtain required building permits. The costs for Architectural Engineering services vary state by state. The preferred supplier for A&E/bid assistance, which will manage a number of aspects including, but not limited to: (i) management of the general contractor bid process; (ii) walk bidders through the project and explaining the scope of the project; (iii) providing and distributing invitations to bid and related bid documents; (iv) evaluating all bids of completeness during our deep scope review; (v) resolving all bidder questions and clarifications in the RFI process; (vi) recommending contractor selection after bid process has been completed; (vii) facilitate the execution of the contract between Studio owner and contractor; (viii) providing site specific requirements to be inserted as exhibits to the contract documents; (ix) architectural drawings for the interior buildout.

⁶Construction Management Service. The low end of this estimate assumes that you will use our preferred supplier to manage and oversee and manage the construction of your Approved Location. Our preferred supplier includes the following in its construction management services: (i) project site meetings; (ii) contract oversight; (iii) change order review; (iv) Project status reports; (v) program schedule updates; (vi) review of progress payment and pay request to be submitted for approval; (vii) coordination with procurement and corporate vendors; (viii) internal partner coordination; (ix) punch walk of the site; (x) turnover and closeout.

⁷Insurance. You must purchase the insurance we specify from time to time, currently:

- a. workers' compensation insurance and employer liability coverage with a minimum of \$100,000 for each accident and \$100,000 for each disease or such higher limit as your state law requires;
- b. comprehensive general liability insurance with a minimum liability coverage of \$1,000,000 per occurrence and \$3,000,000 in the aggregate, plus a \$4,000,000 umbrella policy, or higher if your state law requires (this policy must include coverage for contractual indemnity);
- c. Alcohol liability of \$3,000,000 in the aggregate
- d. owned and non-owned automobile liability insurance of at least \$1,000,000;
- e. business interruption insurance;
- f. cyber security/data breach insurance of \$1,000,000 per occurrence and \$1,000,000 in the aggregate;
- g. employment liability insurance of \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- h. insurance coverage for contractual indemnity and such other insurance as is necessary to provide coverage under the indemnity provisions set forth in Section 22;

Factors that may affect your cost of insurance include the size and location of the franchised The Real Food Academy, the value of the leasehold improvements, equipment, and inventory, number of employees and other factors. The amounts you pay for insurance are typically non-refundable. You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase.

⁸ Furniture, Fixtures, & Equipment. You must purchase the furniture, fixtures, & equipment (“FF&E”) we specify. The low estimate assumes you have elected a lease or financing arrangement for some items while the high estimate assumes you have paid in full for the FF&E. Other factors that may affect your cost of FF&E include local market conditions, competition among suppliers and other factors. We do not know if the amounts you pay for FF&E are refundable. Factors determining whether FF&E are refundable typically include the condition of the items at time of return, level of use and length of time of possession. You should inquire about the return and refund policy of the supplier at or before the time of purchase.

⁹ Technology Set-Up Fee. You are required to use the System Technology designated by us and must pay a system technology set-up fee to cover the costs of setting-up your accounts within the System Technology platforms which may include the system technology designated from time to time, which may include location website page, scheduling software, marketing software, social media platforms, and email.

¹⁰ POS System and Computers. You must use the Point of Sale and Computer System designated by us. See Item 11 for details.

¹¹ Opening Inventory & Supplies. Our estimate includes your initial inventory of food products, ingredients, beverages, paper goods, branded items and supplies for your franchised The Real Food Academy.

¹² Initial Training Expenses. The initial training for your Designated Managing Owner (“DMO”) and such other owners and staff persons designated by Franchisee and who attend training at the same time as the DMO is included in the franchise fee, but you will incur additional fees for any additional training or ongoing training. For any training program (including the initial training program), you are responsible for transportation and expenses for meals and lodging while attending training. This estimate includes those transportation, meals, & lodging expenses that you will incur for the initial training program. The total cost will vary depending on the number of people attending, how far you travel and the type of accommodations you choose. Before making airline ticket, hotel, rental car, or other reservations, you should inquire about the refund policy in the event you need to cancel any reservation.

¹³ Signage. You must install signage according to our specifications. The signage requirements and costs for your Approved Location will vary based upon the local market for signage and landlord requirements. The amounts you pay for signage are typically non-refundable. You should inquire about the return and refund policy of the suppliers at or before the time of purchase.

¹⁴ Grand Opening Marketing. You must conduct a grand opening marketing campaign and must spend a minimum of \$8,000 on the grand opening marketing. We reserve the right to approve all advertisements used in your grand opening marketing campaign, and your campaign must be conducted in the 90 day period that typically takes place 30 days before and 60 days after the opening of your franchised Real Food Academy. We may designate a different time period for you to conduct the grand opening campaign. We must approve of your grand opening marketing campaign before it is conducted. Factors that may affect the actual amount you spend include the type of media used, the size of the area you advertise to, local media cost, location of the franchised The Real Food Academy, time of year and customer demographics in the surrounding area. The amounts you spend for grand opening advertising are typically non-refundable. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing.

¹⁵ Licenses & Permits. State and local government agencies typically charge fees for occupancy permits, operating licenses, food handling permits, and permits to make improvements to your approved

location. The low estimate represents the costs of standard occupancy permits and operating licenses. The high estimate represents the costs of standard occupancy permits and operating licenses, costs for building permits. Your actual costs may vary from the estimates based on the requirements of state and local government agencies. These fees are typically non-refundable. You should inquire about the cancellation and refund policy of the agencies at or before the time of payment.

¹⁶ Legal & Accounting. You will need to employ an attorney, an accountant and other consultants to assist you in establishing your franchised The Real Food Academy. You are required to have your accounting files and standard chart of accounts set-up and maintained in accordance with our system standards. You must also use the accounting service designated by us, which will require you to pay the vendor an initial set-up fee (currently est. \$600) and incur ongoing monthly fees which will vary depending on the services you choose. The initial set-up fee is included in this estimate for Legal & Accounting. These fees may vary from location to location depending on the prevailing rates of local attorneys, accountants, and consultants. Accounting and legal fees are typically non-refundable. You should inquire about the refund policy of the attorney, accountant, or consultant at or before the time of hiring.

¹⁷ Background Checks/Certifications. Most states require your managers to obtain a food handling certification such as ServSafe. Additionally, because you will offer classes to children, you must obtain adult-child-infant First-Aid and CPR certification from an accredited institution following American Heart Association guidelines and must obtain background checks for your Designated Manager and such employees as we designate. These fees are typically nonrefundable.

¹⁸ Additional Funds. We recommend that you have a minimum amount of money available to cover operating expenses, including rent, utilities, accounting, and employees' salaries, for the first 3 months that the franchised The Real Food Academy is open. We cannot guarantee that our recommendation will be sufficient. Additional working capital may be required if income is low or operating costs are high. These expenses are typically non-refundable. In determining the estimate for additional funds, we relied on our affiliate's industry knowledge and experience in starting and operating a Real Food Academy similar to the franchised business being offered.

¹⁹ Total. In compiling this chart, we relied on our and our Affiliate's industry knowledge and experience. The amounts shown are estimates only and may vary for many reasons, including the size and condition of your facility, the capabilities of your management team, where you locate your franchised The Real Food Academy and your business experience and acumen. You should review these estimates carefully with an accountant or other business advisor before making any decision to buy a franchise. These figures are estimates only, and we cannot guarantee that you will not have additional expenses in starting the franchised The Real Food Academy. Please note that all cost estimates are calculated using current market values for goods and services, prices may be subject to change based on inflation rates, shortages, or other unforeseen economic factors, no estimate is final.

We do not offer direct or indirect financing to you for any items.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The consistency of The Real Food Academy brand and of the products and services it offers to consumers is an essential component of the franchise system. Accordingly, you must purchase all items bearing the Marks and all supplies, products, software, services, tools, computers, furniture, fixtures, and equipment (together "goods and services") used in the development and operation of the franchised business from Us or from an approved supplier, pursuant to our specifications set forth in The Real Food Academy Confidential Operations Manual ("Confidential Operations Manual"), as they may be changed from time to time.

We have developed and may develop from time-to-time various standards and specifications for various goods and services. These specifications include standards and specifications for the appearance,

quality, price, performance, and functionality. These standards and specifications are based on our Affiliate’s experience in operating a business of the type we are franchising and on research and testing in our Affiliate’s business. We may communicate our standards and specifications directly to suppliers who wish to supply you with goods or services pursuant to our specifications. We communicate our standards and specifications to you when we evaluate your proposed location for the franchised The Real Food Academy, during training, before you conduct your grand opening advertising, during on-site opening assistance, during periodic visits to your franchise location, and through the Confidential Operations Manual (including periodic bulletins). We will periodically issue new standards and specifications (if any) and new approved suppliers (if any) through written notices.

We have and will continue to periodically approve specifications, suppliers and/or distributors for the goods and services used in the development and/or operation of the franchised business, which may include us or our affiliates, that meet our standards and requirements, including standards and requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations and customer relations. We may approve a single distributor or other supplier (collectively “supplier”), for any goods or services and may approve a supplier only as to certain goods or services. We may concentrate purchases with one or more suppliers to obtain lower prices or better advertising support or services for any group of The Real Food Academy locations franchised or operated by us. You acknowledge that we may derive revenue from the products and services offered to you. We do not provide material benefits to franchisees based on a franchisee’s purchase of particular products or services or use of particular approved suppliers.

Franchisor as Designated Supplier

Currently, we are the only approved supplier of The Real Food Academy System Technology. We reserve the right to designate ourselves or our affiliates as an approved supplier or the only approved supplier for other goods or services, to charge a fee for goods or services offered, and to earn a profit on those goods or services. None of our officers currently have an ownership interest in any approved supplier other than us.

Designated Suppliers

We have currently designated exclusive suppliers for specified third-party accounting software, marketing software, scheduling software, and accounting services. We also have a preferred supplier for architectural & design services and construction management. We reserve the right to designate exclusive suppliers and preferred suppliers for other goods or services in the future. If we designate one or more exclusive suppliers for a particular good or service, you may not utilize an alternative supplier. If we have designated a preferred supplier, you must obtain our consent to use an alternate supplier.

New Products and Services, Review Criteria

If you would like to use any goods or services in establishing and/or operating the franchised The Real Food Academy that we have not approved or if you would like to purchase goods or services from a supplier we have not approved, you must first send us sufficient information, specifications and samples for us to determine whether the goods or services comply with our standards and specifications or the supplier meets our approved supplier criteria. We have the right to inspect the proposed supplier’s facilities and to require product samples and testing. You must pay our expenses to evaluate goods, services, or suppliers. We will decide within a reasonable time (usually 30 days) after receiving the required information whether you may purchase or lease the goods or services or whether the supplier is approved. Our criteria for approving or revoking approval of suppliers includes: the supplier’s ability to provide sufficient quantity of goods or services; quality and reliability of goods or services at competitive prices; production and delivery capability; dependability and general reputation; system uniformity; and impact on other supplier agreements. We are not required to approve any proposed supplier and we may disapprove a proposed supplier who does not meet our requirements. We may also disapprove a proposed supplier if the purchase would violate a contract with an existing supplier.

Periodically, we may review our approval of any goods, services or suppliers. We will notify you if we revoke our approval of goods, services or suppliers, and you must immediately stop purchasing disapproved goods or services, or must immediately stop purchasing from a disapproved supplier. Additionally, we may negotiate pricing arrangements, including volume discounts, on behalf of our franchisees with our suppliers. Volume discounts may not be available to franchisees located in outlying markets that a particular supplier does not serve in significant volume.

We do not currently have any purchasing or distribution cooperatives. We reserve the right to establish both voluntary participation and mandatory participation in purchasing or distribution cooperatives in the future.

In 2023, our total revenue was \$0, and \$0 or 0% of our total revenue was derived from required purchases or leases of products or services acquired by franchisees.

We estimate that approximately 70% of your expenditures for leases and purchases in establishing your franchised The Real Food Academy will be for goods and services that must be purchased from us, our Affiliate or an approved supplier or according to our standards and specifications. We estimate that approximately 80% of your expenditures on an ongoing basis will be for goods and services that must be purchased from either us, our Affiliate, or an approved supplier or according to our standards and specifications.

We do not currently receive any compensation from any supplier or provider based on purchases made by franchisees but reserve the right to receive compensation in the future. There are currently no suppliers, other than Us, in which an officer of Us owns an interest. In 2023, we did not receive any rebates or other compensation from suppliers. Some vendors and suppliers who may provide goods or services to The Real Food Academy franchisees may pay a sponsorship fee to present information at conferences sponsored by Us. We do not provide any material benefits to franchisees based upon a franchisee’s purchase of particular goods and/or services or the use of particular suppliers.

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 the Franchise Agreement	Disclosure Document ITEM
a.	Site selection and acquisition/lease	Section 6	ITEMS 11 and 12
b.	Pre-opening purchases/leases	Sections 6, 9, and 14	ITEMS 7 and 8
c.	Site development and other pre-opening requirements	Sections 6, 9, and 14	ITEMS 7, 8 and 11
d.	Initial and ongoing training	Section 9	ITEMS 6, 7 and 11
e.	Opening	Sections 6, 9	ITEM 11
f.	Fees	Sections 4, 6.5, 13.5, 17, 18, and 23.4	ITEMS 5, 6 and 7

Obligation		Section in the Franchise Agreement	Disclosure Document ITEM
g.	Compliance with standards and policies/Confidential Operations Manual	Sections 6.2, 10, 11, 12, 13, and 14	ITEMS 8, 14 and 16
h.	Trademarks and proprietary information	Sections 7, 8 and 10	ITEMS 13 and 14
i.	Restrictions on products/services offered	Sections 6 and 14	ITEMS 8 and 16
j.	Warranty and customer service requirements	Section 14	ITEM 16
k.	Territorial development and sales quotas	Not Applicable	Not Applicable
l.	Ongoing product/service purchases	Section 14	ITEMS 8 and 11
m.	Maintenance, appearance and remodeling requirements	Sections 6, 11 and 14	ITEM 6
n.	Insurance	Section 16	ITEMS 6, 7 and 8
o.	Advertising	Section 12	ITEMS 6, 7 and 11
p.	Indemnification	Sections 7.4 and 22	ITEM 6
q.	Owner's participation/management/staffing	Section 14	ITEM 15
r.	Records and reports	Section 13	ITEM 11
s.	Inspections and audits	Sections 7, 13 and 15	ITEMS 6, 11 and 13
t.	Transfer	Section 19 and Exhibits 1 and 5	ITEMS 6 and 17
u.	Renewal	Section 5 and Exhibits 1 and 5	ITEM 17
v.	Post-termination obligations	Section 18 and Exhibits 2, 5 and 6	ITEM 17
w.	Non-competition covenants	Sections 8 and 18 and Exhibits 2 and 5	ITEM 17
x.	Dispute resolution	Section 24 and Exhibit 5	ITEM 17
y.	Owner/Shareholder/Spousal Guarantee	Section 23.5, Exhibit 3	ITEM 15

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your lease or other obligations.

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

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

Assistance Before You Open

Before you open your franchised The Real Food Academy, we will:

1. provide you with our criteria for equipment and supplies necessary for the buildout and operation of the franchised business. (Section 6.1)
2. designate your Territory and provide you with our site selection criteria. You are responsible for locating the proposed location for your franchised The Real Food Academy, and you must submit your selection to us for approval. We will review your proposal and communicate acceptance or denial within a reasonable time after receipt of all information requested (usually within 5 business days). In determining whether to approve your site we may consider a variety of legal, construction, economic, and demographic factors including but not limited to: willingness of landlord to consent to our required lease terms and execute the lease rider, the square footage of the proposed premises (must be a minimum of 2,400 square feet), feasibility of building out premises to meet our requirements, demographics, neighboring businesses, traffic counts, signage and visibility, parking, accessibility for disabled persons, and electrical service/wiring. If you and we cannot agree on an Approved Location, you will be required to locate an alternative site and resubmit a request for approval. If we are not able to agree on an Approved Location within the time frame for Opening, the franchise agreement may be terminated without refund. We do not typically own the premises leased to franchisees.
3. provide an initial training program. This training is described in detail later in this ITEM. (Section 9.1)
4. provide to you, on loan, one copy of The Real Food Academy Confidential Operations Manual or provide you with access to an electronic copy of the Confidential Operations Manual. The approximate total number of pages in the written portion of the Confidential Operations Manual as of the date of this Disclosure Document is 234, plus appendices. The Table of Contents of the Confidential Operations Manual, along with number of pages devoted to each section, is included as **Exhibit D** to this Disclosure Document. (Section 10.1) The Operations Manual is Confidential Information which must be kept confidential and returned at the conclusion or termination of the Franchise Term.

Assistance After Opening

After the opening of the franchised The Real Food Academy and while you are in compliance with your obligations under the Franchise Agreement, we:

1. will provide you with a list of approved suppliers for ongoing purchases;
2. will administer the Brand Marketing Fund as described in detail below in this Item 11;
3. may provide you with access to our online training programs for use with your employees;

4. will, as we reasonably determine is necessary, periodically advise you and offer general guidance to you by telephone, video conference, e-mail, intranet, newsletters and other methods. Our guidance is based on our and our Affiliate's knowledge and experience. We may offer you advice and guidance on a variety of business matters, including operational methods, class recipes, accounting procedures, authorized products or services, and marketing and sales strategies (Section 15.1);
5. will, as we reasonably determine necessary, make periodic visits to the franchised The Real Food Academy to provide you with consultation, assistance and guidance in various aspects of the operation and management of the franchised The Real Food Academy. We may prepare written reports suggesting changes or improvements in the operations of the franchised The Real Food Academy and detailing deficiencies that become evident as a result of a visit. If we prepare a report, we may provide you with a copy (Section 15.2);
6. may make available to you operations assistance and ongoing training as we think necessary. (Section 9.4) Ongoing training programs are described later in this ITEM and in ITEM 6 (See also ITEM 9.d.);
7. will, as we determine appropriate, approve or disprove forms of advertising materials you may use for local advertising, social media, SEO, Adwords, and online marketing. (Section 12.1) Our advertising programs are described later in this ITEM (See also ITEM 9.o.);
8. will, as we determine reasonably necessary, provide you with modifications to the Confidential Operations Manual as they are made available to franchisees. (Section 10.2) The Confidential Operations Manual is described in ITEM 14. (See also ITEM 9.g.);
9. will, subject to your providing timely notice and complying with our directions, reimburse you for all of your expenses reasonably incurred in any legal proceeding disputing your authorized use of any Mark.

Advertising and Promotion

We may, from time to time, require you to list your Franchised The Real Food Academy in specified online directories, and/or to participate in specified online search engine or pay per click programs designed to identify your business to consumers, and you may be required to execute agreements with third party providers and pay fees to third party providers to satisfy this requirement. You agree that we will own all rights to any such listings, including any reviews or information generated from or through such listings.

You are restricted from establishing a presence on, or marketing on, the Internet without our consent. You may request our consent to establish a social media or other online page using the Marks by using our then current application form, the current version of the form attached to the Franchise Agreement as **Exhibit 9**. We do not have to grant our consent to any request. In the event your request to use any social media platform is approved, we will own all rights to the platform and to all content or data generated through the platform including followers and reviews. We have an Internet website at the uniform resource locator <http://www.therealfoodacademy.com/> that provides information about the System and about The Real Food Academy locations. We may include at The Real Food Academy website an interior page containing information about your franchised The Real Food Academy. All information provided by you or which we do not create must be approved by us before it is posted. We retain the sole right to market using the Marks on the Internet, including the use of websites, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce and co-branding arrangements. You may be requested to provide content for our Internet

marketing and you must follow our intranet and Internet usage rules, policies and requirements. We retain the sole right to use the Marks on the Internet, including on websites or as domain names, directory addresses, search terms and meta-tags, and in connection with linking, marketing, co-branding and other arrangements. We retain the sole right to approve any linking to, or other use of, The Real Food Academy website. (Section 12.2; See also ITEM 9.o.)

We do not permit you to use your own advertising unless The Real Food Academy has previously approved that advertising. The Real Food Academy may, but is not required to, specify from time to time in the Operations Manual certain online social media posting that, when made in accordance with the System Standards on an approved platform (**Exhibit 9**), does not require pre-approval prior to posting. In all cases, The Real Food Academy reserves the right to require removal or discontinuance of any advertising or posting it determines in its reasonable judgment to be harmful to the brand or not in accordance with The Real Food Academy System Standards. You must ensure that your advertising meets all applicable state and local laws governing advertising of your franchised location before submitting it to us for approval. We will not approve advertising which is false, inaccurate, or misleading, advertising which does not correctly use the trademarks and other symbols of The Real Food Academy, or advertising which contains offensive material or which disparages the name or goodwill of The Real Food Academy, as determined in The Real Food Academy's sole discretion. Before your use of any advertising or promotional materials, other than social posts as referenced above, samples of all local and regional advertising and promotional materials not prepared or previously approved by us must be submitted to us for approval. You may not use any advertising or promotional materials that The Real Food Academy has not previously approved in writing. We shall have the right to terminate The Real Food Academy's approval of any advertising materials at any time upon written notice to you. Your advertising, promotion and marketing materials must be clear, factual, not misleading and conform to all ethical advertising and marketing standards, as well as The Real Food Academy's advertising and marketing policies, as we may periodically change. You must include notices of the franchise system website in the manner we designate on your advertising.

If we provide you with a webpage on the franchise system website, you must (i) provide us the information and materials we request to develop, update and modify your webpage; (ii) notify us whenever any information on your webpage is not accurate; and (iii) if we give you the right to modify your webpage, notify us whenever you change the context of your webpage. We may also establish or authorize a third party to establish an email system in which you are required to participate. You must execute any agreements required by the third-party provider and pay the provider any fees required to participate in the email system. We will maintain the franchise system website. We periodically may update and modify the franchise system website (including your webpage), and we have final approval rights over all information on the franchise system website (including your webpage). We will only maintain your webpage while you are in full compliance with the franchise agreement and all system standards, and we reserve the right to remove your webpage if you are in default of such until you cure such default. You may not develop, maintain or authorize any other webpage, internet site or social networking site (including but not limited to Facebook, Instagram, and Twitter) that mentions or describes you, your Franchised The Real Food Academy, or the services provided through your business or which displays any of the Marks without our prior written permission. You may request our consent to establish a social media or other online page using the Marks by using the form attached to the Franchise Agreement as **Exhibit 9**. In the event we authorize you to use the Marks in an online or social media platform, you agree that we will own and have administrative access to such platform and agree to provide us with all access, login and password information for such online and/or social media platform. As set forth in **Exhibit 9**, our approval of a Franchisee's use of a social media platform contemplates you administering/posting on the platform with us only exercising our rights when we deem necessary. We have no obligation to agree to your use of the Marks in any online media or platform.

Local Advertising Requirement

You are required to contribute to the advertising of your Franchised The Real Food Academy in your local market area. Currently, you are required to spend at least \$1,500 each month on your local advertising

monthly, but we may increase this to \$3,000 each month upon notice to you. Your Local Advertising is separate from amounts you will contribute to the Brand Marketing Fund. You may only use advertising that has been approved by Us. We have the right, by providing written notice to you, to require you to spend all or a portion of your Local Advertising with approved suppliers. We reserve the right to collect such amounts directly from you via EFT to pay such required suppliers. If we request information from you regarding your local advertising, you must provide us (in a form we approve or designate) evidence of your required local advertising expenditures within thirty (30) days following our request for the period specified in the request. We may require, upon written notice to you, that you submit to us a 12-month plan outlining your proposed local advertising for a specified twelve-month period.

Advertising Cooperatives

The Real Food Academy does not currently have formal advertising cooperatives, but franchisees in neighboring territories may choose to form advertising cooperatives when they deem it beneficial to do so. Additionally, we may require you to join and participate in any Advertising Cooperative encompassing the territory in which your franchised The Real Food Academy is operated. We reserve the right to form, change, dissolve, or merge, Advertising Cooperatives.

The Brand Marketing Fund

The Real Food Academy has implemented a Brand Marketing Fund wherein franchisees are required to contribute 1% of their Gross Revenue to the Brand Marketing Fund. We may increase the Brand Marketing Fund Contribution to 2% of Gross Revenue upon notice to you. (Section 4.3). Franchisor and Affiliate owned outlets operating The Real Food Academy locations will contribute to the Brand Marketing Fund at the same rate as franchisees. The Real Food Academy is not required to spend any Brand Marketing Funds in any franchise territory. We reserve the right to include caps or limits on contributions to the Brand Marketing Fund. In addition to the Brand Marketing Fund Contributions, you must also spend \$1,500 to \$3,000 on local advertising each month. (Section 12.1)

We will administer the Brand Marketing Fund as follows:

(a) We will control the creative concepts and the materials and media to be used, and we will determine the placement and allocation of advertisements and advertising resources. We may use any media or venue for advertisements and promotions including without limitation print, television, radio, internet or other media;

(b) We may use your contributions to meet or reimburse us for any cost of producing, maintaining, administering and directing consumer advertising (including the cost of preparing and conducting television, radio, internet, magazine, direct mail, social media, and newspaper advertising campaigns and other public relations activities; hosting an internet web page of similar activities; employing advertising agencies to assist therein; providing promotional brochures; conducting market research and analytics; and providing other marketing materials to franchisees). We may deposit Brand Marketing Fund contributions in our general account and co-mingle them with other funds but will separately account for these funds, and we will not use them for any of our general operating expenses, except for our reasonable administrative costs, salaries, and overhead related to the administration of the Brand Marketing Fund, creation of marketing materials, and any employees or contractors used specifically for consumer marketing. We will not use Brand Marketing Fund contributions for the direct solicitation of franchise sales;

(c) We expect to use all contributions in the fiscal year they are made or the following fiscal year. We will use any interest or other earnings of the Brand Marketing Fund before we use current contributions. We intend for the Brand Marketing Fund to be perpetual, but we have the right to terminate it if it is desirable to do so. We will not terminate the Brand Marketing Fund until all

contributions and earnings have been used for advertising and promotional purposes or we have returned your *pro rata* share of the unused portion of the fund;

(d) We will have an accounting of the Brand Marketing Fund prepared each year and will provide you with a copy if you request it. We are not required to have the annual accounting be reviewed or audited and reported on by an independent certified public accountant, but may require such review or audit at the Brand Marketing Fund’s expense;

(e) The Brand Marketing Fund is not a trust, and we assume no fiduciary duty in administering the Brand Marketing Fund;

In 2023, The Real Food Academy collected \$0 in Brand Marketing Fund fees. No Brand Marketing Fund fees were used for solicitation of new franchisees in 2023.

Except for salaries of any marketing personnel that may be employed by us and the reimbursement of overhead expenses directly related to the administration of the fund, we do not and will not receive compensation for providing goods or services to the fund. See ITEMS 6 and 9 for other advertising information.

Computer/Point-of-Sale System

You must purchase and use any hardware and software programs we designate. (Section 13.4) Presently, we require you to install and use the following hardware and software:

HARDWARE
iPad, or similar Apple mobile hardware Approved POS System, Cash Register/Drawer
Credit Card Reader Printer
SOFTWARE
Software and applications as specified in the operations manual, including the POS system, Accounting Software, and Marketing software, and Scheduling software.

The approximate cost of the hardware and software ranges from approximately \$2,000 to \$5,000. This cost is included in the category of “Point of Sale System and Computers” in Your Estimated Initial Investment chart in ITEM 7. You are also required to maintain a subscription to the Accounting Software we designate, the Marketing Software we designate, and the Scheduling software we designate, which are currently estimated at a combined \$366 per month.

You do not currently have to enter into any ongoing maintenance or support agreements for the maintenance of a computer or point-of-sale system, but you may find it advantageous to do so. We reserve the right to require an ongoing maintenance program in the future, and if we do so require you will be obligated to join. You may periodically be required to update or upgrade computer hardware and software, if we believe it is necessary. We may introduce new requirements for computer and point-of-sale systems or modify our specifications and requirements. There are no limits on our rights to do so, except as disclosed in ITEM 16. We have the right to independently access all information you collect or compile at any time without first notifying you. (Section 14)

Methods Used to Select the Location of the Franchised The Real Food Academy

Under the Franchise Agreement, you must operate your Franchised The Real Food Academy only at and from a single location (the “**Approved Location**”). You are responsible for selecting a commercial location for your Franchised The Real Food Academy. Our site selection criteria are set forth in our Operations Manual and will be provided to you upon signing the Franchise Agreement. We must review and approve your site selection and the lease or purchase agreement for your site. Our review and approval of your site selection will be based on an analysis of local competing businesses, demographics, visibility, accessibility, suitability of the premises to be leased, and other factors more fully described in the Operations Manual. If we do not approve the site selection, you must select another site. Our review and approval of your lease or purchase agreement for your site will be for our benefit, and you should have your lease or purchase agreement reviewed by your legal counsel.

Typical Length of Time Before Operation

We estimate that the typical length of time between the signing of the Franchise Agreement and the opening of the franchise is 120 to 270 days. In addition, we expect you to secure an Approved Location for the Business within 60 days of the signing of the Franchise Agreement; this includes the requirement of signing a lease or otherwise securing the legal right to occupy the location and obtaining our approval for your selected location. We will generally approve or deny your selected location within 15 days, but we maintain the right to take additional time if circumstances demand it. In addition, you must sign a lease, meeting all our stated specifications, within 30 days after receiving an approval from us. Factors that may affect your beginning operations include your location of an Approved Location and timely submission of all requested information to us for approval, ability to secure licenses and permits, zoning and local ordinances, weather conditions, and your ability to complete our training program. You must open your franchised The Real Food Academy within 270 days after signing the Franchise Agreement or obtain our written consent to an extension of time to open for good cause. (Sections 6.2 and 6.3) You will be deemed to have commenced operations of your Franchised The Real Food Academy when you have completed the initial training program described below, completed build-out of your commercial location, and obtained our consent to open.

Training

We provide you an initial training program that covers material aspects of the operation of the franchised The Real Food Academy. The topics covered are listed in the chart below. The hours for training are estimates, and actual timeframes will vary depending on the background and experience of the trainees. This training is offered both online, through online/remote conferences, and on a periodic basis at our headquarters in Miami, Florida, or another location we designate. The online portion of the training program is available at the franchisee’s convenience. The in-person portions of the training program are scheduled by Franchisor as needed, typically once per quarter. We expect that your attendees will advance through the training program at different rates depending on a variety of factors, including background and experience. The time frames provided in the chart are an estimate of the time it will take to complete training.

You must designate to us a Designated Managing Owner who must complete our initial training program. If your Designated Managing Owner will not be the onsite manager of the franchised The Real Food Academy, you must also designate an Onsite Manager who must also satisfactorily complete the initial training program before opening. Other owners and/or staff members may attend the training program for no additional charge provided that they attend training at the same time as the Designees. We recommend that every stakeholder in your Franchised Business attend our training program.

We do not charge for initial training for owners/staff members completing training at the same time as the Designated Managing Owner. You must pay for all travel costs and living expenses for yourself and any of your other attendees. These costs are estimated in ITEM 7. If you replace your Designated Managing

Owner or Onsite Manager your new designee must attend our training program within 90 days. You may be charged fees for additional training. Our current fees for replacement designee training are described in ITEM 6. You are responsible for training your own employees and other management personnel. Your franchised The Real Food Academy must at all times be under the day-to-day supervision of the Designated Managing Owner and/or Onsite Manager who have completed our initial training program. (Section 9).

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Introduction to The Real Food Academy	1 hour	2 hours	Online and Remote
Understanding The Real Food Academy and its services	2 hours	2 hours	Online and Remote
Job Descriptions and Roles	1 hours	0 hour	Online and Remote
Our Philosophy	1 hours	0 hour	Online and Remote
Advertising	1 hour	0 hours	Miami, Florida
Scripts	3 hours	2 hours	Online, Remote and At the Miami location
Recipes	8 hours	4 hours	Online and Remote At the Miami location
Conducting Classes, Camps, Parties	8 hours	24 hours	Online and Remote At the Miami location
Customer Service	2 hours	0 hours	Online and Remote
Phone Skills	2 hours	0 hours	Online and Remote
Website / Calendar Management	2 hours	0 hours	Online and Remote
Marketing and Sales	1 hour	0 hours	Online and Remote
Totals	29 hours	30 hours	

Classroom Training and On-The-Job training will be conducted at our corporate headquarters in Miami, Florida, online, or a location to be designated by the franchisor. The online portion of the training program is continuously available to the franchisee with internet access through our online training program. “On-the-job” training hours may be converted to “classroom” training hours if we determine that in person training is not advisable due to health and safety reasons. In that case, remote training will be conducted.

Training will be conducted by Arthur Cummins and Maria Cummins and such other trainers as they may direct. Arthur and Maria Cummins have owned and operated a business like the franchise being offered for more than 14 years. Each trainer will have experience with The Real Food Academy family of companies for six months or more.

Some or all of the training program is subject to change due to updates in materials, methods, manuals and personnel without notice to you. The subjects and time periods allocated to the subjects

actually taught to a specific franchisee and its personnel may vary based on the individual needs and/or experience of those persons being trained.

Substitute Trainers: If circumstances require, a substitute trainer may provide training to you. We may periodically name additional trainers if the training schedule requires it. Any additional or substitute trainers will be required to have at least 6 months experience with The Real Food Academy family of companies in the area in which they are training. There are no limits on our right to assign a substitute trainer to provide training. Certain segments of the training may vary from the chart shown above based on schedule changes due to business requirements and other factors. We will attempt to give you advance notice when this occurs.

Training Materials: The training will include the following instructional materials: The Real Food Academy Confidential Operations Manual, including videos and one or more position specific training manuals. The dates and location of the training will be communicated to you in the Confidential Operations Manual or via other written communication.

Ongoing Training: Periodically, you, your managers or employees must attend refresher-training programs to be conducted at our headquarters, online, or another location we designate. Attendance at these programs will be at your expense. You do not have to attend more than 1 of these programs in-person in any calendar year and these programs will not exceed 3 days during any calendar year, except for training required to cure a default. (Section 9.4)

We may choose to hold an annual meeting of our franchisees to provide for collaboration among franchisees, to provide additional training, introduce new products or changes to the System, or for other reasons. We may designate that attendance at an annual meeting is mandatory for you, your Designated Managing Owner, your onsite manager, or such other personnel we specify and may charge a fee, which is currently \$350 per person, which is payable whether you attend or not, and you will pay for all of the expenses incurred by your attendees at the meeting, including travel, lodging, meals and wages. We will designate the location of any franchisee meeting, such as a resort hotel, but we will not designate an unreasonably expensive site. We do not expect that any meeting will last longer than four days.

We may also choose to hold refresher training courses, and we may designate that attendance at refresher training is mandatory for you, your Designated Managing Owner, your onsite manager, or such other personnel we specify. We may charge our then-current fee for refresher training (currently \$350 per person, per seminar or training) and you will pay for all of the expenses incurred by your trainees, including travel, lodging, meals and wages.

Third Party Certifications: In addition to our initial training program, you, your managers and any other personnel we designate must complete food safety management training such as ServSafe Manager Training and Adult-child-infant First-Aid and be CPR certified by an accredited institution following American Heart Association guidelines or other similar certifications. The cost of these certifications is not included in the initial franchise fee and we do not provide certification. To maintain these certifications, you may need to receive periodic additional training.

Operations Manual: The Real Food Academy Operations Manual consists of a series of manuals in paper or electronic form, and additional resources, videos, memoranda and publications. As of the issuance date of this Disclosure Document, the written Operations Manual consists of 234 pages, plus appendices. The Table of Contents for the written Operations Manual is attached to this Disclosure Document as Exhibit D.

ITEM 12. TERRITORY

The franchise is for a specific, Approved Location, and you may only operate your Franchised The Real Food Academy from the Approved Location. You may not relocate your Franchised The Real Food Academy from the Approved Location without first obtaining our written consent. We will apply the same

criteria for approving a relocation as we apply for granting approval of the Approved Location for a new franchisee. For example, and not as a limitation, we may consider rights of other franchisees, our current franchise sales plans and activities, market demographics, and whether the location meets our site selection criteria.

We will grant you a protected territory surrounding your Approved Location known as (the “Area of Primary Responsibility”), which will be mutually acceptable to you and us. While you are in compliance with the Franchise Agreement, we will not own, operate, franchise or license any other The Real Food Academy within the Territory during the Term of the Franchise Agreement, except as otherwise provided for herein.

We will define the Area of Primary Responsibility in the Franchise Agreement (if an Approved Location is already known) or in an addendum to the Franchise Agreement after you select and we accept the location of your Franchised The Real Food Academy. The Area of Primary Responsibility will be determined by general demographics of the area with a residential population of up to 150,000, the scope of the geographic boundaries, and other similar criteria in order to ensure that you can realistically service the Protected Territory.

We will describe the Area of Primary Responsibility using coordinates or fixed geographical features on a map. The geographic size of the Area of Primary Responsibility will vary based upon the population density and a variety of demographic factors.

You may serve any customer from your Approved Location who has voluntarily signed up as your customer, regardless of where such customer lives. While you must conduct your business at the Approved Location, you may also apply to us to conduct off-site events and additional, isolated, activities at other locations (for example at promotional events, charity events, etc.), provided that you receive our express written permission to conduct such additional activity, which we may withhold or grant at our discretion. Your applications to us to conduct off-site events should typically be limited to events within your Area of Primary Responsibility. If Franchisee desires to conduct an off-site event outside of Franchisee’s Area of Primary Responsibility, and the location of the off-site event both (a) neighbors Franchisee’s Area of Primary Responsibility and (b) is not the Area of Primary Responsibility of any other Franchisee, Franchisee may submit a written request to Franchisor for approval of the proposed out of territory marketing. Franchisor reserves the right to approve or deny any request for marketing approval outside of the Area of Responsibility in its sole and absolute discretion. We will not approve any requests for off-site events in the area of primary responsibility of another franchisee. We will approve or deny any request to conduct off-site events within 3 business days of receipt of your request. Your request and our response to same shall be in writing or by email. If we approve your request to conduct business at off-site event outside the Territory, you must be prepared to immediately lose any accounts or operations you have established in the outside geographical area if and when that area is acquired by any other franchisee, and you shall immediately refrain from conducting any business whatsoever in said area.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Other The Real Food Academy franchisees, as well as us and our affiliates, will not be granted rights to open a The Real Food Academy inside your Area of Primary Responsibility while you are in compliance with your Franchise Agreement, but there are no restrictions on the residence of any customer.

You agree to limit targeted or direct solicitation and advertising (including but not limited to direct marketing, telemarketing, or other direct solicitation) to persons in your Area of Primary Responsibility unless such person (regardless of where they live) has voluntarily signed up to receive communications with you or you have obtained our written permission. You are permitted to use public media with a broad reach, such as newspaper, radio, television and other electronic means of general solicitation to attract



customers. You must obtain our permission to use the Marks on the internet. You may serve any customer from your Approved Location who has voluntarily signed up as your customer, regardless of where such customer lives. If Franchisee desires to conduct targeted or direct marketing outside of Franchisee's Area of Primary Responsibility, and the area of desired marketing both (a) neighbors Franchisee's Area of Primary Responsibility and (b) is not the Area of Primary Responsibility of any other Franchisee, Franchisee may submit a written request to Franchisor for approval of the proposed out of territory marketing. Franchisor reserves the right to approve or deny any request for marketing approval outside of the Area of Responsibility in its sole and absolute discretion. Any approval granted may be granted on a non-exclusive basis and may be revoked at any time with Franchisor's notice to Franchisee. Except as set forth above, you do not have rights to use other channels of distribution such as the Internet, catalog sales, telemarketing, or other direct marketing to make sales outside of your territory.

Your purchase of a franchise does not provide you with any options, rights of first refusal, or similar rights to acquire additional franchises within or outside your Area of Primary Responsibility. You must submit a separate application and meet our qualifications for new franchisees to acquire an additional franchise location. If you attempt to sell or otherwise transfer your franchised The Real Food Academy or if you are an entity and one of your owners sells or otherwise transfers its interest in you, we may exercise our right of first refusal.

We reserve all other rights for ourselves, including (by way of example and not as a limitation): a) the right to develop and operate or grant others to right to develop and operate a Franchised The Real Food Academy located anywhere outside your Area of Primary Responsibility on terms and conditions we deem appropriate, b) the right to develop and operate or grant others the right to develop and operate businesses that may offer products and services which are identical to products and services offered by your The Real Food Academy franchise, under trade names, trademarks, service marks and commercial symbols which are different from the Marks; c) the right to produce and sell products using the Marks or other commercial symbols through other channels of distribution (including the internet) including products and/or services that are identical or similar to, and/or competitive with, those of your The Real Food Academy franchise, regardless of the nature or location of the customers; d) the right to require the assets or ownership interest of one or more businesses providing products and services similar to those provided at your The Real Food Academy franchise, and franchise, license or create similar arrangements with respect to these businesses once required (even if the business is located within the territory); e) the right to be acquired by a business providing products and services similar to those provided at your The Real Food Academy franchise, or by another business, even if such business operates franchises or other competitive businesses in the territory; f) the right to operate other retail outlets or enter into other lines of businesses offering dissimilar products or services under trademarks or service marks other than the Marks; and g) engage in all other activities not prohibited by the franchise agreement. Neither we nor our affiliate currently have any plans to operate or franchise a business under a different trademark which will sell goods or services similar to those The Real Food Academy franchisees will offer. The Real Food Academy is not required to pay you if we exercise any of the rights specified above inside or outside the area where you conduct business.

ITEM 13. TRADEMARKS

You receive the right to operate your business under the name The Real Food Academy, which is the primary Mark used to identify our System. You may also use any other current or future Marks to operate your Franchised Business that we designate, including the logo on the front of this Disclosure Document and the service mark listed below. By "Mark," we mean any trade name, trademark, service mark or logo used to identify your business. We have obtained a registration for the following Mark on the U.S. Patent and Trademark Office ("USPTO") Principal Register:

Mark	Registration Number	Registration Date	International Class of Goods
	4854277	11/17/15	IC041
	7413794	06/11/24	IC041

We intend to file all required affidavits to maintain our registrations. Your right to use the Marks is derived solely from the franchise agreement and is limited to your conduct of business in compliance with the franchise agreement and all applicable specifications, standards and operating procedures we prescribe during the term of the franchise. Any unauthorized use of the Marks by you will constitute an infringement of our rights in and to the Marks. Your usage of the Marks and any goodwill established by such Marks will be for our exclusive benefit, and the franchise agreement does not confer any goodwill or other interest in the Marks upon you. Any goodwill associated with the Marks automatically transfers to us, without the requirement of any act and without any further compensation, upon termination or expiration of the franchise agreement. Our provisions of this agreement applicable to the Marks will apply to any additional proprietary trade and service marks and commercial symbols authorized for use by and licensed to you under the franchise agreement.

There are no effective material determinations of the USPTO, trademark trial and appeal board, the trademark administrator of any State or any court; pending infringement, opposition or cancellation; or pending material litigation involving the Marks.

There are no agreements currently in effect that will significantly limit our rights in the future to use or license the use of the Marks in any manner material to your franchise.

We know of no infringing or prior superior uses that could materially affect your use of the Marks in the franchised business.

You do not receive any rights to the Marks other than the nonexclusive right to use them in the operation of your franchised The Real Food Academy. You must follow our rules when you use the Marks. You must use the Marks as the sole trade identification of the franchised The Real Food Academy, subject to applicable State laws. You cannot use a Mark as part of a corporate, partnership or limited liability company name and will instead register a d/b/a or fictional name in the format “The Real Food Academy – *[insert TRFA assigned geographic designator]*. You cannot use the Mark with modifying words, designs or symbols except for those which we license to you. You may not use any Mark in connection with the sale of any unauthorized products or services, or in any other manner that we do not authorize in writing. You must obtain a fictitious or assumed name registration if required by your state or local law. Any unauthorized use of the Marks by you is a breach of the Franchise Agreement and an infringement of our rights in the Marks. You must not contest the validity or ownership of the Marks, including any Marks that we license to you after you sign the

Franchise Agreement. You must not assist any other person in contesting the validity or ownership of the Marks.

You must immediately notify us when you learn about an infringement of, or challenge to your use of, any Mark, or any claim by any person (other than us and our owners and affiliates) of any rights in any Marks, and you must not communicate with any person other than us and our counsel regarding any infringements, challenges or claims unless you are legally required to do so. However, you may communicate with your own counsel at your own expense. We will take the action we think appropriate in these situations; we have exclusive control over any settlement or proceeding concerning any Mark. You must take any actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Marks.

While we are not required to defend you against a claim arising from your use of our Marks, we will reimburse you for all of your expenses reasonably incurred in any legal proceeding disputing your authorized use of any Mark, but only if you notify us of the proceeding in a timely manner and you have complied with our directions with regard to the proceeding. We have the right to control the defense and settlement of any proceeding. If we elect to defend you in such a proceeding, we will not reimburse you for your expenses and legal fees for separate, independent legal counsel. In any event, we will not reimburse you for expenses incurred in removing signage or discontinuing your use of any Mark. We will not reimburse you for disputes where we challenge your use of a Mark.

If we so require, you must modify or discontinue the use of any Mark and use other trademarks or service marks we designate. We do not have to reimburse you for modifying or discontinuing the use of a Mark or for substituting another trademark or service mark for a discontinued Mark. If we adopt and use new or modified Marks, you must add or replace equipment, signs, supplies and fixtures, and you must make other modifications we designate as necessary to adapt your franchised The Real Food Academy for the new or modified Marks. You do not have to spend more than \$15,000 during the initial term of the Franchise Agreement to conform your franchised The Real Food Academy to changes to the Marks and other System modifications. We do not reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

You must notify us if you apply for your own trademark or service mark registrations for any business. You must not use or register or seek to register as a trademark or service mark, either with the USPTO or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any of our Marks.

You may not advertise on the Internet using, or establish, create or operate an Internet site or website using, any domain name containing the words “The Real Food Academy” or any variation of “Real Food Academy” without our prior written consent. You can apply for consent by using the form attached to the Franchise Agreement.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents are material to the franchise. We own copyrights in the Confidential Operations Manual, including our website, our marketing materials, our system software, and other copyrightable items that are part of the System. While we claim copyrights in these and similar items, we have not registered these copyrights with the United States Register of Copyrights. You may use these items only as we specify while operating the franchised The Real Food Academy, and you must stop using them if we direct you to do so.

We know of no effective determinations of the U.S. Copyright Office or any court regarding any of our copyrighted materials. Our right to use or license copyrighted items is not materially limited by any agreement or known infringing use.

We have developed certain trade secrets and other confidential information, including methods of business management, sales and promotion techniques, and know-how, knowledge of, and experience in, operating The Real Food Academy. We will provide our trade secrets and other confidential information to you during training, in the Confidential Operations Manual and as a result of the assistance we furnish you during the term of the franchise. You may only use the trade secrets and other confidential information for the purpose of operating your franchised The Real Food Academy. You may only divulge trade secrets and other confidential information to employees who must have access to it to operate the franchised The Real Food Academy. You are responsible for enforcing the confidentiality provisions as to your employees.

Certain individuals with access to trade secrets or other confidential information, including your shareholders (and members of their immediate families or households), officers, directors, partners, and members, if you are a corporation, limited liability company or other business entity, and your managers, executives, employees and staff, may be required to sign nondisclosure and non-competition agreements in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Franchise Agreement. We will be a third-party beneficiary with the right to enforce those agreements.

All ideas, concepts, techniques or materials concerning the franchised The Real Food Academy and/or the System, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be our sole and exclusive property and a part of the System that we may choose to adopt and/or disclose to other franchisees, and you agree to assign to us all right, title and interest in any intellectual property so developed. Likewise, we will disclose to you concepts and developments of other franchisees that we make part of the System. You must also assist us in obtaining intellectual property rights in any such concept or development if requested.

Your use of the Confidential Operations Manual, trade secrets or other confidential information in an unauthorized manner is a default of the Franchise Agreement that may result in automatic termination of the Franchise Agreement. Further information about termination of the Franchise Agreement following a default is included in ITEM 17.

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED THE REAL FOOD ACADEMY

The franchised The Real Food Academy must always be under the supervision of a Designated Managing Owner or Designated Manager, who regularly spend 25 hours or more onsite in the Franchised The Real Food Academy, unless you have received a written approval from us for an alternate arrangement. If you are an individual, you must also be the Designated Managing Owner, and you must obtain our consent to select another individual to replace you as the Designated Managing Owner. If you are a corporation or other business entity, you will select one of your owners as the Designated Managing Owner. If the Designated Managing Owner will not actively manage on-site operations, you must also designate an On-Site Manager. Your Designated Managing Owner or Designated Manager must commit to 25 or more hours weekly onsite at the franchised The Real Food Academy.

You must keep us informed at all times of the identity of your Designated Managing Owner and Designated Manager. The Designated Managing Owner and Designated Onsite Manager must satisfactorily complete our initial training program before opening the franchised The Real Food Academy. If you must replace the Designated Managing Owner or the Designated Manager, the replacement must satisfactorily complete our initial training program. You are not a passive investor, and, instead, you must be actively engaged in the operations of the franchise, and you should not expect to derive profits solely from the efforts of others. You must select, train, evaluate, and supervise all staff of your Franchised The Real Food Academy.

As described in ITEM 14, certain individuals associated with your franchised The Real Food Academy, including your owners (and members of their immediate families or households), officers, directors, partners, managers, executives, employees and staff may be required to sign nondisclosure and non-

competition agreements the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Franchise Agreement. We will be a third-party beneficiary with the independent right to enforce the agreements.

If you are a corporation or other business entity, anyone who owns a 5% or greater interest in the entity must personally guarantee the performance of all of your obligations under the Franchise Agreement and agree to be personally liable for your breach of the Franchise Agreement, by signing the Unlimited Guaranty and Assumption of Obligations attached to the Franchise Agreement.

Under the Franchise Agreement, you and your owners must at all times faithfully, honestly and diligently perform your and their obligations under the Franchise Agreement. You and they must continuously exert your and their best efforts to promote and enhance your franchised The Real Food Academy. Neither you nor your owners can engage in any other business or activity that may conflict with your or their obligations under the Franchise Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer the products and services we specify. You may not sell any products or services that we have not authorized, and you must discontinue offering any products or services that we may disapprove. We may take action, including terminating your franchise, if you purchase or sell unapproved products or make purchases from unapproved suppliers. We may periodically change required or authorized products or services. There are no limits on our right to do so, except that your investment required to change authorized or required services and products will not be unreasonably disproportionate to your initial investment during the initial term of the franchise.

Periodically, we may allow certain products or services that are not otherwise authorized for general use as a part of the System to be offered locally or regionally based on factors, including test marketing, your qualifications, and regional or local differences.

We do not place restrictions on you with respect to who may be a customer of your franchised The Real Food Academy. You are prohibited from offering the products or services identical to the products or services offered by us through any means or through any other entity in which you may have an interest, other than your franchised The Real Food Academy.

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 agreement attached to this Disclosure Document.

Provision	Section in Franchise or Other Agreement	Summary
a. Length of franchise term	Section 5.1	The initial term is 10 years.
b. Renewal or extension of the term	Section 5.2	Subject to the conditions in (c) below, so long as we are continuing to offer franchises, you have the right to obtain a successor franchise at the

Provision	Section in Franchise or Other Agreement	Summary
		expiration of the term of this Agreement by entering into a new franchise agreement with us for an additional 5-year term. If you fail to meet any one of the conditions in (c) below, we may refuse to renew or extend the term of your Franchise Agreement.
c. Requirements for franchisee to renew or extend	Section 5.2	You may renew the Franchise Agreement if you: have fully complied with the provisions of the Franchise Agreement; have paid the renewal fee; have made capital expenditures as necessary to maintain uniformity with the System; have satisfied all monetary obligations owed to us and our Affiliates; are not in default of any provision of the Franchise Agreement or any other agreement with us or our Affiliates; have given timely written notice of your intent to renew; sign a then-current Franchise Agreement, which may have materially different terms and conditions than your original Franchise Agreement; comply with then-current qualifications and training requirements; and sign a general release in a form the same as or similar to the General Release attached to the Franchise Agreement.
d. Termination by franchisee	Section 17.1	You may terminate the Franchise Agreement if you are in compliance with it and we materially breach it and fail to begin to cure our breach within 45 days of receiving your written notice.
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	Section 17.2	We may terminate the Franchise Agreement only if you default. If we terminate the Franchise Agreement following a default, your interest in the franchise agreement will terminate.
g. “Cause” defined-curable defaults	Section 17.3	If a default arises from your failure to comply with a mandatory specification in the Franchise Agreement or Confidential Operations Manual, you can avoid termination of the Franchise Agreement if you cure the default within 45 days of receiving our notice of default, except for the defaults below that require cure in a shorter time and non-curable defaults in (h) below. If a default arises from your failure to maintain insurance, you can avoid termination of the Franchise Agreement if you cure the default within 10 days

Provision	Section in Franchise or Other Agreement	Summary
		of receiving our notice of your failure to maintain insurance. If a default arises from your failure to make payments due to us, you can avoid termination of the Franchise Agreement if you cure the default within 10 days of receiving our notice of default. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate.
h. “Cause” defined- non-curable defaults (Franchise Agreement)	Section 17.2	We have the right to terminate the Franchise Agreement without giving you an opportunity to cure if you: fail to timely establish, equip and begin operations of the franchised The Real Food Academy without obtaining our written consent to an extension for good cause; fail to have your Designated Managing Owner and/or Designated Manager satisfactorily complete training; fail to maintain all required licenses, permits, and certifications; made a material misrepresentation or omission in the application for the franchise; are prohibited by any State or local governmental body from offering services; after notice of the breach, fail to refrain from activities, behavior or conduct likely to adversely affect the reputation of you, us or the franchised The Real Food Academy; are convicted of or plead no contest to a felony or other crime or offense likely to affect the reputation of you, us or the franchised The Real Food Academy; use the Confidential Operations Manual, trade secrets or other confidential information in an unauthorized manner; fail to have your owners (and members of their immediate families or households), officers, directors, managers, executives, and other individuals having access to trade secrets or other confidential information sign nondisclosure and non-competition agreements or, if requested, fail to provide us with copies of all signed nondisclosure and non-competition agreements; abandon the franchised The Real Food Academy for 5 or more consecutive days; surrender or transfer control of the franchised The Real Food Academy in an unauthorized manner; fail to maintain the franchised The Real Food Academy under the supervision of a Designated Managing Owner and/or Designated Manager following your death or disability; submit reports on 2 or more separate occasions understating any amounts due by more than 2%; become a debtor under the United States Bankruptcy Code,

Provision	Section in Franchise or Other Agreement	Summary
		become insolvent or make a general assignment for the benefit of creditors; misuse or make unauthorized use of the Marks; fail on 2 or more occasions within any 12 months to submit reports or records or to pay any fees due us or any affiliate or otherwise fail to comply with this agreement, whether or not such failures to comply are corrected after notice thereof is given to you; violate, on 2 or more occasions, any health, safety or other laws or operate the franchised The Real Food Academy in a manner creating a health or safety hazard to customers, employees or the public; take any action reserved to us; fail to comply with applicable law after notice; repeatedly breach the franchise agreement or repeatedly fail to comply with specifications; or default under any other agreement with us (or an affiliate) so that we have (or the affiliate has) the right to terminate the agreement.
i. Franchisee’s obligations on termination/non-renewal	Section 18, Exh. 6	If the Franchise Agreement is terminated or not renewed and we have not provided notice that we are exercising our rights to purchase, you must: stop operating the franchised The Real Food Academy ; stop using any trade secrets, confidential information, the System and the Marks; if requested, assign your interest in the franchise location to us; cancel or assign to us any assumed names; pay all sums owed to us including any damages and costs incurred in enforcing the Franchise Agreement; return the Confidential Operations Manual, trade secrets and all other confidential information; assign your telephone and facsimile numbers to us; de-identify the location of your The Real Food Academy; comply with the covenants not to compete and any other surviving provisions of the Franchise Agreement. If we have provided you with notice that we are exercising our rights to purchase or are evaluating our rights to purchase, you must take such steps as we specify to continue operations until the Closing.
j. Assignment of contract by franchisor	Section 19.1	There are no restrictions on our right to assign our interest in the Franchise Agreement.
k. “Transfer” by franchisee-definition	Section 19.2	“Transfer” includes transfer of an interest in the franchisee, the franchise, the Franchise Agreement, the franchise location or the franchised The Real Food Academy’s assets.

Provision	Section in Franchise or Other Agreement	Summary
l. Franchisor's approval of transfer by franchisee	Section 19.2	You may not transfer your interest in any of the items listed in (k) above without our prior written consent.
m. Conditions for franchisor approval of transfer	Section 19.2	We will consent to a transfer if: we have not exercised our right of first refusal; all obligations owed to us are paid; you and the transferee have signed a general release in a form the same as or similar to the General Release attached to the Franchise Agreement; the prospective transferee meets our business and financial standards; the transferee and all persons owning any interest in the transferee sign the then current Franchise Agreement; you provide us with a copy of all contracts and agreements related to the transfer; you pay, or the transferee pays a transfer fee of \$20,000; all brokerage fees as a result of the transaction are paid by you or the transferee; the transferee has, or the owners of transferee have, agreed to be personally bound by all provisions of the Franchise Agreement; you have agreed to guarantee performance by the transferee, if requested by us; the transferee has obtained all necessary consents and approvals of third parties; you or all of your equity owners have signed a non-competition agreement in a form the same as or similar to the Nondisclosure and Non-Competition attached to the Franchise Agreement; the transferee has agreed that its Designated Managing Owner and Designated Manager (if applicable) will complete the initial training program before assuming management of the franchised The Real Food Academy ; and the transferee has obtained all necessary types of insurance and all licenses, permits, and certifications. The new owner must be of good moral character and meet The Real Food Academy's then current standards for franchisees, have sufficient business experience, aptitude and financial resources to operate your The Real Food Academy, not own (or its affiliates may not own) an interest in or perform services for a Competitive Business.
n. Franchisor's right of first refusal to acquire franchisee's franchised The Real Food Academy	Section 20	We may match an offer for your franchised The Real Food Academy or an ownership interest you propose, or one of your owners proposes, to sell.

Provision	Section in Franchise or Other Agreement	Summary
o. Franchisor's option to purchase franchisee's The Real Food Academy	Sections 18.4 and 20	In addition the right of first refusal described in (n) above, during the 30-day period after the termination, non-renewal or expiration of the Franchise Agreement, we have the right to purchase any assets of the franchised The Real Food Academy for fair market value.
p. Death or disability of franchisee	Section 19.6	After your death or incapacity or the death or incapacity of one of your owners, your, his or her representative, as the case may be, must transfer, subject to the terms of the Franchise Agreement, the individual's interest in the franchise within a reasonable period of time (typically 90 days) or we may terminate the Franchise Agreement.
q. Non-competition covenants during the term of the franchise	Section 8.4, Exh. 2	You, your owners (and members of their families or households) and your officers, directors, executives, and managers, are prohibited from: attempting to divert any business or customer of the franchised The Real Food Academy to a competitive business or causing injury or prejudice to the Marks or the System; or owning or working for a Competitive Business.
r. Non-competition covenants after the franchise is terminated or expires	Section 18.2	Subject to State law, for 3 years after the termination or expiration of the Franchise Agreement, you, your owners (and members of their families or households) and your officers, directors, executives, & managers are prohibited from: owning or working for a competitive business that provides food related education or entertainment services within ten (10) miles of your Area of Primary Responsibility and the Area of Primary Responsibility of any then existing The Real Food Academy.
s. Modification of the agreement	Sections 10.2, 23.7 and 23.8	The Franchise Agreement can be modified only by written agreement between you and us or by a judicial decision. We may modify the Confidential Operations Manual without your consent if the modification does not materially alter your fundamental rights.

Provision	Section in Franchise or Other Agreement	Summary
t. Integration/merger clause	Section 23.7	Only the terms of the Franchise Agreement are binding (subject to applicable law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the express representation made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	Section 24	Except for claims for injunctive relief, and subject to state law, all disputes must be arbitrated in Miami, Florida. Mediation is a condition precedent to conducting an arbitration or other legal proceeding.
v. Choice of forum	Section 24.2, 24.7	Subject to state law, any arbitration or litigation must be pursued in Miami, Florida.
w. Choice of law	Section 24.1	Subject to state law, the law of the state of Florida applies, except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.), and disputes over copyrights will be governed by federal copyright laws of the United States.

ITEM 18. PUBLIC FIGURES

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

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.

Written substantiation pertaining to these financial performance representations is available for inspection at our principal business address and will be provided upon reasonable request.

This financial performance representation provides historic information of one existing corporate affiliate The Real Food Academy located in Miami, Florida for the calendar year 2023, the only location that was open during 2023. The corporate affiliate location has operated at its current location of 5,200

square feet in Miami, Florida since January 1, 2017. It was originally opened on October 1, 2008 in a smaller location.

Table 1 provides profit and loss information for the one existing corporate affiliate. Tables 2-4 provide some key performance indicators (KPIs) or additional details regarding the top three sources of revenue as reflected in the Table 1 profit and loss statement. For purposes of this Item 19, gross revenue is defined as total gross receipts, without deductions. Gross Profit is defined as the amount available to pay expenses after Cost of Goods Sold, which includes food and other consumable inventory.

The corporate affiliate unit may differ from a franchised unit by geographic location, length of time operating, and size of facility. Additionally, the corporate affiliate unit did not pay franchise fees or contribute to the Brand Marketing Fund during the year presented in the financial performance representation. Differences in location and/or geographic region of your franchise location may result in significantly different costs. Differences and/or changes in laws can also cause costs to change. You may also incur costs or expenses not incurred by the company affiliate location. You should make an independent investigation of your own costs. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business.

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

[Intentionally Blank; Financial Performance Representation on Following 2 Pages]

TABLE 1: 2023 Profit & Loss

Account	2023 Totals
Income	
Parties	\$389,986.03
Camps	\$325,843.00
Classes	\$213,678.55
Field Trips	\$127,279.50
*Other Income	\$68,746.23
Wine and Beer	\$46,058.07
Gross Revenue	\$1,171,591.38
Cost of Goods Sold	
Cost of Food and Direct Supplies	\$186,310.40
Total Cost of Goods Sold	\$186,310.40
Gross Profit	\$985,280.98
Operating Expenses	
**Labor Expenses	\$332,579.64
Rent	\$156,990.00
Advertising & Marketing	\$96,876.04
Auto Expenses	\$10,713.48
Bank & Merchant Service Charges	\$31,286.05
Computer & Technology	\$17,128.00
Insurance	\$13,689.41
License and Permits	\$3,518.45
Professional Fees	\$11,643.24
Training & Professional Development	\$2,914.45
Utilities	\$26,837.25
***Miscellaneous	\$34,682.34
Total Operating Expenses	\$738,858.35
Net Income	\$246,422.63

*Other Income includes non-alcoholic beverages, retail, venue rental, memberships, service charges, & offsite senior center classes, less discounts

**Labor Expenses include payments made to a combination of independent contractors and W-2 employees along with associated employment taxes

***Miscellaneous expenses include uniforms, office supplies, travel, meals & entertainment, postage, printing, repairs & maintenance

TABLE 2: PARTIES – ADULT & KIDS

	ADULT PARTIES	KIDS' PARTIES
# Parties Q1	30	31
# Parties Q2	33	28
# Parties Q3	31	29
# Parties Q4	12	29
Total # Annual Parties	106	117
Annual Revenue	\$229,080	\$160,888
Average Revenue Per Party	\$2,161	\$1,375

TABLE 3: CAMPS - KIDS

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	TOTAL
Revenue	\$34,720	\$83,410	\$165,140	\$23,270	\$325,843
Participants	106	166	310	104	566

TABLE 4: CLASSES – ADULTS, KIDS, & TEENS

	ADULT CLASSES	KIDS' CLASSES	
# Participants Q1	237	Saturday	338
		After school K	37
		After school T	4
# Participants Q2	171	Saturday	426
		After school K	1
		After school T	7
# Participants Q3	140	Saturday	334
		After school K	6
		After school T	12
# Participants Q4	156	Saturday	321
		After school K	18
		After school T	12
Total # Annual Participants	704	Saturday	1,419
		After School	97
		TOTAL	1,516
TOTAL ANNUAL REVENUE	\$83,720	Saturday	\$68,837
		After School	\$61,121
		TOTAL	\$129,958

K = kids; T = teens

Except as disclosed in this Item 19, The Real Food Academy does not make any representations about a franchisee's future financial performance or the financial performance of company-owned or franchised outlets. We also do not authorize The Real Food Academy's employees or representatives to make any representations other than those included in this Item 19 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 to Arthur Cummins, 11111 Biscayne Blvd Ste 205, Miami, FL 33181, art@therealfoodacademy.com, (305-753-6644) and to the Federal Trade Commission, 600 Pennsylvania Avenue, NY, Washington, DC 20580 (1-8787-FTC-HELP) and to the appropriate state regulatory agency. See **Exhibit A** to this Disclosure Document for the names and contact information for state administrators.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2021 - 2023				
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company-Owned	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
Total Outlets	2021	1	1	0
	2022	1	1	0
	2023	1	1	0

* This chart includes both franchised and company-owned The Real Food Academies through fiscal year 2023.

Table No. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2021 - 2023		
State	Year	Number of Transfers
Florida	2021	0
	2022	0
	2023	0
Total	2021	0
	2022	0
	2023	0

Table No. 3

STATUS OF FRANCHISE OUTLETS FOR YEARS 2021 - 2023								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Florida	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Total	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

Table No. 4

STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2021 - 2023							
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
Florida	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Total	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1

Table No. 5

PROJECTED OPENINGS AS OF DECEMBER 31, 2023			
State	Franchise Agreements Signed But Outlets Not Yet Opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Florida	0	5	0
Total*	0	5	0

* We project the opening of 5 The Real Food Academy Franchises during our fiscal year ending December 31, 2024.

In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experience with The Real Food Academy. 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. No franchisees in the last three years have signed any provisions restricting their ability to speak about their experience with The Real Food Academy.

Currently, we have no trademark-specific franchisee organizations associated with the franchise System being offered.

Current Franchisees and franchisees who, as of the date of this Disclosure Document, have had an outlet terminated, cancelled, transferred, not renewed 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 Disclosure Document issuance date are listed on **Exhibit F** to this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise System.

ITEM 21. FINANCIAL STATEMENTS

Attached as **Exhibit E** is our audited financial statement for fiscal year 2023. Unaudited interim financial statements may also be attached. The franchisor has not been in business for three years or more and cannot provide all financial statements required in this Item 21.

Our fiscal year end is December 31.

ITEM 22. CONTRACTS

The Real Food Academy Franchise Agreement (with exhibits) is attached to this Disclosure Document as **Exhibit C**.

The Real Food Academy General Release is attached to the Franchise Agreement as **Exhibit 1**.

The Real Food Academy Nondisclosure and Non-Competition Agreement is attached to the Franchise Agreement as **Exhibit 2**.

The Real Food Academy Unlimited Guaranty and Assumption of Obligations is attached to the Franchise Agreement as **Exhibit 3**.

Contract addenda required by certain states are attached to the Franchise Agreement as **Exhibit 5**.

The Real Food Academy Pre-Opening Certification is attached to the Franchise Agreement as **Exhibit 7**.

The Real Food Academy ACH Authorization Agreement is attached to the Franchise Agreement as **Exhibit 8**.

The Real Food Academy Online Social Media Advertising Request form is attached to the Franchise Agreement as **Exhibit 9**.

The Real Food Academy Lease Rider is attached to the Franchise Agreement as **Exhibit 10**.

We provide no other contracts or agreements for your signature.

ITEM 23. RECEIPTS

Our copy and your copy of the Disclosure Document Receipts are located on the last 2 pages of this Disclosure Document as **Exhibit I**.

[The remainder of this page is intentionally left blank.]

**EXHIBIT A TO THE DISCLOSURE DOCUMENT
LIST OF STATE ADMINISTRATORS**

The following is a list of state administrators responsible for registration and review of franchises for these states. We may register in one or more of these states.

California

Department of Financial Protection and Innovation
One Sansome Street, Suite 600
San Francisco, California 94104

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

Department of Financial Protection and Innovation 1515 K. Street, Suite 200
Sacramento, California 95814
(866) 275-2677 Toll Free

Connecticut

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

Florida

Division of Consumer Services
Attn: Business Opportunities
2005 Apalachee Parkway
Tallahassee, Florida 32399-6500

Hawaii

Commissioner of Securities
Department of Commerce & Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

Illinois

Illinois Attorney General
500 South Second Street
Green Bay, Illinois 62706
(217) 782-4465

Indiana

Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

Kentucky

Office of the Attorney General
Consumer Protection Division
Attn: Business Opportunity
1024 Capital Center Drive
Frankfort, Kentucky 40601-8204

Maine

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

Maryland

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

Michigan

Department of the Attorney General
Consumer Protection Division, Franchise Unit
525 Ottawa Street
G. Mennen Williams Building, 6th Floor
Lansing, Michigan 48909

Minnesota

Minnesota Dept of Commerce
85 7th Place East, Suite 280
Saint Paul, MN 55101

Nebraska

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

New York

Bureau of Investor Protection and Securities
New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Return to FDD TOC

EXHIBIT A TO THE DISCLOSURE DOCUMENT (continued)

North Carolina

Secretary of State
Securities Division
300 North Salisbury Street, Suite 100
Raleigh, North Carolina 27603-5909

North Dakota

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol – 5th Floor
Department 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Rhode Island

Division of Business Regulation
John O. Pastore Complex
1511 Pontiac Avenue
Building 69, 1st Floor
Cranston, Rhode Island 02920

South Carolina

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

South Dakota

Department of Revenue and Regulation
Division of Securities
445 East Capitol Avenue
Pierre, South Dakota 57501

Texas

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

Utah

Utah Department of Commerce
Division of Consumer Protection
160 East 300 South
P.O. Box 146704
Salt Lake City, Utah 84111-6704

Virginia

State Corporation Commission
Division of Securities and Retail Franchising
Tyler Building, 9th Floor
1300 East Main Street
Richmond, Virginia 23219

Washington

Department of Financial Institutions
Securities Division
150 Israel Road Southwest
Olympia, Washington 98501

Wisconsin

Division of Securities
Department of Financial Institutions
345 West Washington Avenue
Madison, Wisconsin 53703

**EXHIBIT B TO THE DISCLOSURE DOCUMENT
LIST OF STATE AGENTS FOR SERVICE OF PROCESS**

We have designated Arthur Cummins, 11111 Biscayne Blvd Ste 205, Miami, FL 33181, as our agent for service of process. In addition, the following state agencies are designated as our agent for service of process in accordance with the applicable state laws. We may register in one or more of these states.

California

Department of Financial Protection & Innovation
One Sansome Street, Suite 600
San Francisco, California 94104

Department of Financial Protection & Innovation
320 W. 4th Street, Suite 750
Los Angeles, California 90013

Department of Financial Protection & Innovation
1515 K St., Suite 200
Sacramento, California 95814
(866) 275-2677

Connecticut

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

Hawaii

Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

Illinois

Illinois Attorney General
500 South Second Street
Green Bay, Illinois 62706

Indiana

Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

Maryland

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

Michigan

Michigan Department of Commerce
Corporations and Securities Bureau
P.O. Box 30054
6546 Mercantile Way
Lansing, Michigan 48909

Minnesota

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

New York

Secretary of the State of New York
41 State Street
Albany, New York 12231

North Dakota

North Dakota Securities Commissioner
State Capitol – 5th Floor
600 East Boulevard
Bismarck, North Dakota 58505-0510

Rhode Island

Director Division of Business Regulation
John O. Pastore Complex
1511 Pontiac Avenue
Building 69, 1st Floor
Cranston, Rhode Island 02920

South Dakota

Department of Revenue and Regulation
Division of Securities
445 East Capitol Avenue
Pierre, South Dakota 57501

Virginia

Clerk, State Corporation Commission
Tyler Building, 1st Floor
1300 East Main Street
Richmond, Virginia 23219

Washington

Director, Department of Financial Institutions
Securities Division
150 Israel Road Southwest
Olympia, Washington 98501

Wisconsin

Commissioner of Securities
345 West Washington Street, 4th Floor
Madison, Wisconsin 53703



THE REAL FOOD ACADEMY

FRANCHISE AGREEMENT

EXHIBIT C TO THE DISCLOSURE DOCUMENT

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**THE REAL FOOD ACADEMY
FRANCHISE AGREEMENT**

This Franchise Agreement made this _____ [“Effective Date”] is by and between The Real Food Academy Franchise LLC, a Florida limited liability company, having its principal place of business at 11111 Biscayne Blvd Ste 205, Miami, FL 33181 (“Franchisor”), and _____, partnership/corporation/limited liability company established in the State of _____, or an individual, and whose principal address is _____ (“Franchisee”).

WITNESSETH:

WHEREAS, Franchisor and its Affiliates* have developed, and are in the process of further developing, a System identified by the trade name “The Real Food Academy” and relating to the establishment and operation of a business providing food education and entertainment services, including but not limited to cooking classes for children, teenagers, and adults, holding party events, conducting cooking camps, and arranging for after school programs, team building events, and other community oriented activities and services; and

WHEREAS, in addition to the trade name “The Real Food Academy” and certain other related service marks, trademarks or logos (“Marks”), the distinguishing characteristics of the System include: uniform standards and procedures for efficient business operations; procedures and strategies for marketing, advertising and promotion; customer service and development techniques; other strategies, techniques and Trade Secrets and other Confidential Information; and the Confidential Operations Manual; and

WHEREAS, Franchisor grants to qualified persons and business entities the right to own and operate Franchised The Real Food Academy using the System and the Marks; and

WHEREAS, Franchisee desires to operate The Real Food Academy, has applied for the Franchise and such application has been approved by Franchisor in reliance upon all of the representations made herein and therein; and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor’s high and uniform standards of quality, operations and service and the necessity of operating the Franchised The Real Food Academy in strict conformity with Franchisor’s System.

NOW, THEREFORE, Franchisor and Franchisee, intending to be legally bound, agree as follows:

1. DEFINITIONS

Whenever used in this Agreement, the following words and terms have the following meanings:

“**Affiliate**” means any business entity that controls, is controlled by, or is under common control with Franchisor;

“**Agreement**” means this agreement entitled “The Real Food Academy Franchise Agreement” and all instruments supplemental hereto or in amendment or confirmation hereof;

“**Approved Location**” means the site for the operation of the Franchised The Real Food Academy selected by Franchisee and approved in writing by Franchisor;

*Capitalized terms not otherwise defined are defined in Section 1.

“Approved Supplier(s)” has the meaning given to such term in Section 14.1;

“Area of Primary Responsibility” shall have the meaning set forth in Section 2.4, which shall be subject to the Franchisor’s Rights set forth in Section 3;

“Brand Marketing Fund” has the meaning set forth in Section 12.4;

“Competitive Business” means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) food related education and/or food related entertainment services and/or products the same as or similar to those provided by The Real Food Academy, its affiliates, and its franchisees, or in which Trade Secrets or other Confidential Information could be used to the disadvantage of Franchisor, any Affiliate or its other franchisees; provided, however, that the term “Competitive Business” shall not apply to (a) any business operated by Franchisee under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly-held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest;

“Confidential Information” means technical and non-technical information used in or related to The Real Food Academy and not commonly known by or available to the public, including, without limitation, Operations Manuals, Training Programs, Recipes, Procedures of Operations, Vendors and Suppliers, knowledge of sources of products sold, knowledge of sales and profit performance of one or more The Real Food Academies, methods, techniques, formats, specifications, procedures, information, systems and knowledge of and experience in the development, operation, and franchising of food related education and entertainment businesses, any log-in or password information used to access other Confidential Information or the franchise systems, software, and sites, Trade Secrets, and any other information identified or labeled as confidential when delivered by Franchisor. Confidential Information shall not include, however, any information that: (a) is now or subsequently becomes generally available to the public through no fault of Franchisee; (b) Franchisee demonstrates was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement or any other agreement with Franchisor or its affiliates; (c) Franchisee demonstrates is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information;

“Confidential Operations Manual” means The Real Food Academy Confidential Operations Manual, whether in paper or electronic form, and any other items as may be provided, added to, changed, modified or otherwise revised by Franchisor from time to time that contain or describe the standards, methods, procedures and specifications of the System, including other operations, administration and managers’ manuals and all books, computer programs, videos, password-protected portions of an Internet site, pamphlets, memoranda and other publications prepared by, or on behalf of, Franchisor;

“Designated Manager” means the onsite Manager having authority to supervise the franchised business and staff. Franchisor may, in its discretion, require the Designated Manager and Designated Managing Owner to be the same person. The Designated Manager must complete our initial training program before opening and regularly spend 25 or more hours per week in the Franchised The Real Food Academy .

“Designated Managing Owner” means the individual designated by Franchisee as having authority to make decisions on behalf of your Franchised The Real Food Academy and on whom We can rely regarding any such decisions or with respect to any issues arising from your ownership or operations of your Franchised The Real Food Academy . If Franchisee is a legal business entity, (such as a corporation, limited liability company or partnership), Franchisor may, in its sole discretion, require that the Designated Managing Owner hold a legal and equitable interest, or a beneficial interest of at least fifteen percent (15%)

in Franchisee. If Franchisee is an individual and not a business entity, the Designated Managing Owner is Franchisee. The Designated Managing Owner must complete our initial training program before opening.

“**Effective Date**” means the date on which Franchisor and Franchisee fully execute this Agreement, thereby commencing its effectiveness and term;

“**Electronic Depository Transfer Account**” means an account established at a national banking institution approved by Franchisor and providing Franchisor with access to electronically withdraw any funds due Franchisor;

“**Franchise**” means the right granted to Franchisee by Franchisor to use the System and the Marks;

“**Franchise Fee**” has the meaning given to such term in Section 4.1;

“**Franchise Royalty**” has the meaning given to such term in Section 4.2;

“**Franchised The Real Food Academy**” means the business to be established and operated by Franchisee pursuant to this Agreement;

“**Franchisee**” means the individual or entity defined as “Franchisee” in the introductory paragraph of this Agreement;

“**Franchisor**” means The Real Food Academy Franchise LLC

“**GAAP**” means the generally accepted accounting principles, standards, conventions and rules accountants follow in recording and summarizing transactions and in the preparation of financial statements;

“**Gross Revenue**” means the aggregate of all revenue and receipts from sales conducted at, from, or through the Franchised The Real Food Academy (whether or not in compliance with this Agreement), (including but not limited to classes, parties, events, other services, gift cards, and goods), whether in cash, by check, credit card, debit card, digital currency, exchange, other credit transactions, or otherwise, but (1) excluding applicable sales taxes collected and paid to the appropriate taxing authority; (2) excluding any voluntary pass-through tips added voluntarily by customers to any sales total and received solely for the benefit of and paid to the staff of the Franchised Real Food Academy (not excluding any mandatory gratuity or service charges or other amounts automatically added), and (3) reduced by the amount of any documented refunds, credits, and discounts granted to customers in good faith. Gross Revenue includes gift certificates, gift cards, Groupons, and similar program payments at the time the gift card or other instrument is purchased. Gross Revenue also includes all insurance proceeds you receive for the loss of business due to a casualty or similar event.

“**Incapacity**” means the inability of Franchisee, or any holder of a legal or beneficial interest in Franchisee, to operate or oversee the operation of the Franchised The Real Food Academy on a regular basis by reason of any continuing physical, mental or emotional condition, chemical dependency or other limitation;

“**Internet**” means any one (1) or more local or global interactive communications media that is now available, or that may become available, including sites and domain names on the World Wide Web;

“**Local Advertising**” has the meaning given to such term in Section 12.1;

“**Marks**” means the service mark and trademark “The Real Food Academy” and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as Franchisor may designate to be used in connection with Franchised The Real Food Academy ;

“**Relocation Assistance Fee**” means the fee to us articulated in Sections 4.15 and 6.5 to compensate us for our costs and expenses in connection with any request for relocation by you.

“**System**” means the uniform standards, methods, procedures and specifications developed by Franchisor, and as may be added to, changed, modified, withdrawn or otherwise revised by Franchisor for the operation of The Real Food Academies; and

“**Trade Secrets**” means information in any form (including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential suppliers) related to or used in The Real Food Academies that is not commonly known by or available to the public and that: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

2. GRANT OF FRANCHISE; APPROVED LOCATION

2.1. Grant.

Franchisor hereby grants to Franchisee, and Franchisee undertakes and accepts, upon the terms and conditions herein contained, a revocable, limited license to operate one (1) Franchised The Real Food Academy using the System and Marks.

2.2. Location of Franchised The Real Food Academy.

The street address (or detailed description of the premises) of the location for the Franchised The Real Food Academy is:

(the “Approved Location”).

The Franchised The Real Food Academy must be located at a location approved by Franchisor.

2.3. Approved Location Not Determined

If the Approved Location is determined as of the Effective Date, then this Section shall be inapplicable. If the Approved Location of the Franchised The Real Food Academy is not determined as of the Effective Date, then the geographic area in which the Franchised The Real Food Academy is to be located shall be within the geographic area described below (“Designated Area”). Franchisee shall select and submit possible sites for Franchisor’s evaluation in accordance with Section 6. When the Approved Location is determined, its address shall be inserted into Section 2.2, which shall be initialed and dated by Franchisee and Franchisor and the Designated Area shall lapse. The failure to insert such address into Section 2.2 shall not affect the enforceability of this Agreement. The Designated Area is delineated for the

sole purpose of site selection and does not confer any territorial exclusivity or protection. A detailed description of the geographic area or boundaries of the Designated Area is:

2.4. Area of Primary Responsibility

Franchisee will be granted a protected territory called the “Area of Primary Responsibility” to be mutually agreed upon by Franchisor and Franchisee and depicted in the map attached. Franchisee will operate the Franchised The Real Food Academy from the Approved Location within the designated Area of Primary Responsibility and shall limit all direct marketing, advertising and business activities within such area, as stated in Section 2.6. As long as this Agreement is in full force and effect and Franchisee is not in default under any of the terms hereof, Franchisor shall not limit or alter the boundaries of Franchisee’s Area of Primary Responsibility and will not establish or grant others the right to establish Franchised The Real Food Academy within Franchisee’s Area of Primary Responsibility. Franchisee’s rights in the Area of Primary Responsibility are subject to Franchisor’s rights articulated in Section 3.

- a. The Area of Primary Responsibility shall be defined by and exist within the following zip codes or other physical, political or natural boundaries:

- b. The map of the Area of Primary Responsibility will be attached hereto.

2.5. Sub-franchising/Agents

Franchisee shall not sublicense the use of the System or Marks to any person or entity. Franchisee shall not grant any person or entity the right to perform any part of Franchisee’s rights or obligations licensed hereunder.

2.6. Marketing and Solicitation Restrictions

You agree to limit targeted or direct solicitation and advertising to persons in your Territory unless such person (regardless of where they live) has voluntarily signed up to receive communications with you or you have obtained our written permission. You are permitted to use public media with a broad reach, such as newspaper, radio, television and other electronic means of general solicitation to attract customers. If Franchisee desires to conduct targeted or direct marketing outside of Franchisee’s Area of Primary Responsibility and the area of desired marketing both (a) neighbors Franchisee’s Area of Primary Responsibility and (b) is not the Area of Primary Responsibility of any other Franchisee, Franchisee may submit a written request to Franchisor for approval of the proposed out of territory marketing. Franchisor reserves the right to approve or deny any request for marketing approval outside of the Area of Responsibility in its sole and absolute discretion. Any approval granted may be granted on a non-exclusive basis and may be revoked at any time with Franchisor’s notice to Franchisee. Franchisee may market to any existing customer, wherever located, but must provide its services only from its Approved Location, located inside the Area of Primary Responsibility. Franchisor shall make reasonable efforts to enforce these

restrictions with regard to Franchisee and any other The Real Food Academies, but under no circumstances shall Franchisor be required to engage in litigation or similar actions with regard to these restrictions.

3. FRANCHISOR’S RIGHTS

3.1. Reservation of Rights

Franchisee acknowledges that Franchisor expressly retains all rights and discretion with respect to the Marks and System, including the right to:

- a. establish, own or operate, and license others to establish, own or operate, Franchised The Real Food Academy in any area outside Franchisee’s Area of Primary Responsibility as Franchisor deems appropriate;
- b. establish, own or operate, and license others to establish, own or operate other businesses under other systems using other trademarks at any location we deem appropriate;
- c. purchase or otherwise acquire the assets or controlling ownership of one (1) or more businesses identical or similar to Franchised The Real Food Academy (and/or acquire franchise, license and/or similar agreements for such businesses), some or all of which may be located anywhere. If Franchisor purchases or acquires franchises or licenses, Franchisor may, in its sole discretion, act as franchisor or licensor with respect to such franchisees or licensees wherever located, pursuant to the individual franchise or license agreement(s) between Franchisor and franchisee(s) or licensee(s). If Franchisor purchases or acquires such businesses which are not franchised or licensed, Franchisor may, in its sole discretion:
 - i. offer to sell any such businesses to Franchisee or to any third party to be operated as The Real Food Academy; or
 - ii. offer Franchisee the opportunity to operate such business(s) in partnership with Franchisor (or an Affiliate) under the business(s) existing trade name or a different trade name.
- d. be acquired (regardless of the form of transaction) by any business, even if the other business operates, franchises and/or licenses Competitive Businesses;
- e. provide the services and sell the products authorized for Franchised The Real Food Academy using the Marks or other trademarks, service marks and commercial symbols through an alternate channel of distribution on such terms and conditions as Franchisor deems appropriate; and
- f. engage in any activities not expressly forbidden by this Agreement.

4. FEES

4.1. Franchise Fee

Upon execution of this Agreement, Franchisee shall pay an initial franchise fee (“Franchise Fee”) to Franchisor of Forty-Nine Thousand Dollars (\$49,500.00). The Franchise Fee shall be deemed fully

earned upon execution of this Agreement and is nonrefundable. The Franchise Fee is payment, in part, for expenses incurred by Franchisor in furnishing assistance and services to Franchisee as set forth in this Agreement and for costs incurred by Franchisor, including general sales and marketing expenses, training, legal, accounting and other professional fees.

4.2. Franchise Royalties

Franchisee shall remit to Franchisor a weekly Franchise Royalty in the amount of the greater of eight (8%) of the weekly Gross Revenues of your Franchised The Real Food Academy or the minimum royalty set forth in the chart below. For so long as this Agreement shall be in effect, Franchisee shall pay the Franchise Royalty to Franchisor, without offset, credit or deduction of any nature. Franchisor reserves the right to change the time and manner of payment and currently requires Franchisee to pay Franchise Royalties through electronic transfer on each Tuesday for sales the preceding week.

All Franchise Royalties are subject to the minimums set forth below:

WEEK OF OPERATION	MINIMUM ROYALTY
Weeks 1 - 52	No minimum
Weeks 53-104	\$300 per week
Weeks 105 and after	\$400 per week

4.3. Brand Marketing Fund Contribution

Franchisee shall remit to Franchisor a Brand Marketing Fund Contribution, currently in the amount of one percent (1%) of the monthly Gross Revenues. Franchisor may increase the Brand Marketing Fund Contribution to two percent (2%) of the monthly Gross Revenues, upon thirty (30) days’ notice to Franchisee. Franchisee’s Brand Marketing Fund Contribution shall be payable together with and in the same manner as Franchise Royalties.

4.4. Renewal Fee

If Franchisee has elected to enter into a successor franchise term, Franchisee must pay the renewal fee of \$3,000.

4.5. Transfer Fee

If Franchisee desires to transfer this franchise and Franchisor has not exercised its right of first refusal, Franchisee shall remit a transfer fee in the amount of Twenty Thousand Dollars (\$20,000). In addition, Franchisee must pay any brokerage fees that arise from the transaction.

4.6. Taxes

Franchisee shall pay to Franchisor an amount equal to all sales taxes, excise taxes, use taxes, withholding taxes, and similar taxes imposed on the fees payable by Franchisee to Franchisor hereunder or on goods or services furnished to Franchisee by Franchisor at the same time as Franchisee remits such fees to Franchisor, whether such goods or services are furnished by sale, lease or otherwise, unless the tax is an income tax assessed on Franchisor for doing business in the state where the Franchised The Real Food Academy is located.

4.7. Quality Assurance Costs & Expenses

If Franchisor retains a third-party inspector, quality assurance firm, or mystery shopper to inspect Franchisee's Franchised The Real Food Academy, Franchisee shall pay to Franchisor, upon demand, an amount equal to all costs and expenses of the inspection.

4.8. Management Fee

If Franchisor assumes management of Franchisee's Franchised The Real Food Academy, Franchisee shall pay to Franchisor a management fee in the amount of the greater of \$500 per day or 10% of the daily Gross Revenue of the franchised business. In addition, Franchisee shall reimburse Franchisor for any costs or expenses incurred.

4.9. Electronic Transfer

All fees and other amounts due to Franchisor shall be paid on the due dates and via the method which Franchisor shall specify from time to time. Franchisor may require all Fees and other amounts due to Franchisor to be paid through an Automatic Clearing House, Electronic Transfer, Electronic Depository Transfer Account or such other method Franchisor may specify. At Franchisor's request, Franchisee shall open and maintain an Electronic Depository Transfer Account and shall provide Franchisor with continuous access to such account for the purpose of receiving any payments due to Franchisor. Every month, Franchisee shall make deposits to the account sufficient to cover amounts owed to Franchisor prior to the date such amounts are due. Franchisee shall execute any documents Franchisor's or Franchisee's bank requires to establish and implement the Electronic Depository Transfer Account. Once established, Franchisee shall not close the Electronic Depository Transfer Account without Franchisor's written consent. As of the date of this Agreement, all franchisees are required to execute the ACH Authorization agreement attached hereto as **Exhibit 8**.

4.10. Insufficient Funds / Late Fees

In the event any payment processed by Franchisor is returned or an ACH withdrawal is not processed due to insufficient funds, Franchisee shall pay to Franchisor an insufficient funds charge in the amount of \$150 per such transaction or such greater amount as may be charged to Franchisor by its financial institution. All amounts due that are not received by Franchisor within five (5) days after the due date shall incur late fees at the rate of one and one-half percent (1.5%) per month (or the highest rate allowed by the law of the state where Franchisee is located) from the date payment is due to the date payment is received by Franchisor. Franchisee shall pay Franchisor for all costs incurred by Franchisor in the collection of any Fees or any other amounts due Franchisor, including reasonable accounting and legal fees. This Section shall not constitute an agreement by Franchisor to accept any payments after the due date or a commitment by Franchisor to extend credit to or otherwise finance Franchisee.

4.11. Application of Payments

Notwithstanding any designation by Franchisee, Franchisor shall have the right to apply any payments by Franchisee to any past due indebtedness of Franchisee for Fees, purchases from Franchisor or any other amount owed to Franchisor in any proportion or priority. Franchisee agrees to pay all Franchise Payments promptly when due. Payments must be made in the manner specified by the Franchisor from time to time, which may include, without limitation, advance ACH authorization. As of the date of this Agreement, all franchisees are required to execute the ACH Authorization agreement attached hereto as **Exhibit 8**.

4.12. Designated Third-Party Suppliers

Franchisor may, from time-to-time designate one or more third-party suppliers of goods or services to Franchisee's The Real Food Academy. Franchisee agrees to execute any agreements required by such designated suppliers and to timely remit payment to such suppliers.

4.13. Technology Set-Up Fee.

Simultaneously with the execution of this Agreement, Franchisee shall remit to Franchisor a technology set-up fee in the amount of \$2,000.

4.14. System Technology Fee.

Franchisee shall, together with its franchise royalties, remit to Franchisor a system technology fee. The system technology fee is subject to change with thirty (30) days notice. As of the Effective Date of this Agreement, the System Technology Fee is \$80 per week.

4.15. Relocation Assistance Fee.

Franchisee shall operate the Franchised The Real Food Academy only from the Approved Location. In the event Franchisee requests approval to re-locate Franchisee's business, Franchisee shall, at the time of the request, remit to Franchisor a Relocation Assistance Fee in the amount of ten thousand dollars (\$10,000).

5. TERM AND RENEWAL

5.1. Initial Term

This Agreement shall be effective and binding for an initial term of ten (10) years from the Effective Date, unless sooner terminated pursuant to Section 17. Provided, however, if this Agreement is executed as a successor to a previous franchise agreement, the term shall be a five (5) year successor term.

5.2. Successor Terms

Subject to the conditions below, so long as Franchisor is continuing to offer franchises, Franchisee has the right to obtain a successor franchise for a five (5) year term at the expiration of the term of this Agreement by entering into a new franchise agreement with Franchisor. To qualify for a successor franchise, each of the following conditions shall have been fulfilled and remain true as of the last day of the term of this Agreement:

- a. Franchisee has, during the entire term of this Agreement, fully complied with all material provisions of this Agreement;
- b. Franchisee has, at its expense, made such capital expenditures as were necessary to maintain uniformity with any Franchisor-required System modifications such that the Franchised The Real Food Academy reflects Franchisor's then-current standards and specifications;
- c. Franchisee has paid the renewal fee of \$3,000;

- d. Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor (and/or any Affiliate) and has timely met these obligations throughout the term of this Agreement;
- e. Franchisee (and its Owners) are not in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor (or its Owners) or between Franchisee (or its Owners) and an Affiliate of Franchisor;
- f. Franchisee has given written notice of its intent to operate a successor franchise to Franchisor not less than six (6) months nor more than twelve (12) months prior to the end of the term of this Agreement;
- g. Franchisee has executed Franchisor's then-current form of franchise agreement (or, at Franchisor's election, has executed other documents that modify this Agreement to reflect the fact that the Franchise Agreement relates to the grant of a successor franchise), which franchise agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement by requiring, among other things, a different percentage Franchise Royalty Fees; provided, however, that Franchisee shall not be required to pay the then-current Franchise Fee;
- h. Franchisee has complied with Franchisor's then-current qualifications for a new franchisee and has agreed to comply with any then-current training and certification/licensing requirements; and;
- i. Franchisee has executed a general release, in a form the same as or similar to the General Release attached as **Exhibit 1**, of any and all claims against Franchisor, any Affiliate or their respective officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), except to the extent prohibited by the laws of the state where the Franchised The Real Food Academy is located.

5.3. HoldOver.

In the event the term of this Agreement expires and the Parties have not entered into a written franchise renewal agreement, but the franchisee continues to operate the franchised business with the written consent of The Real Food Academy, the franchise agreement shall be deemed to be extended on a month to month basis, and all terms of this franchise agreement shall continue to apply. The parties further agree that in the event Franchisee has continued to operate the franchised business without the written consent of the Franchisor, the Franchisor shall be entitled to enforce all rights and remedies set forth in this Agreement, regardless of the expiration date. Nothing in this paragraph shall be construed to require the Franchisor to consent to a holdover or month to month continuation of this Agreement. In the event Franchisee does not enter into a written renewal franchise agreement upon the expiration of this Agreement, the Franchisor shall, in its sole discretion, be entitled to exercise any and all legal and contractual remedies available to it. The Franchisor's receipt of royalties or other fees or provision of services to franchisee during a holdover period shall not be deemed a waiver or any rights or remedies of the Franchisor.

6. APPROVED LOCATION

6.1. Lease of Approved Location

Franchisee is required to purchase or lease a commercial location, which location must be approved by Franchisor. Franchisee shall execute a lease for, or a binding agreement to purchase, an Approved Location, the terms of which must have been previously approved by Franchisor in writing and must include execution of the Lease Rider attached hereto as **Exhibit 10**. Franchisor shall not unreasonably withhold its approval. Franchisor's review of a lease or purchase agreement, or any advice or recommendation offered by Franchisor, shall not constitute a representation or guarantee that Franchisee will succeed at the Approved Location nor constitute an expression of Franchisor's opinion regarding the terms of such lease or purchase agreement. Franchisee acknowledges and agrees that Franchisee shall solely rely on its review of any such lease. Franchisor shall be entitled to require that nothing contained in the Lease is contradictory to, or likely to interfere with, Franchisor's rights or Franchisee's duties under this Agreement. Franchisee shall take all actions necessary to maintain title to the lease of the Approved Location, as the case may be, while this Agreement is in effect. Any default that may cause Franchisee to lose its title to the Approved Location, or for which the lease may be terminated, as the case may be, shall also be deemed a default hereunder and the time to cure the same shall expire when such title is lost, or the lease is terminated, as the case may be. Franchisor has the right to require that the lease for the Approved Location be collaterally assigned by Franchisee to Franchisor, pursuant to the terms of its standard collateral assignment of lease form, to secure performance by Franchisee of its obligation under this Agreement. Franchisor's approval of a lease shall be conditioned upon inclusion of terms in the lease acceptable to Franchisor, and, at Franchisor's option, the lease shall contain such provisions as Franchisor may reasonably require, including those set forth in the Lease Rider attached hereto as **Exhibit 10**.

6.2. Development of Franchised The Real Food Academy

In connection with the development of the Franchised The Real Food Academy, Franchisee shall:

- a. Choose the location for the franchised business, obtain our approval of the location, and secure a lease with terms acceptable to us (or purchase the location);
- b. obtain all permits and licenses required for operation of the Franchised Business and certify in writing that all such permits and certifications have been obtained;
- c. make any necessary renovations or improvements for the Franchised The Real Food Academy in accordance with our plans and specifications;
- d. purchase and install all equipment and supplies, furniture and fixtures, including any software and computer equipment, required for the operation of the Franchised The Real Food Academy pursuant to the specifications provided by Franchisor and from Approved Suppliers; and
- e. establish broadband or high-speed Internet access and obtain at least one (1) telephone number solely dedicated to the Franchised The Real Food Academy

6.3. Opening

Before opening the Franchised The Real Food Academy and commencing business, Franchisee must:

- a. fulfill all of the obligations of Franchisee pursuant to the other provisions of this Section 6;
- b. furnish Franchisor with copies of all insurance policies required by this Agreement, or by the lease, or such other evidence of insurance coverage and payment of premiums as Franchisor may request;
- c. obtain Franchisor's approval of fictitious name or d/b/a and properly register it;
- d. designate a Managing Owner and Onsite Manager;
- e. ensure Designated Managing Owner and Designated Manager complete initial training to the satisfaction of Franchisor;
- f. have all customer waivers and forms conformed to the requirements of each State in which Franchisee will operate; I
- g. possess all required state, county, city and local permits, licenses and certifications for operation of your Franchised The Real Food Academy;
- h. if necessary, hire and train the personnel necessary for the operation of the Franchised The Real Food Academy;
- i. if Franchisee is a business entity, cause each of its stock certificates or other ownership interest certificates to be conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that such ownership interest is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement;
- j. obtain Franchisor's written permission and approval of an opening date; provided that Franchisor shall not unreasonably withhold consent to open (permission to open being based on Franchisor's determination that Franchisee is ready to open and satisfactorily prepared to operate);
- k. pay in full all amounts due to Franchisor and its Affiliates;
- l. obtain counseling from advisors Franchisee has independently selected regarding food handling and labor and employment laws applicable to the Franchised The Real Food Academy;
- m. complete the Pre-Opening Certification attached hereto as **Exhibit 7**;
- n. Franchisee shall comply with these conditions and be prepared to open and continuously operate the Franchised The Real Food Academy within two hundred seventy (270) days after the Effective Date. Time is of the essence.

6.4. Failure to Open

Should Franchisee fail to commence operations of the Franchised The Real Food Academy within two hundred seventy (270) days after the Effective Date without obtaining a written agreement from Franchisor to an extension, Franchisor has the right to terminate this Agreement. If Franchisee, despite

diligent efforts and for good cause shown, cannot open within two hundred seventy (270) days after the Effective Date, Franchisee may apply to Franchisor for an extension of time to open. Franchisor reserves the right to grant or deny requests for extension in its reasonable business judgment. If this Agreement is terminated pursuant to this Section 6.4, Franchisor shall retain the entire Franchise Fee paid by Franchisee. The Franchise Fee retained shall be specifically understood and agreed by the parties to be in consideration of the services provided, time expended, and work performed by Franchisor, and other efforts of Franchisor up to the date of Franchisee's failure to timely commence operations of the Franchised The Real Food Academy and shall not be construed as nor considered to be a penalty.

6.5. Relocation

Franchisee shall not relocate the Franchised The Real Food Academy without the prior written consent of Franchisor, which consent shall not be unreasonably withheld. Franchisee acknowledges that rights of other franchisees, market factors, and our franchise sales activities, among other factors and not as a limitation, may impact our approval of any request to relocate. Any such relocation shall be at Franchisee's sole expense and shall proceed in accordance with the requirements set forth in this Agreement and our System Standards as articulated in the Operations Manual or provided to Franchisee in response to a request for relocation. Franchisee shall remit to us a \$10,000 Relocation Assistance Fee to compensate us for our costs and expenses in approving your new location. Notwithstanding the foregoing, Franchisor has no obligation to provide assistance to you in locating or finding a new location.

6.6. Security Interest

As security for the performance of your obligations under this Agreement, including payments owed to us or our affiliates, you shall grant us a security interest in all of the assets of the Franchised The Real Food Academy, including without limitation, the leasehold or fee simple interest in the Approved Location, all furniture, fixtures, equipment, inventory, accounts, supplies, contracts, and proceeds and products of all those assets. You agree to execute such other documents as we may reasonably request in order to further document, perfect and record our security interest. If you default in any of your obligations under this Agreement, we may exercise all rights of a secured creditor granted to us by law, in addition to our other rights under this Agreement and at law. This Agreement shall be deemed to be a Security Agreement and Financing Statement and may be filed for record as such in the records of any county and/or state that we deem appropriate to protect our interests.

7. PROPRIETARY MARKS

7.1. Ownership

Franchisee's right to use the Marks is derived solely from this Agreement, is nonexclusive and is limited to the conduct of business by Franchisee pursuant to, and in compliance with, this Agreement and all applicable standards, specifications and operating procedures prescribed from time to time by Franchisor. Any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Marks. Any goodwill created by Franchisee's use of the Marks shall inure to the benefit of Franchisor. Franchisee shall not at any time acquire an ownership interest in the Marks, by virtue of any use it may make of the Marks or otherwise. This Agreement does not confer any goodwill, title or interest in the Marks to Franchisee. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks or assist any other person or entity in contesting the validity or ownership of any of the Marks.

7.2. Limitations on Use

Franchisee shall not use any Mark or portion of any Mark as part of any business entity name. Franchisee shall not use any Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Franchisee shall give such notices of trademark and service mark registrations as Franchisor specifies and obtain such fictitious or assumed name registrations as may be required under applicable law to do business as a Franchised The Real Food Academy. Franchisee shall not register or seek to register as a trademark or service mark, either with the United States Patent and Trademark Office or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any Mark. Franchisee shall include on its letterhead, forms, cards, E-mails and other such identification, and shall display at the Franchised The Real Food Academy and on Franchisee's Business Cards, Letterhead, Contracts and Emails, a prominent notice stating that the Franchised The Real Food Academy is an "Independently Owned and Operated The Real Food Academy Franchise" of Franchisee.

7.3. Notification of Infringements and Claims

Franchisee shall immediately notify Franchisor of any infringement of the Marks, challenge to its use of any of the Marks or claim by any person of any rights in any of the Marks. Franchisee shall not communicate with any person other than Franchisor and Franchisor's counsel in connection with any such infringement, challenge or claim; provided, however, Franchisee may communicate with Franchisee's counsel at Franchisee's expense. Franchisor has the right to take such action as it deems appropriate and the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge, or claim or other action or matter relating to any of the Marks. Franchisee shall execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Franchisor, be necessary or advisable to protect and maintain Franchisor's interests in any such litigation or other proceeding or to otherwise protect and maintain Franchisor's interest in the Marks.

7.4. Indemnification for Use of Marks

Franchisor shall reimburse Franchisee for all expenses reasonably incurred by Franchisee in any trademark or similar proceeding disputing Franchisee's authorized use of any Mark, provided that Franchisee has complied with the provisions of Section 7.3 and has complied with this Agreement and Franchisor's directions in responding to such proceeding. At Franchisor's option, Franchisor or its designee may defend and control the defense of any proceeding arising from Franchisee's use of any Mark. This indemnification shall not include the expense to Franchisee of removing signage or discontinuance of the use of the Marks. This indemnification shall not apply to litigation between Franchisor and Franchisee wherein Franchisee's use of the Marks is disputed or challenged by Franchisor. This indemnification shall not apply to any separate legal fees or costs incurred by Franchisee in seeking independent counsel separate from the counsel representing Franchisor and Franchisee in the event of litigation disputing Franchisor and Franchisee's use of the Marks.

7.5. Discontinuance of Use

If Franchisor deems it necessary for Franchisee to modify or discontinue use of any of the Marks, and/or use one (1) or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee shall comply with Franchisor's directions within ten (10) business days after notice to Franchisee by Franchisor. Franchisor shall not be required to reimburse Franchisee for its expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified or substitute Mark.

7.6. Right to Inspect

To preserve the validity and integrity of the Marks and any copyrighted materials licensed hereunder, and to ensure that Franchisee is properly employing the Marks in the operation of the Franchised The Real Food Academy, Franchisor and its designees have the right to enter and inspect the Franchised The Real Food Academy at all reasonable times, with or without notice, and, additionally, have the right to observe the manner in which Franchisee renders services, conducts activities and operations, and to inspect facilities, equipment, products, inventory, supplies, reports, forms and documents and related data to ensure that Franchisee is operating the Franchised The Real Food Academy in accordance with the quality control provisions and performance standards established by Franchisor. Franchisor may use any reasonable means to conduct inspections including electronic review and the retention of third party inspectors, quality assurance firms, and mystery shoppers. Franchisor and its agents shall have the right, at any reasonable time, to remove sufficient quantities of products, supplies, or other items to test whether such products or items meet Franchisor's then-current standards. Franchisor or its designee has the right to observe Franchisee and its employees during the operation of the Franchised The Real Food Academy and to interview and survey (whether in person or by mail) customers and employees and to photograph or videotape the operations. Nothing herein shall give Franchisor any rights of control over the employees of Franchisee.

7.7. Franchisor's Sole Right to Domain Name

Franchisor is the sole owner of all right, title and interest in and to **www.therealfoodacademy.com** and such other domain names as Franchisor shall designate in the Confidential Operations Manual. Franchisee shall not advertise on the Internet using, or establish, create or operate an Internet site or website using a domain name or uniform resource locator containing the Marks or the words "The Real Food Academy," "Real Food," "Food Academy," "Academy" or any variation thereof without Franchisor's written approval. This restriction applies to social media sites, including but not limited to, Facebook, Instagram, Twitter, Tik Tok, Foursquare, etc. Franchisee may apply to Franchisor for approval of a social media site using the form attached to the Franchise Agreement as **Exhibit 9**. In the event we authorize you to use the Marks in an online or social media platform, you agree that we will own and will have administrative access to such platform and agree to provide us with all access, login and password information for such online and/or social media forums. As set forth in **Exhibit 9**, Franchisor's approval of Franchisee's use of a social media platform contemplates Franchisee administering/posting on the platform in accordance with our System Standards with the Franchisor only exercising its rights when Franchisor deems necessary. Franchisor has no obligation to grant approval of any request and may revoke any approval previously granted at its discretion. Franchisee agrees that its use of the Marks in any approved online forum or social media site will be in accordance with Franchisor's System Standards.

8. TRADE SECRETS AND OTHER CONFIDENTIAL INFORMATION

8.1. Confidentiality of Trade Secrets and Other Confidential Information

Franchisee acknowledges that Franchisor shall disclose Trade Secrets and other Confidential Information to Franchisee during the training program, through the Confidential Operations Manual, and as a result of guidance furnished to Franchisee during the term of this Agreement. Franchisee shall not acquire any interest in the Trade Secrets or other Confidential Information, other than the right to use them and in the development and operation of the Franchised The Real Food Academy and in performing its duties under this Agreement. Franchisee acknowledges that the use or duplication of the Trade Secrets or other Confidential Information in any other business venture would constitute a breach of Franchisee's obligations under this Agreement and an unfair method of competition. Franchisee acknowledges that the

Trade Secrets and other Confidential Information are proprietary and are disclosed to Franchisee solely on the condition that Franchisee (and all holders of a legal or beneficial interest in Franchisee and all officers, directors, executives, managers and members of Franchisee): (a) shall not use the Trade Secrets or other Confidential Information in any other business or capacity; (b) shall maintain the absolute confidentiality of the Trade Secrets and other Confidential Information during and after the term of this Agreement; (c) shall not make any unauthorized copies of any portion of the Trade Secrets or other Confidential Information disclosed electronically or in written or other tangible form; and (d) shall adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Trade Secrets and other Confidential Information.

8.2. Electronic Log-Ins and Passwords

Each and every individual who will access Franchisor’s Confidential Information and/or any site, program or system hosted, provided or maintained by or for Franchisor must have an individual log-in and password issued for such person to access such Confidential Information, site, program or system. No log-in or password may be issued or provided unless and until the Nondisclosure and Non-Competition Agreement attached hereto has been executed by such individual and provided to Us. It shall be a material default of this Agreement for Franchisee or any individual to whom Franchisee has provided access to Franchisor’s Confidential Information and/or any site, program or system hosted, provided or maintained by or for Franchisor to provide access in violation of this provision or to share any log-in or password access to such Confidential Information, site, program or system. Franchisee shall enforce this Section as to its employees, agents and representatives and shall be liable to Franchisor for any unauthorized disclosure or use of Trade Secrets or other Confidential Information by any of them.

8.3. Additional Developments

All ideas, concepts, techniques or materials concerning the System or developed, in whole or in part, using Trade Secrets or other Confidential Information, whether or not protectable intellectual property and whether created by or for Franchisee or its owners or employees, shall be promptly disclosed to Franchisor and shall be deemed the sole and exclusive property of Franchisor and works made-for-hire for Franchisor, and no compensation shall be due to Franchisee or its owners or employees with respect thereto, and Franchisee hereby agrees to assign to Franchisor all right, title and interest in any intellectual property so developed. Franchisor has the right to incorporate such items into the System. To the extent any item does not qualify as a “work made-for-hire” for Franchisor, Franchisee shall assign, and by this Agreement, does assign, ownership of that item, and all related rights to that item, to Franchisor and shall sign any assignment or other document as Franchisor requests to assist Franchisor in obtaining or preserving intellectual property rights in the item. Franchisor shall disclose to Franchisee concepts and developments of other franchisees that are made part of the System. As Franchisor may reasonably request, Franchisee shall take all actions to assist Franchisor’s efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not.

8.4. Exclusive Relationship

Franchisee acknowledges that Franchisor would be unable to protect the Trade Secrets and other Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among The Real Food Academy Franchisees if owners of The Real Food Academies and members of their immediate families or households were permitted to hold an interest in or perform services for any Competitive Business. Therefore, during the term of this Agreement, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee (or any member of his or her immediate family or household), nor any officer, director, executive, manager or member of Franchisee,

either directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, partnership, corporation, limited liability company or other business entity, shall:

- a. Divert or attempt to divert any business or customer of the Franchised The Real Food Academy to any Competitive 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 Marks or the System; or
- b. Own an interest in, manage, operate, or perform services for any Competitive Business, wherever located.

8.5. Execution of Nondisclosure and Non-Competition Agreements

Franchisee shall require each holder of a legal or beneficial interest in Franchisee (and each member of his or her immediate family or household), and each officer, director, executive, manager or member of Franchisee to execute a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as **Exhibit 2**, upon execution of this Agreement or prior to each such person’s affiliation with Franchisee. Before providing access to any of Franchisor’s confidential information, and subsequently, upon Franchisor’s request, Franchisee shall provide Franchisor copies of all non-disclosure and non-competition agreements signed pursuant to this section. Such agreements shall remain on file at the offices of Franchisee and are subject to audit or review as otherwise set forth herein. Franchisor shall be a third-party beneficiary with the right to enforce covenants contained in such agreements. In the event applicable law at any time makes all or part of Exhibit 2 unenforceable with respect to any Individual who will have access to Confidential Information, Franchisee shall have modified or updated Agreements in an enforceable form approved by Franchisor signed by each such Individual.

8.6. Reasonableness of Restrictions

Franchisee acknowledges that the restrictive covenants contained in this Section 8 are essential elements of this Agreement and that without their inclusion, Franchisor would not have entered into this Agreement. Franchisee acknowledges that each of the terms set forth herein, including, for example, the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisor, the System and the Marks and Franchisee waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable.

9. TRAINING AND ASSISTANCE

9.1. Initial Training

Franchisor shall make an initial training program available to the Designated Managing Owner, Designated Manager and such other owners and/or staff persons as Franchisee requests. The number of attendees for the initial training program is unlimited, included in the initial franchise fee, provided that all such persons attend the in-person training at the same time as the Designated Managing Owner. Before the opening of the Franchised The Real Food Academy, the Designated Managing Owner and Designated Manager (which may be one person) must attend and successfully complete, to Franchisor’s satisfaction, an initial training program pertaining to the operation and administration of the Franchised The Real Food Academy , including, but not limited to: practices and procedures, sales and marketing methods; financial controls; maintenance of quality standards; customer service techniques; record keeping; and reporting procedures and other operational issues. Franchisor shall conduct the initial training program at its headquarters, at the Franchised The Real Food Academy, or at another designated location. Franchisor

shall not charge tuition or similar fees for initial training for all Franchisee's attendees obtaining initial training at the same time as either the Designated Managing Owner/Designated Manager however, all expenses incurred by Franchisee in attending such program including, but not limited to, travel costs, room and board expenses and employees' salaries, shall be the sole responsibility of Franchisee. Except as otherwise expressly provided in this Section 9, Franchisee shall be responsible for training its management and other employees. Following the completion of Franchisor's initial training program, if Franchisee does not fee adequately trained in any area, Franchisee may request additional training, and Franchisor will provide additional training to Franchisee. If Franchisee does not request additional training within sixty (60) days of completion of the initial training program, it will be conclusively established that Franchisor has provided sufficient initial training.

9.2. Failure to Complete Initial Training Program

If Franchisor determines that the Designated Managing Owner or Designated Manager is unable to satisfactorily complete the training program described above, Franchisor has the right to terminate this Agreement if Franchisee does not promptly designate a replacement who can complete the training program to Franchisor's reasonable satisfaction. In the event of substitute training, Franchisee will be required to pay Franchisor's then-current rates for additional training, if any, and reimburse Franchisor's costs for providing training to the substitute Designated Managing Owner or Designated Manager.

9.3. New Designated Managing Owner, Manager

After beginning operations, should Franchisee name a new Designated Managing Owner or Designated Manager Franchisee must immediately notify Franchisor of the identity of the new Designee, and the new Designated Managing Owner/Manager must complete the initial training program to Franchisor's satisfaction within ninety (90) days of being named. Franchisor has the right to require Franchisee to pay the costs of training, currently estimated at four hundred to three thousand dollars (\$400 - \$3,000) per trainee. Franchisee shall be responsible for all travel costs, room and board and its employees' salaries incurred in connection with the new Designated Managing Owner or Designated Manager's attendance at such training. Additionally, should Franchisee hire a new practitioner, that practitioner must complete the online initial training.

9.4. Ongoing Training

From time to time, Franchisor may provide (and, if it does, has the right to require that individuals holding specified owner/staff positions attend) ongoing training programs or seminars during the term of this Agreement. Franchisor may charge a fee for any mandatory or optional ongoing training. Franchisor may also require additional training as a condition of curing a default, and Franchisee acknowledges that it may be required to complete any such training required to cure a default in addition to other mandatory ongoing training. Franchisee shall be responsible for all travel costs, room and board and its employees' salaries incurred in connection with the individual's attendance at such training. Failure of Franchisee to cause the specified owner/staff to attend any required ongoing training without obtaining a written waiver from Franchisor for good cause shown shall be a material default.

10. CONFIDENTIAL OPERATIONS MANUAL

10.1. Loan by Franchisor

While this Agreement is in effect, Franchisor shall lend to Franchisee one (1) copy of the Confidential Operations Manual or grant Franchisee access to an electronic copy of the Confidential Operations Manual. Franchisee shall conduct the Franchised The Real Food Academy in strict accordance

with the provisions set forth in the Confidential Operations Manual. The Confidential Operations Manual may consist of one (1) or more separate manuals, videos, online modules, and other materials as designated by Franchisor and may be in written or electronic form. The Confidential Operations Manual shall, at all times, remain the sole property of Franchisor and shall promptly be returned to Franchisor upon expiration or termination of this Agreement.

10.2. Revisions

Franchisor has the right to add to or otherwise modify the Confidential Operations Manual from time to time to reflect changes in the specifications, standards, operating procedures and rules prescribed by Franchisor; provided, however, that no such addition or modification shall materially alter Franchisee’s fundamental status and rights under this Agreement. Franchisor may make such additions or modifications without prior notice to Franchisee. Franchisee shall immediately, upon notice, adopt any such changes and shall ensure that its copy of the Confidential Operations Manual is up-to-date at all times. If a dispute as to the contents of the Confidential Operations Manual arises, the terms of the master copy of the Confidential Operations Manual maintained by Franchisor at Franchisor’s headquarters shall be controlling.

10.3. Confidentiality

The Confidential Operations Manual contains Trade Secrets and other Confidential Information of Franchisor, and its contents shall be kept confidential by Franchisee both during the term of the Franchise and subsequent to the expiration and non-renewal or termination of this Agreement. Franchisee shall at all times ensure that its copy of the Confidential Operations Manual is available at the Franchised The Real Food Academy in its current and up-to-date form. If the Confidential Operations Manual is in paper form or stored on computer-readable media, Franchisee shall maintain the Confidential Operations Manual in a secure manner at the Approved Location; and if the Confidential Operations Manual is in electronic form, Franchisee shall maintain the Confidential Operations Manual in a password-protected file. Franchisee shall only grant authorized personnel, as defined in the Confidential Operations Manual, access to the Confidential Operations Manual or any key, combination or passwords needed for access to the Confidential Operations Manual, with single user passwords in accordance with Section 8 of this Agreement. Franchisee shall not disclose, duplicate or otherwise use any portion of the Confidential Operations Manual in an unauthorized manner.

11. FRANCHISE SYSTEM

11.1. Uniformity

Franchisee shall strictly comply, and shall cause the Franchised The Real Food Academy and its employees to strictly comply, with all requirements, specifications, standards, operating procedures and rules set forth in this Agreement, the Confidential Operations Manual or other communications supplied to Franchisee by Franchisor. Franchisee shall offer only those products and services approved by Franchisor. If Franchisee desires to offer a product or service not approved in the Confidential Operations Manual, Franchisee must obtain Franchisor’s written approval to do so. Franchisor reserves the right to approve or deny any request, in its sole in and absolute discretion and reserves the right to terminate any variance approval previously granted.

11.2. Modification of the System

Franchisee recognizes that from time to time, Franchisor may introduce, as part of the System, other methods or technology which require certain System modifications including, without limitation, the adoption and use of modified or substitute Marks, new computer hardware and software, equipment or

signs. Franchisee agrees to make all required upgrades and modifications at its expense as may be required by Franchisor; provided, however, that Franchisee shall not be required to make any expenditures during the first year of the initial term or any expenditures which are unreasonably disproportionate to Franchisee's initial investment to establish the Franchised Business during the initial term. If such additional investment is required to be made in the last year of the initial term, Franchisee may avoid making the investment by providing notice of intent not to renew the Franchise unless the investment is in connection with a modification to the System required by law or court order. Franchisee acknowledges that any required expenditures for changes or upgrades to the System shall be in addition to expenditures for repairs and maintenance as required in Section 14.2 of this Agreement. Notwithstanding the foregoing, Franchisee shall be required to make any and all improvements or modifications whenever such are required by law, regulation, agency decision, or court order.

11.3. Variance

Franchisor has the right to vary standards or specifications for any franchisee based upon that particular franchisee's qualifications, the peculiarities of the particular site or circumstances, the demographics of the trade area, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of any particular The Real Food Academy. Franchisor shall not be required to disclose or grant to Franchisee a like or similar variance hereunder.

12. ADVERTISING AND PROMOTIONAL ACTIVITIES

12.1. Local Advertising

Franchisee should prepare and commit to a local advertising plan in Franchisee's Area of Primary of Responsibility. Currently, you are required to spend at least \$1,500 each month on your local advertising monthly, but we may increase this to \$3,000 each month upon notice to you. Franchisee shall be responsible for determining what advertising Franchisee shall use, and Franchisee shall submit to Franchisor, for its prior approval, all advertising and promotional materials to be used by Franchisee, including, but not limited to, television ads, radio ads, ad copy, coupons, flyers, scripts and direct mail. Franchisor shall use reasonable efforts to provide notice of approval or disapproval within thirty (30) days from the date all such material is received by Franchisor. If Franchisor does not approve submitted materials by the end of such thirty (30) day period, such materials shall be deemed to have received the required approval. Franchisee shall not use any marketing or promotional material prior to approval by Franchisor. We shall have the absolute right, at our sole discretion, to terminate any approval at any time upon written notice to you. The Real Food Academy may, but is not required to, specify from time to time in the Operations Manual certain online social media postings that, when made in accordance with the System Standards on an approved platform (**Exhibit 9**), do not require pre-approval prior to posting. In all cases, The Real Food Academy reserves the absolute right, at our sole discretion, to require removal or discontinuance of any posting or advertising. We reserve the right to designate required suppliers or vendors for local marketing, and you agree to use any required suppliers or vendors so designated. We reserve the right to collect local advertising funds from you for payment to designated vendors.

12.2. Internet Advertising

Franchisee may not establish a presence on, or market using, the Internet in connection with the Franchised The Real Food Academy without Franchisor's prior written consent. Franchisor has established and maintains an Internet website at the uniform resource locator **www.therealfoodacademy.com** that provides information about the System and the products and services that Franchisor and its franchisees

provide. Franchisor may include at The Real Food Academy website an interior page containing information about the Franchised The Real Food Academy. All information provided by Franchisee or which Franchisor does not create shall be subject to Franchisor's written approval prior to posting. Franchisor retains the sole right to advertise or use the Marks on the Internet, including the use of websites, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce and co-branding arrangements. Franchisee may be requested to provide content for Franchisor's Internet marketing and shall be required to follow Franchisor's intranet and Internet usage rules, policies and requirements. Franchisor retains the sole right to approve any linking to, or other use of, The Real Food Academy website.

Unless you have our prior written consent, you agree not to use any Mark as a part of any domain name, home page, electronic address, or otherwise in connection with an internet site (unless in connection with our approved franchise system website) or in any username, screen name or profile in connection with any social networking sites, such as, but not limited to, Facebook, Vimeo, YouTube, Instagram, Tik Tok, Twitter, and LinkedIn. You may apply to Franchisor for approval of use in an online platform or other electronic media by using the form attached hereto as **Exhibit 9**. We have no obligation to consent to your use of any Mark or trade name in any form of electronic media and reserve all rights to control the use of all Marks and trade names in all forms of electronic media. Should we grant you written authorization to use the Marks in a form of electronic media, you agree that we will own all rights to such form of electronic media, have the right to control the content associated with the Marks, administrative access to all such electronic media accounts, and login information and passwords to all such accounts. As set forth in **Exhibit 9**, our approval of a Franchisee's use of a social media platform contemplates the Franchisee administering/posting on the platform with the Franchisor only exercising its rights when Franchisor deems necessary.

12.3. Directory Advertising

Franchisee must list or advertise the Franchised The Real Food Academy in such print and on-line directories as Franchisor may specify from time to time.

12.4. Brand Marketing Fund

The Real Food Academy Franchise LLC has implemented a Brand Marketing Fund, and Franchisee will be required to contribute to the Brand Marketing Fund in the amount of one percent (1%) of Gross Revenues. Franchisor may increase the Brand Marketing Fund Contribution to two percent (2%) of Gross Revenues by providing Franchisee with thirty (30) days' notice. Your contribution to the Brand Marketing Fund shall be due and payable together with Franchise Royalties. Brand Marketing Fund contributions are in addition to your local advertising obligations set forth above.

We will administer the Brand Marketing Fund as follows:

- a. All Brand Marketing Funds received may be deposited in the general operating account and co-mingled with the general funds of The Real Food Academy Franchise LLC but will be accounted for separately. Brand Marketing Funds will be spent on System promotion, development and advertising in a region or nationally as determined in the sole discretion of the Franchisor. The Brand Marketing Fund shall not be used to defray any of our general operating expenses, except for such reasonable costs and expenses, including salaries of employees administering the Brand Marketing Fund or creating or implementing

marketing, if any, that we may incur in activities reasonably related to the administration of the Brand Marketing Fund, creation or production of any marketing piece, or implementation of a marketing initiative.

- b. Franchisee's Brand Marketing Fund Contributions may be used to meet the costs of, or to reimburse us for our costs of, creating, producing, maintaining, administering and directing consumer advertising (including, without limitation, the cost of creating, preparing and conducting television, radio, Internet, magazine, newspaper, and direct mail advertising campaigns and other public relations activities, email marketing, developing and/or hosting an Internet web page or site and similar activities, employing advertising agencies to assist therein, and providing promotional brochures and other marketing materials to franchisees).
- c. We will oversee all marketing programs, with sole control over creative concepts, materials and media used in such programs, and the placement and allocation thereof. We do not warrant that any particular franchisee will benefit directly or pro rata from expenditures by the Brand Marketing Fund. The program(s) may be local, regional or System-wide. We have no obligation to expend the marketing funds in any particular geographic area. We do not warrant the success or effectiveness of any particular marketing program.
- d. We shall endeavor to spend all Brand Marketing Fund Contributions on marketing programs and promotions during the fiscal year within which such contributions are made and the following fiscal year. If excess amounts remain in the Brand Marketing Fund at the end of a fiscal year, all expenditures in the following fiscal year(s) shall be made first out of such excess amounts, including any interest on or other earnings of the Brand Marketing Fund, and next out of prior year contributions and then out of current contributions.
- e. Although We intend the Brand Marketing Fund to be of perpetual duration, we have the right to terminate the Brand Marketing Fund at any time. The Brand Marketing Fund shall not be terminated, however, until all Brand Marketing Fund Contributions have been expended for advertising and promotional purposes or returned to Franchisee and other franchisees on a pro rata basis based on total Brand Marketing Fund Contributions made in the aggregate by each franchisee.
- f. An accounting of the operation of the Brand Marketing Fund shall be prepared annually and shall be available to Franchisee upon request. We are not required to but retain the right to have the Brand Marketing Fund reviewed or audited and reported on, at the expense of the Brand Marketing Fund, by an independent certified public accountant selected by us.
- g. Franchisee acknowledges that the Brand Marketing Fund is not a trust and that The Real Food Academy Franchise LLC assumes no fiduciary duty in administering the Brand Marketing Fund.

13. ACCOUNTING, RECORDS AND REPORTING OBLIGATIONS

13.1. Records

During the term of this Agreement, Franchisee shall maintain full, complete and accurate books, records and accounts in accordance with the standard accounting system prescribed by Franchisor in the Confidential Operations Manual or otherwise in writing. Franchisee must use and maintain the standard chart of accounts and use the accounting program specified by Franchisor from time to time. Franchisee must also use the accounting services designated by Franchisor. Franchisee must provide Franchisor with read-only access to Franchisee's accounting records. At no time shall Franchisee's books and records, be more than thirty (30) days out of date. At no time shall Franchisee's books, records, and accounting be more than thirty (30) days incomplete. Failure to keep books, records, and accounting current is a material breach of this Agreement. Franchisee shall retain during the term of this Agreement, and for three (3) years thereafter, all books and records related to the Franchised The Real Food Academy, including, without limitation, purchase orders, invoices, payroll records, sales tax records, state and federal tax returns, bank statements, cancelled checks, deposit receipts, cash receipts, disbursement journals, general ledgers, media sponsorships, trade deals, group advertising deals and any other financial records designated by Franchisor or required by law. The franchisee must also use one point Accounting to manage their books.

13.2. Financial Statements

Franchisee shall at all times maintain complete and accurate books and records in an accounting program approved by Franchisor pursuant to a standard chart of accounts, as designated by Franchisor and/or its accounting advisors from time to time. Franchisee shall ensure that Franchisor has continuous read-only access to the books and records. If Franchisee will maintain its accounting on a desktop, Franchisee agrees to provide any financial statements, balance sheets, profit and loss statements, or other reporting requested by Franchisor within forty-eight (48) hours of the request. In addition, upon Franchisor's request, Franchisee shall supply to Franchisor in a form approved by Franchisor, such balance sheets, income statements, and other financial reports as Franchisor may specify. Such financial statements shall be prepared in accordance with good accounting practices applied on a consistent basis. As of the date of this Agreement, Franchisee is required to submit to Franchisor a profit and loss statement and balance sheet, prepared according to Franchisor's standard chart of accounts within thirty (30) days of the close of each calendar month. If required by Franchisor, such financial statements shall be reviewed or audited by a certified public accountant. Franchisee shall submit to Franchisor such other periodic reports in the manner and at the times specified in the Confidential Operations Manual or otherwise in writing. Franchisee agrees that Franchisor has the right to use and to disclose all information provided by Franchisee to Franchisor in Franchisee's financial statements, balance sheets, income statements, and other reports.

13.3. Other Reports

Franchisee shall submit to Franchisor copies of all state sales tax returns that are required to be filed with the appropriate governmental agency and such other records as Franchisor may reasonably request from time to time or as specified in the Confidential Operations Manual. Franchisor shall have the right to release financial and operational information relating to the Franchised The Real Food Academy to Franchisor's lenders and prospective lenders, investors and purchasers of Franchisor (irrespective of whether the purchase is structured as an asset purchase, stock purchase or merger). Franchisee shall certify as true and correct all reports to be submitted pursuant to this Agreement.

13.4. Computer/Point-of-Sale System

Franchisor requires Franchisee to acquire, install and use computer and point-of-sale systems consisting of hardware and software in accordance with Franchisor's specifications. Franchisee warrants and covenants that all sales of products and services, of any kind, at, from, or through The Real Food Academy Franchise or otherwise using or related to the Marks will be processed through the designated point-of-sale system. Franchisor shall have full access to all of Franchisee's computer and point-of-sale data and systems and all related information by means of direct access, either in person or by telephone, modem or Internet to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement.

13.5. Right to Inspect

Franchisor or its designee has the right, during normal business hours, to examine, copy and audit the books, records and tax returns of Franchisee. If an audit or any other inspection should reveal that any amounts owed to Franchisor have been underpaid, then Franchisee shall immediately pay to Franchisor the amount of the underpayment plus interest from the date such amount was due until paid at the rate of one-and one-half percent (1.5%) per month (or the highest rate allowed by the law). If an audit or any other inspection discloses an underpayment of two percent (2%) or more of the amount owed to Franchisor for the period covered by the audit or inspection, Franchisee shall, in addition, reimburse Franchisor for any and all costs and expenses connected with the audit or inspection (including, without limitation, travel expenses and reasonable accounting and attorneys' fees). The foregoing remedies shall be in addition to any other remedies Franchisor may have.

13.6. Release of Records

At Franchisor's request, Franchisee shall authorize and direct any third parties, including accounting and legal professionals, to release to Franchisor all accounting and financial records arising from or relating to the operation of the Franchised The Real Food Academy, including, but not limited to, records evidencing Gross Revenue, profits, losses, income, tax liabilities, tax payments, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within said third parties' possession, custody or control, and to continue to release such records to Franchisor on a monthly basis for the length of the unexpired term of this Agreement or until such time as Franchisor withdraws its request. Franchisee shall execute all documents necessary to facilitate the release of records referenced herein to Franchisor.

14. STANDARDS OF OPERATION

14.1. Authorized Products, Services and Suppliers

Franchisee acknowledges that the reputation and goodwill of the System are based in large part on offering uniform high quality products and services to its customers. Accordingly, Franchisee shall provide or offer for sale or use at the Franchised The Real Food Academy only those products, supplies, signs, equipment and other items and services that Franchisor from time to time approves (and which are not thereafter disapproved) and that comply with Franchisor's specifications and quality standards. You must offer all products at retail prices, and you will not offer or sell any products at wholesale prices.

If required by Franchisor, any such items or services shall be purchased only from "Approved Suppliers" that Franchisor designates or approves (which might include, or be limited to, Franchisor or an

Affiliate). Franchisee acknowledges that Franchisor may approve a supplier for one or more particular products or services and may disapprove the supplier for other products or services. Franchisee shall be responsible for ensuring that all products and services are purchased from an approved supplier of those products or services. Franchisee shall not offer for sale, sell or provide through the Franchised The Real Food Academy or from the Franchised The Real Food Academy any products or services that Franchisor has not approved. Franchisee agrees that Franchisor and/or Franchisor's affiliates may be an Approved Supplier and/or may be the only Approved Supplier and that Franchisor and its affiliates reserve the right to earn a profit on any goods or services supplied to Franchisee.

Franchisor shall provide Franchisee, in the Confidential Operations Manual or other written or electronic form, with a list of specifications and, if Franchisor requires Franchisee to purchase goods or services from Approved Suppliers, a list of Approved Suppliers for some or all of the required products, supplies, signs, equipment and other approved or specified items and services, and Franchisor may from time-to-time issue revisions to such list. If Franchisee desires to acquire any products or services that Franchisor has not approved, Franchisee shall submit a request for approval to Franchisor. Franchisor may, in its discretion, require Franchisee to have the service or product and/or supplier evaluated by an independent agency to determine whether the service or product complies with Franchisor's standards and specifications or whether the supplier meets its Approved Supplier criteria. Franchisee shall bear all of the expenses for such independent evaluation. Franchisor will decide within a reasonable time (usually within thirty [30] days) after receiving the required information whether Franchisee may acquire such items or whether the supplier shall be designated as an Approved Supplier, as the case may be. Failure to receive written approval of a supplier from Franchisor will be a denial of the proposed supplier. Approval of a supplier may be conditioned on a variety of criteria, as determined by Franchisor from time to time, including but not limited to, the supplier's ability to provide a sufficient quantity of product; quality of products or services at competitive prices; production and delivery capability; and dependability and general reputation. Nothing in this Section shall be construed to require Franchisor to approve any particular supplier, or to require Franchisor to make available to prospective suppliers, standards and specifications that Franchisor deems confidential.

Notwithstanding anything contrary in this Agreement, Franchisor has the right to reconsider from time to time its approval of any items or suppliers. Franchisor may revoke its approval of any item, service or supplier at any time by notifying Franchisee. Franchisee shall, at its own expense, promptly cease using, selling or providing any items or services disapproved by Franchisor and shall promptly cease purchasing, leasing or licensing from suppliers disapproved by Franchisor.

Franchisor has the right to designate certain products and services, not otherwise authorized for general use as part of the System, to be offered locally or regionally based upon such factors as Franchisor determines including, but not limited to, franchisee qualifications, test marketing and regional or local differences. Franchisor has the right to permit one (1) or more franchisees to provide certain products or services not authorized for general use as part of the System. Such consent will be based upon the factors set forth in Section 11.3 and shall not create any rights in Franchisee to provide the same products or services.

Franchisor has the right to retain volume rebates, markups and other benefits from suppliers or in connection with the furnishing of Approved Suppliers. Franchisee shall have no entitlement to or interest in any such benefits.

14.2. Appearance and Condition of the Franchised The Real Food Academy

Franchisee shall maintain the Franchised The Real Food Academy in “like new” condition, and shall repair or replace furniture, fixtures, equipment, and signage as necessary to comply with the health and safety standards, specifications of Franchisor, and any applicable laws or regulations. The expense of such maintenance shall be borne by Franchisee and shall be in addition to any required System modifications, as described in Section 11.2.

14.3. Ownership and Management

You certify that all legal and beneficial owners of you are set forth in **Exhibit 4** attached hereto, that all such owners have completed a franchise application which is complete, true and correct in all material aspects, and that all such owners have executed and returned to us the Guarantee attached hereto as **Exhibit 3**. The Franchised The Real Food Academy shall, at all times, be under the direct supervision of Franchisee. The Designated Managing Owner or Designated Manager shall devote sufficient efforts to the management of the day-to-day operation of the Franchised The Real Food Academy and commits to regularly spend 25 or more hours per week at the Franchised The Real Food Academy. Franchisee shall keep Franchisor informed, in writing, at all times of the identity of its Designated Managing Owner and Designated Manager. Franchisee and its Owners must not engage in any business or other activities that will conflict with its obligations under this Agreement, including without limitation activities involving a Competitive Business.

14.4. Contributions and Donations

In order to protect the Marks, Franchisee must obtain Franchisor’s prior written consent before making any contributions or donations of items, services or funds to any individual or entity, or providing any type of other benefit to any charitable, religious, political, social, civic or other type of organization (or to any individual on behalf of any organization). Franchisor may, from time to time, designate certain classes of organizations in the Operations Manual as having open consent. Franchisor may withdraw any consent previously granted and may withhold its consent in its sole and absolute discretion.

14.5. Personnel

Franchisee is solely responsible for its employees, and Franchisor does not exercise control over Franchisee’s employees. Franchisee shall maintain competent and conscientious personnel to operate the Franchised The Real Food Academy in accordance with this Agreement and the Confidential Operations Manual. Franchisee shall train or cause the training of all personnel as and when required by prudent business practices, System standards or this Agreement, and Franchisee shall comply with all applicable laws and regulations regarding the qualifications, hiring and training of employees. All costs associated with Franchisee’s performance of its obligations under this Section shall be the sole responsibility of Franchisee. Franchisee shall obtain from all personnel who will have access to The Real Food Academy Confidential Information and provide to Franchisor an executed Noncompetition and Nondisclosure Agreement in the format attached hereto as **Exhibit 2** or such other format as may be specified by Franchisor from time to time. In the event applicable law at any time makes all or part of Exhibit 2 unenforceable with respect to any employee of Franchisee or other person who will have access to Confidential Information, Franchisee shall have modified or updated Agreements in an enforceable form approved by Franchisor signed by each such Individual.

14.6. Privacy and Security

Franchisee is solely responsible for maintaining the privacy and security of personally identifiable information (“PI”) of employees and customers of the Franchised The Real Food Academy. Franchisee agrees to comply with all laws and regulations regarding privacy, data security, and cyber security, to use commercially reasonable efforts to maintain the security of PI, and to take any other steps or measures regarding privacy and security which Franchisor may request from time to time.

14.7. Licenses and Permits

Franchisee shall secure and maintain in force all required licenses, permits and certificates necessary for the operation of the Franchised The Real Food Academy, and shall operate the Franchised The Real Food Academy in full compliance with all applicable laws, ordinances and regulations. Franchisor makes no representation to Franchisee with regard to any legal requirements that Franchisee must satisfy or comply with in connection with the operation of the Franchised The Real Food Academy. Franchisee shall be solely responsible for investigating and complying with all such laws, ordinances and regulations and acknowledges that Franchisor has recommended that Franchisee consult with a health care lawyer experienced with the laws in the jurisdiction where the Franchised The Real Food Academy will be located.

14.8. Notification of Proceedings

Franchisee shall notify Franchisor in writing of the commencement of any action, suit or proceeding involving Franchisee or the Franchised The Real Food Academy, and of the issuance of any order, writ, injunction, judgment, award or decree which may affect the operation or financial condition of the Franchised The Real Food Academy not more than five (5) days after becoming aware of such commencement or issuance. Franchisee shall deliver to Franchisor, not more than five (5) days after Franchisee’s receipt thereof, a copy of any inspection report, warning, certificate or rating by any governmental agency relating to any health or safety law, rule or regulation that reflects Franchisee’s failure to meet and maintain the highest applicable rating or Franchisee’s noncompliance or less than full compliance with any applicable law, rule or regulation.

14.9. Compliance with Good Business Practices

Franchisee acknowledges that the quality of customer service, and every detail of appearance and demeanor of Franchisee and its employees, is material to this Agreement and the relationship created and licenses granted hereby. Therefore, Franchisee shall use reasonable efforts to maintain high standards of quality and service in the operation of the Franchised The Real Food Academy. Franchisee shall at all times give prompt, courteous and efficient service to customers of the Franchised The Real Food Academy. The Franchised The Real Food Academy shall in all dealings with its customers, vendors and the general public adhere to the highest standards of honesty, fair dealing and ethical conduct. Without limiting other Franchisee responsibilities and obligations under this Agreement, Franchisee, and not Franchisor, shall be solely responsible for each of the following:

- a. Obtaining proper permissions or licensing for any intellectual property of another used in the Franchised The Real Food Academy, including without limitation, images used and music played;

- b. Ensuring that its policies related to any gift card program comply with all applicable escheat laws;
- c. Ensuring that its labor and employment practices comply with all applicable labor and employment laws;
- d. Ensuring that its payment processing is PCI compliant; and
- e. Complying with all food safety and handling laws and any other laws applicable to the Franchised The Real Food Academy.

14.10. Uniform or Dress Code

Franchisee shall abide by any uniform or dress code requirements stated in the Confidential Operations Manual or otherwise. Uniforms, if required, must be purchased from an Approved Supplier, if such is designated, or, if none, then a supplier who meets Franchisor's specifications and quality standards for uniforms.

14.11. Credit Cards

Franchisee shall, at its expense, lease or purchase the necessary equipment and/or software and shall have arrangements in place with Visa, MasterCard and such other credit card issuers as Franchisor may designate, from time to time, to enable the Franchised The Real Food Academy to accept such methods of payment from its customers. Franchisee shall ensure that its payment processing is PCI compliant.

14.12. E-Mail

Franchisee shall, at all times utilize the email addresses provided by Franchisor for communications regarding the Franchised The Real Food Academy and for communications with Franchisor. Franchisee must include in its email signature block a statement that Franchisee's Franchised The Real Food Academy is an independently owned and operated franchise.

14.13. Full Term Performance

Franchisee specifically agrees to be obligated to operate the Franchise, perform the obligations of this Agreement, and continuously use its best efforts to operate the Franchised The Real Food Academy for the full term of this Agreement.

14.14. Pricing

To the fullest extent permissible under applicable law, (a) we may periodically establish maximum and/or minimum prices, advertising for services and products that the Franchised The Real Food Academy offers including pricing specifications for System- wide promotions, and (b) if we establish such prices for any services or products, you agree not to exceed or reduce that price, but will charge the price for the service or product that we establish. This provision shall be automatically modified to conform to all applicable state and federal laws, rules and regulations.

15. FRANCHISOR'S ADDITIONAL OPERATIONS ASSISTANCE

15.1. General Advice and Guidance

Franchisor shall be available to render advice, discuss problems and offer general guidance to Franchisee by telephone, e-mail, video conference, newsletters and other methods with respect to planning, opening and operating the Franchised The Real Food Academy. Franchisor shall not charge for this service; however, Franchisor retains the right to refuse to provide the service or to charge a fee for this service should Franchisee be deemed by Franchisor to be utilizing this service too frequently or in an unintended manner. To the extent permitted by applicable law, we may occasionally establish maximum and/or minimum prices or minimum advertised price policies for services and products that Franchise locations offer, including without limitation, prices for promotions in which all or certain The Real Food Academies participate. If we establish such prices for any services or products, you cannot exceed or reduce that price, but will charge the price for the service or product that we establish. You will apply any pricing format or schedule or minimum advertised price policy determined by us. These policies are subject to anti-trust and other related laws that may limit our ability to require you to set prices.

15.2. Periodic Visits

Franchisor or Franchisor's representatives (including third party inspectors) may make periodic visits, which may be announced or unannounced, to the Franchised The Real Food Academy for the purposes of consultation, assistance and guidance with respect to various aspects of the operation and management of the Franchised The Real Food Academy. Franchisor and Franchisor's representatives who visit the Franchised The Real Food Academy may prepare, for the benefit of both Franchisor and Franchisee, written reports detailing any problems or concerns discovered during any such visit and outlining any required or suggested changes or improvements in the operations of the Franchised The Real Food Academy. A copy of any such written report may be provided to Franchisee. Franchisee shall promptly implement any required changes or improvements as required by Franchisor, with time being of the essence.

16. INSURANCE

16.1. Types and Amounts of Coverage

At its sole expense, Franchisee shall procure prior to opening the Franchised The Real Food Academy, and maintain in full force and effect during the term of this Agreement, the types of insurance we specify from time to time. All policies (except any workers' compensation insurance) shall expressly name Franchisor as an additional insured or loss payee, and all shall contain a waiver of all subrogation rights against Franchisor and its successors and assigns. In addition to any other insurance that may be required by applicable law, or by a third party, Franchisee shall procure:

- a. workers' compensation insurance and employer liability coverage with a minimum of \$100,000 for each accident and \$100,000 for each disease or such higher limit as your state law requires;
- b. comprehensive general liability insurance with a minimum liability coverage of \$1,000,000 per occurrence and \$3,000,000 in the aggregate, plus a \$4,000,000

- umbrella policy, or higher if your state law requires (this policy must include coverage for contractual indemnity);
- c. Liquor liability of \$3,000,000 in the aggregate
 - d. owned and non-owned automobile liability insurance of at least \$1,000,000;
 - e. cyber security/data breach insurance of \$1,000,000 per occurrence and \$1,000,000 in the aggregate;
 - f. employment liability insurance of \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
 - g. business interruption insurance;
 - h. insurance coverage for contractual indemnity and such other insurance as is necessary to provide coverage under the indemnity provisions set forth in Section 22;

16.2. Future Increases

Franchisor has the right to reasonably increase the minimum liability protection requirement annually and require different or additional insurance coverage(s) to reflect inflation, changes in standards of liability, future damage awards or other relevant changes in circumstances.

16.3. Carrier Standards

Such policies shall be written by insurance companies licensed in the state in which Franchisee operates and having at least an “A” Rating Classification as indicated in the latest issue of A.M. Best’s Key Rating Guide. Although A.M. Best groups “A” and “A-” in the same classification, Franchisor requires an “A” rating.

16.4. Evidence of Coverage

Franchisee’s obligation to obtain and maintain the foregoing policies shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee’s performance of this obligation relieve it of liability under the indemnity provisions set forth in Section 22. Franchisee shall provide, annually, certificates of insurance showing compliance with the foregoing requirements. Such certificates shall state that said policy or policies shall not be canceled or altered without at least thirty (30) days prior written notice to Franchisor and shall reflect proof of payment of premiums.

16.5. Failure to Maintain Coverage

Should Franchisee not procure and maintain insurance coverage as required by this Agreement, Franchisor has the right (but not the obligation) to immediately procure such insurance coverage and to charge the premiums to Franchisee, which charges, together with a reasonable fee for expenses incurred by Franchisor in connection with such procurement, shall be paid by Franchisee immediately upon notice.

17. DEFAULT AND TERMINATION

17.1. Termination by Franchisee

If Franchisee is in full compliance with all of the terms of this Agreement and Franchisor materially breaches this Agreement and fails to commence reasonable efforts to cure such breach within forty-five (45) days after receiving written notice identifying the claimed breach and the applicable provision of this Agreement, Franchisee may elect to terminate this Agreement unless the breach cannot reasonably be cured within such forty-five (45) days. Provided, however, in the event Franchisor has notified Franchisee within the applicable cure period that Franchisor disputes that it is in breach, Franchisee agrees to comply with the dispute resolution procedures of this Agreement, including without limitation, attending mediation with a third party neutral mediator to try to resolve the dispute. All post-termination provisions will be applicable in the event Franchisee terminates this Agreement pursuant to this paragraph.

17.2. Termination by Franchisor

Franchisor has the right to terminate this Agreement, without any opportunity to cure by Franchisee, if Franchisee and/or its Owners:

- a. fails to timely establish, equip and commence operations of the Franchised The Real Food Academy pursuant to Section 6;
- b. fails to have its Designated Managing Owner and Designated Manager satisfactorily complete any training program pursuant to Section 9;
- c. fails to maintain all required licenses, permits, and certifications for a period exceeding five (5) business days;
- d. are prohibited by any governmental body or agency from conducting business;
- e. made any material misrepresentation or omission in its application for the Franchise or otherwise in communicating with Franchisor in the course of entering into this Agreement;
- f. Franchisee and/or one or more of Franchisee's owners is convicted of or pleads no contest to a felony or to another crime or offense that is likely to adversely affect the reputation of Franchisor, Franchisee or the Franchised The Real Food Academy;
- g. after notice of the breach, fails to refrain from activities, behavior or conduct likely to adversely affect the reputation of Franchisor, Franchisee or the Franchised The Real Food Academy;
- h. discloses, duplicates or otherwise uses in an unauthorized manner any portion of the Confidential Operations Manual, Trade Secrets or any other Confidential Information;
- i. fails to have each holder of a legal or beneficial interest in Franchisee (and any member of such holder's immediate family or household), and each officer, director, executive, manager or member of Franchisee, execute a nondisclosure and non-competition

agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as **Exhibit 2**, upon execution of this Agreement or prior to each such person's affiliation with Franchisee or fails to provide Franchisor with copies of all nondisclosure and non-competition agreements signed pursuant to Section 8.5 if requested by Franchisor;

- j. abandons, fails or refuses to actively operate the Franchised The Real Food Academy for five (5) or more consecutive days (unless the Franchised The Real Food Academy has not been operational for a purpose approved by Franchisor) or, if first approved by Franchisor, fails to promptly relocate the Franchised The Real Food Academy following the expiration or termination of the lease for the Approved Location, the destruction or condemnation of the Approved Location or any other event rendering the location of the Franchised The Real Food Academy unusable;
- k. surrenders or transfers control of the operation of the Franchised The Real Food Academy without Franchisor's approval, makes or attempts to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in Franchisee, or fails or refuses to assign the Franchise or the interest in Franchisee of a deceased or incapacitated owner thereof as herein required;
- l. fails to maintain the Franchised The Real Food Academy under the primary supervision of a Designated Managing Owner or Designated Manager during the period of time pending transfer (typically ninety (90) days) following the death or Incapacity of Franchisee or any holder of a legal or beneficial interest in Franchisee pursuant to Section 19.6;
- m. submits to Franchisor on two (2) or more separate occasions at any time during the term of the Franchise any reports or other data, information or supporting records that understate any Royalty, Brand Marketing Fund Fee, or any other fees owed to Franchisor by more than two percent (2%) for any accounting period and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error;
- n. becomes a debtor under the United States Bankruptcy Code, becomes insolvent, commits any affirmative act of insolvency, or files any action or petition of insolvency; if a receiver of its property or any part thereof is appointed by a court; if it makes a general assignment for the benefit of its creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless supersedeas bond is filed); if execution is levied against any of Franchisee's business or property; if a suit to foreclose any lien or mortgage against its Approved Location or personal property is instituted against Franchisee and not dismissed or in the process of being dismissed within thirty (30) days;
- o. misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks;

- p. fails on two (2) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records when due, to pay any Royalty, Brand Marketing Fund Contribution, amounts due for purchases from Franchisor and any Affiliate, or other payment to Franchisor or any Affiliate when due or otherwise fails to comply with this Agreement, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee;
- q. violates, on two (2) or more occasions, any health or safety law, ordinance or regulation, or operates the Franchised The Real Food Academy in a manner that presents a health or safety hazard to its customers, employees or the public;
- r. engages in any activity exclusively reserved to Franchisor;
- s. fails to comply with any applicable law or regulation within ten (10) days after being given notice of noncompliance;
- t. on two or more occasions in a 12-month period breaches this Agreement and/or fails to comply with mandatory specifications, customer service standards or operating procedures prescribed in the Confidential Operations Manual, whether or not previous breaches or failures are cured; or
- u. Franchisee, an owner of Franchisee, or an affiliate of Franchisee defaults under any other agreement between Franchisor (or any Affiliate) and Franchisee (or any Affiliate), such that Franchisor or its Affiliate, as the case may be, has the right to terminate such agreement or such agreement automatically terminates.

17.3. Termination After Opportunity to Cure

In addition to the provisions listed in Section 17.2, Franchisor has the right to terminate this Agreement for the following breaches and defaults by giving notice of such termination stating the nature of the default; provided, however, that Franchisee may avoid termination by curing such default or failure (or by providing proof acceptable to Franchisor that Franchisee has made all reasonable efforts to cure such default or failure and shall continue to make all reasonable efforts to cure until a cure is effected if such default or failure cannot reasonably be cured before the effective date of the termination) within the specified period:

- a. within ten (10) days of receiving notice of Franchisee's failure to pay any amounts due to Franchisor;
- b. within ten (10) days of receiving notice of Franchisee's failure to maintain insurance as specified in Section 16 of this Agreement; or
- c. within forty-five (45) days of receiving notice of any other default by Franchisee or upon Franchisee's failure to comply with any mandatory specification, standard or operating procedure prescribed in the Confidential Operations Manual or otherwise prescribed in writing.

17.4. Reinstatement and Extension

If provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation or non-renewal other than in accordance with applicable law, Franchisor may reinstate or extend the term of this Agreement for the purpose of complying with applicable law by submitting a written notice to Franchisee without waiving any of Franchisor's rights under this Agreement.

17.5. Right of Franchisor to Discontinue Services to Franchisee

If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a notice of termination pursuant to Section 17, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the sale or supply to Franchisee of any products or services for which Franchisor is an Approved Supplier, until such time as Franchisee corrects the breach.

17.6. Right of Franchisor to Operate Franchised The Real Food Academy

Following the delivery of a notice of termination pursuant to this Agreement, if necessary in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume the operation of the Franchised The Real Food Academy until such time as Franchisee corrects the breach. Franchisor may charge a management fee as stated in the Confidential Operations Manual from time to time, currently equal to the greater of Five Hundred Dollars (\$500.00) per day or 10% of the daily Gross Revenues of the franchised business, and Franchisor shall be entitled to reimbursement of any expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchised Business.

17.7. Non-Compliance Charge.

In addition to our other rights and remedies, we may charge you a non-compliance charge in an amount up to five hundred dollars (\$500) per violation by you of any term or condition of this Agreement. You recognize that when you violate your obligations under this Agreement, we will devote time and expenses toward dealing with the non-compliance, and this charge is designed to compensate us for that time and expense and shall not be construed as a penalty.

18. RIGHTS AND DUTIES UPON EXPIRATION OR TERMINATION

18.1. Actions to be Taken

Except as otherwise provided herein, upon termination, expiration or nonrenewal, this Agreement and all rights granted hereunder to Franchisee shall terminate and Franchisee shall:

- a. If Franchisor has provided a notice that Franchisor is exercising its option to purchase the Assets of the Franchised The Real Food Academy or if Franchisor advises Franchisee that it is evaluating the exercise of its option to purchase the assets of the Franchised The Real Food Academy, take such steps as reasonably requested by Franchisor to continue operations of the Franchised The Real Food Academy until the Closing of the purchase;

- b. If Franchisor has advised Franchisee that it will not exercise its option to purchase or if the option period has expired, immediately:
- i. cease to operate the Franchised The Real Food Academy and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;
 - ii. immediately take all steps necessary to completely transfer to Franchisor any and all online platforms, social media sites, listing sites or services, review sites or services, or other media associated with the Marks or the Franchised The Real Food Academy business;
 - iii. cease to use the Trade Secrets, the Confidential Information, the System and the Marks, including, without limitation, all signs, slogans, symbols, logos, advertising materials, stationery, forms, nutritional supplements, labs, and any other items which display or are associated with the Marks;
 - iv. upon demand by Franchisor, immediately assign to Franchisor (or, if an assignment is prohibited, sublease for the full remaining term, and on the same terms and conditions as Franchisee's lease) its interest in the lease then in effect for the Franchised The Real Food Academy, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement, and Franchisor has the right to pay rent and other expenses directly to the party to whom such payment is ultimately due;
 - v. take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any assumed name or equivalent registration filed with state, city or county authorities which contains the name "The Real Food Academy" or any other Mark, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement;
 - vi. pay all sums owing to Franchisor and any Affiliate. In the event of termination for any default of Franchisee, such sums shall include, but not be limited to, all damages, costs and expenses, including reasonable attorneys' fees, with respect to litigation, arbitration, appellate or bankruptcy proceedings, unpaid Royalty Fees and other charges, loss of future Royalty Fee payments incurred by Franchisor as a result of any early termination of this Agreement, and any other amounts due to Franchisor or any Affiliate;

- vii. pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement;
- viii. immediately return to Franchisor the Confidential Operations Manual, Trade Secrets and all other Confidential Information, including records, files, instructions, brochures, agreements, disclosure statements and any and all other materials provided by Franchisor to Franchisee relating to the operation of the Franchised The Real Food Academy (all of which are acknowledged to be Franchisor's property);
- ix. if requested, assign all telephone listings and all telephone and facsimile numbers for the Franchised The Real Food Academy to Franchisor or its designee, notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone numbers or facsimile numbers associated with the Marks in any regular, classified or other telephone directory listing and authorize transfer of same to or at the direction of Franchisor;
- x. you agree to completely remove or modify, at your sole expense, any part of the interior and exterior decor that we deem necessary to disassociate the Premises with the image of Franchised The Real Food Academy including Trade Dress and any signage bearing the Marks as further described in **Exhibit 6**. If you do not take the actions we request within thirty (30) days after notice from us that we do not intend to take over operations of the facility, we have the right to enter the Premises and make the required changes at your expense, and you agree to reimburse us for those expenses on demand; and
- xi. comply with all other applicable provisions of this Agreement and reasonable instructions of Franchisor.

18.2. Post-Termination Covenant Not to Compete

- a. Franchisee acknowledges that the restrictive covenants contained in this Section and in Section 8 are fair and reasonable and are justifiably required for certain purposes including, but not limited to, the following:
 - i. to protect the Trade Secrets and other Confidential Information of Franchisor;
 - ii. to induce Franchisor to grant a Franchise to Franchisee; and

- iii. to protect Franchisor against its costs in training Franchisee and Franchisee's officers, directors, executives, and Designated Managing Owner(s).
- b. Except as otherwise approved in writing by Franchisor, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee, nor any officer, director, executive, manager or member of Franchisee, shall, for a period of three (3) years after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person, persons, partnership, corporation, limited liability company or other business entity:
 - i. own an interest in, manage, operate or provide services to any Competitive Business food related education or entertainment services within a ten (10) mile radius of your Area of Primary Responsibility or the Area of Primary Responsibility of any then-existing franchisee.
- c. In furtherance of this Section, Franchisor has the right to require Franchisor and Franchisor's owners, officers, directors, members, managers, and constituent partners to execute standard form nondisclosure or non-competition agreements in a form specified by the Franchisor from time to time, currently the same as or similar to the Nondisclosure and Non-Competition Agreement attached as **Exhibit 2**.

18.3. Unfair Competition

If Franchisee operates any other business:

- a. Franchisee shall not use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, that is likely to cause confusion, mistake or deception, or that is likely to dilute Franchisor's rights in the Marks
- b. Franchisee shall not use the Confidential Operations Manual in connection with, or to promote, such other business.
- c. Franchisee shall not utilize any designation of origin, description or representation that falsely suggests or represents an association or connection with Franchisor.
- d. This Section is not intended as an approval of Franchisee's right to operate other businesses and in no way is it intended to contradict Sections 8 and 18.
- e. If Franchisor elects not to receive an assignment or sublease of the Franchised The Real Food Academy, Franchisee shall make such modifications or alterations to the Approved Location (including changing telephone and facsimile numbers) immediately upon termination or expiration of this Agreement as may be necessary to prevent any

association between Franchisor or the System and any business subsequently operated by Franchisee or others at the Approved Location.

- f. Franchisee shall make such specific additional changes to the Franchised The Real Food Academy as Franchisor may reasonably request for that purpose, including, without limitation, removal of all physical and structural features identifying or distinctive to the System.
- g. If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor has the right to enter upon the Franchised The Real Food Academy for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee shall pay upon demand.

18.4. Franchisor's Option to Purchase Certain Business Assets

Franchisor has the right (but not the duty), exercisable by providing written notice of intent to purchase to Franchisee within a period of thirty (30) days after termination or expiration of this Agreement, to purchase for cash any or all assets of the Franchised The Real Food Academy including trade fixtures, leasehold improvements, equipment, supplies and all inventory. The purchase price shall be equal to the assets' fair market value as determined by an independent appraiser, and the Closing of the Option shall take place within ninety (90) days following Franchisor's receipt of the appraisal. If Franchisor elects to exercise this option to purchase, it has the right to set off all amounts due from Franchisee under this Agreement, if any, against the purchase price.

18.5. Survival of Certain Provisions

All obligations of Franchisor and Franchisee, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect subsequent to and notwithstanding such expiration or termination and until satisfied or by their nature expire.

18.6. Termination Fee

In the event this Agreement is terminated prior to the expiration of the Term, you acknowledge that we will suffer damages. You agree to pay a Termination Fee in the amount equal to the lesser of 24 months of your average royalties (based on the average royalties for the previous 12 months or such shorter time as you have been paying royalties) or the balance of your franchise term if less than 24 months. This payment is in addition to any other remedies that Franchisor may have including recovery of attorneys' fees and costs.

19. TRANSFERABILITY OF INTEREST

19.1. Transfer by Franchisor

This Agreement and all rights and duties hereunder are fully transferable in whole or in part by Franchisor and such rights will inure to the benefit of any person or entity to whom transferred; provided, however, that, with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor, the assignee shall assume the obligations of Franchisor hereunder, and

Franchisor shall thereafter have no liability for the performance of any obligations contained in this Agreement.

19.2. Transfer by Franchisee to a Third Party

The rights and duties of Franchisee as set forth in this Agreement, and the Franchise herein granted, are personal to Franchisee (or its owners), and Franchisor has entered into this Agreement in reliance upon Franchisee's personal or (in the case of Franchisor's owners) collective skill and financial ability. Accordingly, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee may sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer, whether by operation of law or otherwise, any interest in this Agreement, the Franchise granted hereby, the Approved Location used in operating the Franchised The Real Food Academy, its assets or any part or all of the ownership interest in Franchisee without the prior written approval of Franchisor. Any purported transfer without such approval shall be null and void and shall constitute a material breach of this Agreement. Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements, as well as Franchisee's compliance with this Agreement:

- a. Franchisee has complied with the requirements set forth in Section 20;
- b. all obligations owed to Franchisor or its affiliates by you, your owners, and/or your affiliates under this Agreement or any other Agreement, and all other outstanding obligations relating to the Franchised The Real Food Academy, are fully paid and satisfied;
- c. Franchisee (and any transferring owners, if Franchisee is a business entity) has executed a general release, in a form the same as or similar to the General Release attached as **Exhibit 1**, of any and all claims against Franchisor, including its officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), including, without limitation, claims arising under federal, state or local laws, rules or ordinances, and any other matters relating to this Agreement or the Franchised The Real Food Academy or incident to the termination of this Agreement or to the transfer of Franchisee's interest herein or to the transfer of Franchisee's ownership of all or any part of the Franchise; provided, however, that if a general release is prohibited, Franchisee shall give the maximum release allowed by law;
- d. the prospective transferee has proven to Franchisor that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, that Franchisor may require to demonstrate the prospective transferee's ability to operate the Franchised The Real Food Academy ;
- e. neither the prospective transferee nor any of its Owners or their affiliates own an interest in or perform services for a Competitive Business;
- f. the transferee and, if Franchisor requires, all persons owning any interest in the transferee, have executed the then-current franchise agreement for new franchisees, which may be substantially different from this Agreement, including different Fee rates

and other material provisions, and the franchise agreement then executed shall be for the term specified in such agreement;

- g. the prospective transferee has executed a general release, in a form the same as or similar to the General Release attached as **Exhibit 1**, of any and all claims against Franchisor and its officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities) with respect to any representations regarding the Franchise or the business conducted pursuant thereto or any other matter that may have been made to the transferee by Franchisee;
- h. Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the prospective transferee relating to the intended sale or transfer of the Franchise or interest;
- i. Franchisee or the prospective transferee has paid to Franchisor a transfer fee in the amount of TWENTY THOUSAND DOLLARS (\$20,000.00);
- j. Franchisee or the prospective transferee has paid any and all brokerage fees that arise as a result of the transaction;
- k. all holders of a legal or beneficial interest in the prospective transferee have agreed to be personally bound jointly and severally by all provisions of the new franchise agreement for its entire term by executing a personal guaranty in such form as is prepared by Franchisor;
- l. Franchisee has agreed to be bound to the obligations of the new franchise agreement and to guarantee the full performance thereof by the prospective transferee, if required by Franchisor;
- m. the prospective transferee has obtained all necessary consents and approvals by third parties (such as the lessor of the Approved Location and any applicable state and local licensing authorities) and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied;
- n. Franchisee has, and, if Franchisee is an entity, all of the holders of a legal or beneficial interest in Franchisee have executed and delivered to Franchisor a nondisclosure and non-competition agreement in a form satisfactory to Franchisor and in substance the same as the nondisclosure and non-competition covenants contained in Sections 8 and 18;
- o. the prospective transferee agrees that its Designated Managing Owner and Designated Manager (which Franchisor may require be the same person) shall complete, to Franchisor's satisfaction, a training program in substance similar to the initial training described in Section 9.1 prior to assuming the management of the day-to-day operation of the Franchised The Real Food Academy;

- p. the prospective transferee has obtained all required licenses, permits and certifications required to operate the Franchised The Real Food Academy ; and
- q. the prospective transferee has obtained all necessary types of insurance as described in Section 16.

19.3. Transfer to a Controlled Entity

If Franchisee wishes to transfer this Agreement or any interest herein to a corporation, limited liability company or other legal entity which is entirely owned by Franchisee or by Franchisee's owners ("Controlled Entity"), which Controlled Entity is being formed for the financial planning, tax or other convenience of Franchisee, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

- a. the Controlled Entity's articles of incorporation or organization and its bylaws, or operating agreement provide that its activities are confined exclusively to the operation of one or more Franchised The Real Food Academies;
- b. Franchisee or all holders of a legal or beneficial interest in Franchisee own, all of the equity and voting power of the outstanding stock or other capital interest in the Controlled Entity;
- c. all obligations of Franchisee to Franchisor or any Affiliate are fully paid and satisfied; provided, however, that neither Franchisee nor the Controlled Entity shall be required to pay a transfer fee as required pursuant to Section 19.2.h;
- d. the Controlled Entity has entered into a written agreement with Franchisor expressly assuming the obligations of this Agreement and all other agreements relating to the operation of the Franchised The Real Food Academy. If the consent of any other party to any such other agreement is required, Franchisee has obtained such written consent and provided the same to Franchisor prior to consent by Franchisor;
- e. all holders of a legal or beneficial interest in the Controlled Entity have entered into an agreement with Franchisor jointly and severally guaranteeing the full payment of the Controlled Entity's obligations to Franchisor and the performance by the Controlled Entity of all the obligations of Franchisee or the Controlled Entity under this Agreement;
- f. each stock certificate or other ownership interest certificate of the Controlled Entity has conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement; and
- g. copies of the Controlled Entity's articles of incorporation or organization, bylaws, operating agreement, federal tax identification number and other governing regulations or documents, including resolutions of the board of directors authorizing the Controlled Entity's assumption of Franchisee's obligations under this Agreement, have been promptly furnished to Franchisor. Any amendment to any such documents shall also be furnished to Franchisor immediately upon adoption.

- h. The term of the transferred franchise shall be the unexpired term of this Agreement, including all renewal rights, subject to any and all conditions applicable to such renewal rights.
- i. Franchisor's consent to a transfer of any interest in this Agreement, or of any ownership interest in the Franchised The Real Food Academy, shall not constitute a waiver of any claims Franchisor may have against the transferor or the transferee, nor shall it be deemed a waiver of Franchisor's right to demand compliance with the terms of this Agreement.
- j. Franchisee has identified on **Exhibit 4** all holders of a legal or beneficial interest in the controlled entity and has designated one managing owner upon whom Franchisor is entitled to rely regarding decisions involving the franchise.

19.4. Franchisor's Disclosure to Transferee

Franchisor has the right, without liability to Franchisee of any kind or nature whatsoever to make available for inspection by any intended transferee of Franchisee, or of an interest in Franchisee or in the Franchised The Real Food Academy or this Agreement, all or any part of Franchisor's records relating to this Agreement, the Franchised The Real Food Academy or to the history of the relationship of the parties hereto. Franchisee hereby specifically consents to such disclosure by Franchisor and releases and holds Franchisor harmless from and against any claim, loss or injury resulting from an inspection of Franchisor's records relating to Franchisee or the Franchised The Real Food Academy by an intended transferee identified by Franchisee.

19.5. For-Sale Advertising

Franchisee shall not, without prior written consent of Franchisor, place in, on or upon the location of the Franchised The Real Food Academy, or in any communication media, any form of advertising relating to the sale of the Franchised The Real Food Academy or the rights granted hereunder.

19.6. Transfer by Death or Incapacity

Upon the death or Incapacity of Franchisee (if Franchisee is an individual) or any holder of a legal or beneficial interest in Franchisee (if Franchisee is a business entity), the appropriate representative of such person (whether administrator, personal representative or trustee) shall, within a reasonable time, typically within ninety (90) days following such event, transfer such individual's interest in the Franchised The Real Food Academy or in Franchisee to a third party approved by Franchisor. Such transfers, including transfers by will or inheritance, shall be subject to the conditions for assignments and transfers contained in this Agreement, unless prohibited by the laws of the state wherein such deceased or incapacitated person resided, with such choice of law provision being applicable only for this Section 19.6. During such one ninety (90) day period, the Franchised The Real Food Academy must remain at all times under the primary management of a Designated Managing Owner or Designated Manager.

Following such a death or Incapacity as described in this Section 19.6, if necessary in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume operation of the Franchised The Real Food Academy until the deceased or incapacitated owner's interest is transferred to a third party approved by Franchisor. Franchisor may charge a management fee as stated in the Confidential Operations

Manual from time to time, currently equal to the greater of \$500 per day or ten percent of the Gross Revenues, plus reimbursement of any expenses it incurs.

20. OPTION TO BUY / RIGHT OF FIRST REFUSAL

20.1. Submission of Offer

If Franchisee, or any of its owners, proposes to sell or otherwise transfer (including a transfer by death or Incapacity pursuant to Section 19.6) the Franchised The Real Food Academy (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any interest in the Franchise granted hereunder, Franchisee shall obtain and deliver to Franchisor a bona fide, executed written offer or proposal to purchase, along with all pertinent documents including any contract or due diligence materials. The offer must apply only to an approved sale of the assets or interests mentioned above and may not include any other property or rights of Franchisee or any of its owners.

20.2. Franchisor’s Right to Purchase

Franchisor shall, for thirty (30) days from the date of delivery of all such documents, have the right, exercisable by written notice to Franchisee, to purchase the offered assets or interest for the price and on the same terms and conditions contained in such offer communicated to Franchisee. Franchisor has the right to substitute cash for the fair market value of any other form of payment proposed in such offer. Franchisor’s credit shall be deemed at least equal to the credit of any proposed buyer. After providing notice to Franchisee of Franchisor’s intent to exercise this right of first refusal, Franchisor shall have up to sixty (60) days to close the purchase. Franchisor shall be entitled to receive from Franchisee all customary representations and warranties given by Franchisee as the seller of the assets or such ownership interest or, at Franchisor’s election, the representations and warranties contained in the proposal.

20.3. Non-Exercise of Right of First Refusal

If Franchisor does not exercise its right of first refusal within thirty (30) days from the date of delivery of all such documents, the offer or proposal may be accepted by Franchisee or its owner or owners, as the case may be, subject to Franchisor’s prior written approval as required by Section 19. Should the sale be terminated or fail to close within one hundred twenty (120) days after the offer is delivered to Franchisor, Franchisor’s right of first refusal shall renew and be implemented in accordance with this Section.

21. RELATIONSHIP OF FRANCHISOR AND FRANCHISEE

21.1. Beneficial Owners of Franchisee

Franchisee represents, and Franchisor enters into this Agreement in reliance upon such representation, that the individuals identified in **Exhibit 4** are the sole holders of a legal or beneficial interest (in the stated percentages) of Franchisee.

21.2. Relationship

This Agreement is purely a contractual relationship between the parties and does not appoint or make Franchisee an agent, legal representative, joint venturer, partner, employee, or servant of Franchisor for any purpose whatsoever. Franchisee may not represent or imply to third parties that Franchisee is an

agent of Franchisor, and Franchisee is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. During the term of this Agreement, and any extension or renewal hereof, Franchisee shall hold itself out to the public only as a franchisee and an owner of the Franchised The Real Food Academy operating the Franchised The Real Food Academy pursuant to a franchise from Franchisor. Franchisee shall take such affirmative action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Approved Location and on all email forms, stationery or other written materials, the content of which Franchisor has the right to specify. Under no circumstances shall Franchisor be liable for any act, omission, contract, debt, or any other obligation of Franchisee. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the operation of the Franchised The Real Food Academy. Any third-party contractors and vendors retained by Franchisee to convert or construct the premises or to provide goods or services to Franchisee are independent contractors of Franchisee alone.

21.3. Standard of Care

This Agreement does not establish a fiduciary relationship between the parties. Unless otherwise specifically provided in this Agreement with respect to certain issues, whenever this Agreement requires Franchisee to obtain Franchisor's written consent or permits Franchisee to take any action or refrain from taking any action, Franchisor is free to act in its own self-interest without any obligation to act reasonably, to consider the impact on Franchisee or to act subject to any other standard of care limiting Franchisor's right, except as may be provided by statute or regulation.

22. INDEMNIFICATION

WE WILL NOT ASSUME ANY LIABILITY OR BE DEEMED LIABLE FOR ANY AGREEMENTS, REPRESENTATIONS, OR WARRANTIES YOU MAKE THAT ARE NOT EXPRESSLY AUTHORIZED UNDER THIS AGREEMENT, NOR WILL WE BE OBLIGATED FOR ANY DAMAGES TO ANY PERSON OR PROPERTY DIRECTLY OR INDIRECTLY ARISING OUT OF THE OPERATION OF THE BUSINESS YOU CONDUCT PURSUANT TO THIS AGREEMENT, WHETHER OR NOT CAUSED BY EITHER PARTY'S NEGLIGENT OR WILLFUL ACTION OR FAILURE TO ACT. WE WILL HAVE NO LIABILITY FOR ANY SALES, USE, EXCISE, INCOME, GROSS RECEIPTS, PROPERTY, OR OTHER TAXES LEVIED AGAINST YOU OR YOUR ASSETS OR ON THE REAL FOOD ACADEMY IN CONNECTION WITH THE BUSINESS YOU CONDUCT, OR ANY PAYMENTS YOU MAKE TO THE REAL FOOD ACADEMY PURSUANT TO THIS AGREEMENT OR ANY FRANCHISE AGREEMENT (EXCEPT FOR THE REAL FOOD ACADEMY'S OWN INCOME TAXES). WE ARE NOT A JOINT EMPLOYER OF YOUR EMPLOYEES AND WILL HAVE NO LIABILITY FOR ANY OBLIGATIONS YOU OWE TO YOUR EMPLOYEES OR FOR ANY OF YOUR EMPLOYMENT PRACTICES, INCLUDING BUT NOT LIMITED TO ANY VIOLATIONS OF STATE OR FEDERAL LABOR AND EMPLOYMENT LAWS

OR LICENSING LAWS. YOU ARE SOLELY RESPONSIBLE FOR MAINTAINING THE CONFIDENTIALITY OF PERSONALLY IDENTIFIABLE INFORMATION OF CUSTOMERS AND EMPLOYEES OF YOUR FRANCHISED THE REAL FOOD ACADEMY AND WE WILL HAVE NO LIABILITY FOR ANY BREACHES OF SECURITY. YOU WILL PROVIDE THE REAL FOOD ACADEMY TIMELY NOTICE OF CUSTOMER AND EMPLOYEE CLAIMS AND SUBMISSIONS TO YOUR INSURANCE CARRIERS. **YOU AGREE TO INDEMNIFY, DEFEND, AND HOLD HARMLESS US, OUR AFFILIATES AND PARENT, AND US AND OUR AFFILIATES' AND PARENT'S RESPECTIVE SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SUCCESSORS, AND ASSIGNEES (THE "INDEMNIFIED PARTIES") AGAINST, AND TO REIMBURSE ANY ONE OR MORE OF THE INDEMNIFIED PARTIES FOR, ALL CLAIMS, OBLIGATIONS, AND DAMAGES DIRECTLY OR INDIRECTLY ARISING OUT OF YOUR BUSINESS' OPERATION, THE BUSINESS YOU CONDUCT UNDER THIS AGREEMENT, OR YOUR BREACH OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE ALLEGED TO BE CAUSED BY THE INDEMNIFIED PARTY'S NEGLIGENCE, UNLESS (AND THEN ONLY TO THE EXTENT THAT) THE CLAIMS, OBLIGATIONS, OR DAMAGES ARE DETERMINED TO BE CAUSED SOLELY BY THE INDEMNIFIED PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN A FINAL, UNAPPEALABLE RULING ISSUED BY A COURT WITH COMPETENT JURISDICTION. FOR PURPOSES OF THIS INDEMNIFICATION, "CLAIMS" INCLUDE ALL OBLIGATIONS, DAMAGES (ACTUAL, CONSEQUENTIAL, OR OTHERWISE), AND COSTS THAT ANY INDEMNIFIED PARTY REASONABLY INCURS IN DEFENDING ANY CLAIM AGAINST IT, INCLUDING, WITHOUT LIMITATION, REASONABLE ACCOUNTANTS', ARBITRATORS', ATTORNEYS', AND EXPERT WITNESSES' FEES, COSTS OF INVESTIGATION AND PROOF OF FACTS, COURT COSTS, TRAVEL AND LIVING EXPENSES, AND OTHER EXPENSES OF LITIGATION, ARBITRATION, OR ALTERNATIVE DISPUTE RESOLUTION, REGARDLESS OF WHETHER LITIGATION, ARBITRATION, OR ALTERNATIVE DISPUTE RESOLUTION IS COMMENCED. EACH INDEMNIFIED PARTY MAY DEFEND ANY CLAIM AGAINST IT AT YOUR EXPENSE AND AGREE TO SETTLEMENTS OR TAKE ANY OTHER REMEDIAL, CORRECTIVE, OR OTHER ACTIONS. THIS INDEMNITY 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 AND EXPENSES, IN ORDER TO MAINTAIN AND RECOVER FULLY A CLAIM AGAINST YOU UNDER THIS SECTION. 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. NOTHING HEREIN SHALL BE DEEMED TO IMPOSE ON FRANCHISEE A DUTY TO INDEMNIFY THE REAL FOOD ACADEMY FOR ACTIONS OF THE REAL FOOD ACADEMY WHICH VIOLATE ITS OBLIGATIONS TO THE FRANCHISEE HEREUNDER.

22.1. Right to Retain Counsel

Franchisee shall give Franchisor immediate notice of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification by a Franchisor Indemnitee. Franchisor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. In order to protect persons, property, Franchisor’s reputation or the goodwill of others, Franchisor has the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor’s sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred. If Franchisor’s exercise of its rights under this Section causes any of Franchisee’s insurers to refuse to pay a third-party claim, all causes of action and legal remedies Franchisee might have against such insurer shall automatically be assigned to Franchisor without the need for any further action on either party’s part. Under no circumstances shall Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Franchisee. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Franchisor from Franchisee.

23. GENERAL CONDITIONS AND PROVISIONS

23.1. No Waiver

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom nor practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor’s right to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular obligation of or default by Franchisee shall not be binding unless in writing and executed by Franchisor and shall not affect nor impair Franchisor’s right with respect to any other obligation or subsequent default of the same or of a different nature. Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

23.2. Injunctive Relief

Nothing in this agreement bars The Real Food Academy's right to obtain specific performance of the provisions of this agreement and injunctive relief against threatened conduct that will cause Us, the Marks, and/or the system loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions. You agree that we may obtain such injunctive relief in addition to such further or other relief as may be available at law or in equity. You agree that we will not be required to post a bond to obtain injunctive relief and that your only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby). You agree to waive any claims for damage in the event there is a later determination that an injunction or specific performance order was issued improperly.

23.3. Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the next business day after transmission by facsimile or other reasonably reliable electronic communication system; (c) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service; or (d) five (5) business days after being sent by Certified Mail, return receipt requested, postage prepaid. Either party may change its address by a written notice sent in accordance with this Section 23.3. All notices, payments and reports required by this Agreement shall be sent to Franchisor at the following address:

The Real Food Academy Franchise LLC
Attn: Arthur Cummins
11111 Biscayne Blvd, Ste 205
Miami, FL 33181
art@therealfoodacademy.com

With a Copy to:

Mary M. Clapp, Esq.
DELAFRAN, LLC
mary@delafan.com

23.4. Cost of Enforcement or Defense

In any action for the collection of fees due under this Agreement or seeking injunctive relief, the prevailing party shall be entitled to reimbursement of its costs, including reasonable accounting and attorneys' fees, in connection with such proceeding.

23.5. Unlimited Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Franchisee of five percent (5%) or greater shall be required to execute, as of the date of this Agreement, the Unlimited Guaranty and Assumption of Obligations attached as **Exhibit 3**, through which such holders agree to assume and discharge all of Franchisee's obligations under this Agreement and to be personally liable hereunder for all of the same.

23.6. Approvals

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor for such approval, and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing. Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request for approval.

23.7. Entire Agreement

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that Franchisor furnished to Franchisee. Franchisee acknowledges that Franchisee is entering into this Agreement as a result of its own independent investigation of the Franchised The Real Food Academy and not as a result of any representations about Franchisor made by its shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus or other similar document given to Franchisee pursuant to applicable law.

23.8. Severability and Modification

Except as noted below, each paragraph, part, term and provision of this Agreement shall be considered severable. If any paragraph, part, term or provision herein is ruled to be unenforceable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration to be received by Franchisor under this Agreement, Franchisor has the right to, at its option, terminate this Agreement.

Notwithstanding the above, each of the covenants contained in Sections 8 and 18 shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for limitations on disclosure of Trade Secrets or other Confidential Information or on competition to the maximum extent permitted by law.

If any lawful requirement or court order of any jurisdiction 1) requires a greater advance notice of the termination or non-renewal of this agreement than is required under this Agreement, or the taking of some other action which is not required by this Agreement, or 2) makes any provision of this agreement or any specification, standard, or operating procedure we prescribed invalid or unenforceable, the advance notice and/or other action required or revision of the specification, standard, or operating procedure will be substituted for the comparable provisions of this Agreement in order to make the modified provision enforceable to the greatest extent possible. You agree to be bound by the modification to the greatest extent lawfully permitted.

23.9. Construction

All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

23.10. Force Majeure

Whenever a period of time is provided in this Agreement for either party to perform any act, except pay monies, neither party shall be liable or responsible for any delays due to casualties, pandemic, acts of God, war, terrorism, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay. This clause shall not result in an extension of the term of this Agreement.

23.11. Timing

Time is of the essence. Except as set forth in Section 23.10, failure to perform any act within the time required or permitted by this Agreement shall be a material breach.

23.12. Withholding Payments

Franchisee shall not, for any reason, withhold payment of any Administration and Processing Fees or other amounts due to Franchisor or to an Affiliate. Franchisee shall not withhold or offset any amounts, damages or other monies allegedly due to Franchisee against any amounts due to Franchisor. No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due or pursue any other remedy provided in this Agreement or by law. Franchisor has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Franchisor deems appropriate. Franchisor shall set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor.

23.13. Further Assurances

Each party to this Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Agreement.

23.14. Third-Party Beneficiaries

Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee, and their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under this Agreement.

23.15. Multiple Originals

Both parties may execute multiple copies of this Agreement and may execute this Agreement in counterparts, and each executed copy will be deemed an original. Signatures transmitted and received via

email, electronic signature program, or other agreed electronic transmission are true and valid signatures for all purposes hereunder and shall bind the parties to the same extent as that of an original signature.

23.16. Government Communications

Nothing in this Agreement, including without limitation the covenants in sections 8 and 17 not to engage in any act injurious or prejudicial to the goodwill associated with the Marks or the System, shall be interpreted to prevent communications by Franchisee of truthful, factual information to any governmental body, agency, or regulator. No truthful, factual communications made by a Franchisee to any governmental body, agency, or regulator shall be deemed a violation of this Agreement.

24. DISPUTE RESOLUTION

24.1. Choice of Law

Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946, the Defend Trade Secrets Act, or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the state of Florida (without reference to its conflict of laws principles). The Federal Arbitration Act shall govern all matters subject to arbitration. References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

24.2. Consent to Jurisdiction

Any action brought by either party, except those claims required to be submitted to arbitration, shall only be brought in the appropriate court located in or serving Miami, Florida, forsaking all other forums. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by either party in Miami, Florida. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

24.3. Cumulative Rights and Remedies

No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be in addition to every other right or remedy. Nothing contained herein shall bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

24.4. Limitations of Claims

Any claim concerning the Franchised The Real Food Academy or this Agreement or any related agreement must be conducted on an individual, not a class wide basis and a proceeding between The Real Food Academy and you or your owners may not be consolidated with another proceeding between The Real Food Academy and any other person or entity, nor may any claims of another party or parties be joined with any claims asserted in any action or proceeding between The Real Food Academy and you. No previous course of dealing shall be admissible to explain, modify, or contradict the terms of this Agreement. No implied covenant of good faith and fair dealing shall be used to alter the express terms of this Agreement.

24.5. Limitation of Damages

Franchisee and Franchisor each waive, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other and agree that if there is a dispute with the other, each will be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees as provided in Section 23.4. Franchisee waives and disclaims any right to consequential damages in any action or claim against Franchisor concerning this Agreement or any related agreement. In any claim or action brought by Franchisee against Franchisor concerning this Agreement, Franchisee's contract damages shall not exceed and shall be limited to refund of Franchisee's Franchise Fee and Administration and Processing Fees.

24.6. Waiver of Jury Trial

FRANCHISEE AND FRANCHISOR EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF THEM.

24.7. Arbitration

This Agreement evidences a transaction involving commerce and, therefore, the Federal Arbitration Act, Title 9 of the United States Code is applicable to the subject matter contained herein. All disputes arising out of or relating to this Agreement or to the acquisition or operation of the franchise or any other agreements between the parties, or with regard to interpretation, formation or breach of this or any other agreement between the parties, shall be settled by binding arbitration conducted in Miami, Florida, in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The proceedings will be held by a single arbitrator agreed upon by the parties or otherwise appointed by a court of competent jurisdiction located in Miami, Florida. The decision of the arbitrator will be final and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having personal and subject matter jurisdiction. Any dispute arising out of or in connection with this arbitration provision, including any question regarding its existence, validity, scope, or termination shall be referred to and finally resolved by arbitration.

Franchisee acknowledges that it has read the terms of this binding arbitration provision and affirms that this provision is entered into willingly and voluntarily and without any fraud, duress or undue influence on the part of Franchisor or any of Franchisor's agents or employees.

24.8. Mediation Condition Precedent

As a condition precedent to filing any action for arbitration, the Parties agree that all disputes, claims and disagreements which are subject to arbitration and which they are not able to resolve after negotiating in good faith shall be mediated by non-binding, mandatory mediation. The complaining Party must provide written notice to the other Party describing the nature of the dispute. The Parties shall then agree on a mediator within ten (10) days. If the parties are unable to agree on a mediator, the mediator shall be appointed in accordance with the Commercial Mediation Rules and Regulations of the American Arbitration Association. Mediation may be held via web meeting or in Miami, Florida, and shall be held within thirty (30) days after a mediator has been selected or appointed.

24.9. Injunctive Relief

Notwithstanding the foregoing requirements to arbitrate all disputes and the mediation condition precedent, either party may pursue injunctive relief in a court of competent jurisdiction in Miami, Florida, as appropriate, without first engaging in mediation, to enforce any provisions of this Agreement to prevent ongoing harm.

25. ACKNOWLEDGMENTS

25.1. Receipt of this Agreement and the Franchise Disclosure Document

Franchisee represents and acknowledges that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement. Franchisee represents and acknowledges that it has received, at least fourteen (14) calendar-days prior to the date on which this Agreement was executed, Franchisor's Franchise Disclosure Document.

25.2. Consultation by Franchisee

Franchisee represents that it has been urged to consult with its own advisors with respect to the legal, financial and other aspects of this Agreement, the business franchised hereby and the prospects for that business. Franchisee represents that it has either consulted with such advisors or has deliberately declined to do so.

25.3. True and Accurate Information

Franchisee represents that all information set forth in any and all applications, financial statements and other submissions to Franchisor is true, complete and accurate in all respects, and Franchisee acknowledges that Franchisor is relying upon the truthfulness, completeness and accuracy of such information.

25.4. Risk

Franchisee represents that it has conducted an independent investigation of the business contemplated by this Agreement and acknowledges that, like an investment in any other business, an investment in Franchised The Real Food Academy involves business risks and that the success of the venture is dependent, among other factors, upon the business abilities and efforts of Franchisee. Franchisor makes no representations or warranties, express or implied, in this Agreement or otherwise, as to the potential success of the business venture contemplated hereby.

25.5. No Guarantee of Success

Franchisee represents and acknowledges that it has not received or relied on any guarantee, express or implied, as to the revenues, profits or likelihood of success of the Franchised The Real Food Academy . Franchisee represents and acknowledges that there have been no representations by Franchisor's officers, directors, employees or agents that are not contained in, or are inconsistent with, the statements made in the Franchise Disclosure Document or this Agreement.

25.6. No Violation of Other Agreements

Franchisee represents that its execution of this Agreement will not violate any other agreement or commitment to which Franchisee or any holder of a legal or beneficial interest in Franchisee is a party.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed this The Real Food Academy Franchise Agreement.

THE REAL FOOD ACADEMY FRANCHISE
LLC

FRANCHISEE: _____
(type/print entity name)

By: _____

By: _____

Name printed: _____

Name: _____

Title: _____

Title: _____

[or, if an individual]

Signed: _____

Name printed: _____

EXHIBIT 1 TO THE FRANCHISE AGREEMENT

GENERAL RELEASE

THIS GENERAL RELEASE is made and given on this _____ [“Effective Date”]
by _____, (“RELEASOR”) an
individual/corporation/ limited liability company/partnership with a principal address of _____
_____, in consideration of:

_____ the execution by The Real Food Academy Franchise LLC, a Florida limited liability company (“RELEASEE”), of a successor Franchise Agreement or other renewal documents renewing the franchise (the “Franchise”) granted to RELEASOR by RELEASEE pursuant to that certain Franchise Agreement (the “Franchise Agreement”) between RELEASOR and RELEASEE; or

_____ RELEASEE’S consent to RELEASOR’S assignment of its rights and duties under the Franchise Agreement; or

_____ RELEASEE’S consent to RELEASOR’S assumption of rights and duties under the Franchise Agreement;

and other good and valuable consideration, the adequacy of which is hereby acknowledged, and accordingly RELEASOR hereby releases and discharges RELEASEE, RELEASEE’S officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), and RELEASEE’S successors and assigns, from any and all causes of action, suits, debts, damages, judgments, executions, claims and demands whatsoever, in law or in equity, that RELEASOR and RELEASOR’S heirs, executors, administrators, successors and assigns had, now have or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this RELEASE arising out of or related to the Franchise or the Franchise Agreement, including, without limitation, claims arising under federal, state and local laws, rules and ordinances.

This General Release shall not be amended or modified unless such amendment or modification is in writing and is signed by RELEASOR and RELEASEE.

IN WITNESS WHEREOF, RELEASOR has executed this General Release as of the date first above written.

(if an entity)
RELEASOR: _____
(type/print entity name)
By: _____
(sign)
Name: _____

Title: _____

(or, if an individual)
Signed: _____
Name printed: _____

EXHIBIT 2 TO THE FRANCHISE AGREEMENT

NONDISCLOSURE AND NON-COMPETITION AGREEMENT

This "Agreement" made as of the _____ (the "Effective Date") is by and between _____, ("Franchisee") (d/b/a The Real Food Academy) and _____ ("Individual").

W I T N E S S E T H:

WHEREAS, Franchisee is a party to that certain Franchise Agreement dated _____, ("Franchise Agreement") by and between Franchisee and The Real Food Academy Franchise LLC ("Company"); and

WHEREAS, Franchisee desires Individual to have access to and review certain Trade Secrets and other Confidential Information, which are more particularly described below; and

WHEREAS, Franchisee is required by the Franchise Agreement to have Individual execute this Agreement prior to providing Individual access to said Trade Secrets and other Confidential Information; and

WHEREAS, Individual understands the necessity of not disclosing any such information to any other party or using such information to compete against Company, Franchisee or any other franchisee of Company in any business (i) that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) food related education and/or entertainment services the same as or similar to those provided by Franchisee or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of Franchisee, or Company, any affiliate of Company or Company's other franchisees (hereinafter, "Competitive Business"); provided, however, that the term "Competitive Business" shall not apply to any business operated under a Franchise Agreement with Company.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the parties hereby mutually agree as follows:

1. Trade Secrets and Confidential Information

Individual understands Franchisee possesses and will possess Trade Secrets and other Confidential Information that are important to its business.

a) For the purposes of this Agreement, a "Trade Secret" is information in any form (including, but not limited to, materials and techniques, technical and non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in franchised The Real Food Academy that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement "Confidential Information" means technical and non-technical information used in or related to The Real Food Academy and not commonly known by or available to the public, including, without limitation, Operations Manuals, Training Programs, Recipes, Procedures of Operations, Vendors and Suppliers, knowledge of sources of products sold, knowledge of sales and profit performance of one or more The Real Food Academies, methods, techniques, formats,

specifications, procedures, information, systems and knowledge of and experience in the development, operation, and franchising of food related education and entertainment businesses, any log-in or password information used to access other Confidential Information or the franchise systems, software, and sites, Trade Secrets, and any other information identified or labeled as confidential when delivered by Franchisee or Company. Confidential Information shall not include, however, any information that: (a) is now or subsequently becomes generally available to the public through no fault of Individual; (b) Individual demonstrates was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement or any other agreement with Franchisee, Company or their affiliates; (c) Individual demonstrates is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information;

c) Any information expressly designated by Company or Franchisee as “Trade Secrets” or “Confidential Information” shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve Individual of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. Individual understands Franchisee’s providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Individual and Franchisee with respect to the Trade Secrets and other Confidential Information.

2. Confidentiality/Non-Disclosure

a) Individual shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, Individual must take all steps reasonably necessary and/or requested by Franchisee to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. Individual must comply with all applicable policies, procedures and practices that Franchisee has established and may establish from time to time with regard to the Confidential Information and Trade Secrets. Each and every individual who will access Franchisor’s Confidential Information and/or any site, program or system hosted, provided or maintained by or for Franchisor must have an individual log-in and password issued for such person to access such Confidential Information, site, program or system. No log-in or password may be issued or provided unless and until this Nondisclosure and Non-Competition Agreement has been executed by such individual and provided to Us. It shall be a material default of this Agreement for the undersigned to provide access in violation of this provision or to share any log-in or password access to such Confidential Information, site, program or system.

b) Individual’s obligations under paragraph 2(a) of this Agreement shall continue in effect after termination of Individual’s relationship with Franchisee, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisee is entitled to communicate Individual’s obligations under this Agreement to any future customer or employer to the extent deemed necessary by Franchisee for protection of its rights hereunder and regardless of whether Individual or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in a Real Food Academy.

c) As set forth in the Federal Defend Trade Secrets Act, Individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is 1) made in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, if disclosed solely for the purpose of reporting or investigating a suspected violation of law, or 2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. No truthful, factual communications made by Individual to any governmental body, agency, or regulator shall be deemed a violation of this Agreement.

3. Covenants

a) During the term of Individual's relationship with Franchisee or Company and for a period of three (3) years after the expiration or termination of Individual's relationship with Franchisee, or Company regardless of the cause of expiration or termination, Individual shall not, directly or indirectly, for the benefit of Individual or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, divert or attempt to divert any business or customer of Franchisee or Company to any Competitive 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 (i) the Company's service mark "The Real Food Academy" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as the Company designates to be used in connection with The Real Food Academies or (ii) the Company's uniform standards, methods, procedures and specifications for the establishment and operation of The Real Food Academies.

b) During the term of Individual's relationship with Franchisee or Company, Individual shall not, directly or indirectly, for the benefit of Individual or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business.

d) During the term of Individual's relationship with Franchisee or Company and for a period of three (3) years thereafter, regardless of the cause of termination, Individual shall not, directly or indirectly, solicit or otherwise attempt to induce or influence any employee or other business associate of Franchisee, Company or any other The Real Food Academy, auction company with whom The Real Food Academy has a business relationship, to compete against, or terminate or modify his, her or its employment or business relationship with, Franchisee, Company or any other The Real Food Academy.

4. Reasonableness of Restrictions

Individual acknowledges that each of the terms set forth herein, including each restrictive covenant, is fair and reasonable and is reasonably required for the protection of Franchisee, Company, and Company's Trade Secrets and other Confidential Information, the Company's business system, network of franchises and trade and service marks, and Individual waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, an arbitrator or a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then such activity, time period or geographic restriction shall be reduced to the extent necessary to enable the arbitrator or court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

5. Waiver of Jury Trial

FRANCHISEE AND INDIVIDUAL EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF THEM.

6. Arbitration

This Agreement evidences a transaction involving commerce and, therefore, the Federal Arbitration Act, Title 9 of the United States Code is applicable to the subject matter contained herein. All disputes arising out of or relating to this Agreement, or with regard to interpretation, formation or breach of this or any other agreement between the parties, shall be settled by binding arbitration conducted in Miami, Florida, in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The proceedings will be held by a single arbitrator agreed upon by the parties or otherwise

appointed by a court of competent jurisdiction located in Miami, Florida. The decision of the arbitrator will be final and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having personal and subject matter jurisdiction. Any dispute arising out of or in connection with this arbitration provision, including any question regarding its existence, validity, scope, or termination shall be referred to and finally resolved by arbitration.

INDIVIDUAL acknowledges that it has read the terms of this binding arbitration provision and affirms that this provision is entered into willingly and voluntarily and without any fraud, duress or undue influence on the part of Franchisor or any of Franchisor's agents or employees.

7. Mediation Condition Precedent

As a condition precedent to filing any action for arbitration, the Parties agree that all disputes, claims and disagreements which are subject to arbitration and which they are not able to resolve after negotiating in good faith shall be mediated by non-binding, mandatory mediation. The complaining Party must provide written notice to the other Party describing the nature of the dispute. The Parties shall then agree on a mediator within ten (10) days. If the parties are unable to agree on a mediator, the mediator shall be appointed in accordance with the Commercial Mediation Rules and Regulations of the American Arbitration Association. Mediation may be held via web meeting or telephone or in Miami, Florida and shall be held within thirty (30) days after a mediator has been selected or appointed.

8. Relief for Breaches of Confidentiality, Non-Solicitation and Non-Competition

Individual further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause Franchisee and Company immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, notwithstanding the foregoing requirements to arbitrate all disputes and the mediation condition precedent, either party may pursue injunctive relief as appropriate, without first engaging in mediation, to enforce any provisions of this Agreement to prevent ongoing harm. Franchisee and Company shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by Individual of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that Franchisee and Company may have at law or in equity.

9. Miscellaneous

a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between Individual and Franchisee. This Agreement cannot be altered or amended except by an agreement in writing signed by the Individual and a duly authorized representative of Franchisee.

b) Any action brought by either party, shall only be brought in the appropriate state or federal court located in or serving Miami, Florida. The parties waive all objections to personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought where Franchisee is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

c) Individual agrees if any legal or arbitration proceedings are brought for the enforcement of this Agreement, in addition to any other relief to which the successful or prevailing party may be entitled, the successful or prevailing party shall be entitled to recover attorneys' fees, investigative fees, administrative fees billed by such party's attorneys, court costs and all expenses, including, without limitation,

all fees, taxes, costs and expenses incident to arbitration, appellate, and post-judgment proceedings incurred by the successful or prevailing party in that action or proceeding.

d) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of Individual and shall inure to the benefit of Franchisee, its subsidiaries, successors and assigns. Company is an intended third-party beneficiary of this Agreement with the independent right to enforce the terms hereof, including, for example, confidentiality and non-competition provisions contained herein.

e) The failure of either party to insist, in any one (1) or more instances, upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of the other party with respect thereto shall continue in full force and effect.

f) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

g) Subject to Section 4 above, in the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

h) This Agreement may be modified or amended only by a written instrument duly executed by Individual, Franchisee and Company.

i) The existence of any claim or cause of action Individual might have against Franchisee or Company will not constitute a defense to the enforcement of this Agreement by Franchisee or Company.

j) Except as otherwise expressly provided in this Agreement, no remedy conferred upon Franchisee or Company pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

THE PARTIES ACKNOWLEDGE THAT THE COMPANY IS A THIRD PARTY BENEFICIARY OF THIS AGREEMENT AND THAT THE COMPANY SHALL BE ENTITLED TO ENFORCE THIS AGREEMENT WITHOUT THE COOPERATION OF FRANCHISEE. INDIVIDUAL AND FRANCHISEE AGREE THAT THIS AGREEMENT CANNOT BE MODIFIED OR AMENDED WITHOUT THE WRITTEN CONSENT OF THE COMPANY.

IN WITNESS WHEREOF, the Franchisee has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement.

Franchisee: _____	Individual: _____
Name & Title:	Name:

EXHIBIT 3 TO THE FRANCHISE AGREEMENT
UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS
(to be executed by every person with an ownership interest in the franchise and if such ownership interest is five percent (5%) or greater, consented to by such individual's spouse or domestic partner)

THIS UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____
[Date], by _____
_____ (collectively,
"Guarantor").

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement dated _____ herewith ("Agreement") by The Real Food Academy Franchise LLC ("Franchisor"), each of the undersigned hereby personally and unconditionally guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that _____ ("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement. Each of the undersigned shall be personally bound by, and personally liable for, Franchisee's breach of any provision in the Agreement, including those relating to monetary obligations and obligations to take or refrain from taking specific actions or engaging in specific activities, such as those contemplated by Sections 7, 8 and 18 of the Agreement. Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; (d) any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (e) any and all other notices and legal or equitable defenses to which it may be entitled.

Each of the undersigned consents and agrees that: (a) its direct and immediate liability under this Guaranty shall be joint and several; (b) it shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (c) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person or entity; and (d) such liability shall not be diminished, relieved or otherwise affected by any amendment or other modification of the Agreement by Franchisee and Franchisor, any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement.

Each of the undersigned agree that fulfillment of any and all of Franchisor's obligations written in the Franchise Agreement or this Guaranty, or based on any oral communications which may be ruled to be binding in a court of law, shall be Franchisor's sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with Franchisor shall be personally liable to you for any reason. This is an important part of this Guaranty. You agree that nothing that you believe you have been told by us or our representatives shall be binding unless it is written in the Franchise Agreement or this Guaranty. Do not sign this Agreement if there is any question concerning its contents or any representations made.

This Guaranty represents the entire agreement and understanding of these parties concerning the subject matter hereof and supersedes all other prior agreements, understandings, negotiations and discussions, representations, warranties, commitments, proposals, offers and contracts concerning the subject matter hereof, whether oral or written.

Successors and Assigns; Death of Guarantor. This Guaranty shall be binding upon Guarantor and his or her heirs, executors, administrators, successors and assigns and shall inure to the benefit of Franchisor and its successors, endorsees, transferees and assigns. Without limiting any other provision hereof, Guarantor expressly agrees that Guarantor's death shall not serve as a revocation of or otherwise affect the guaranty made hereunder and that Guarantor's estate and heirs shall continue to be liable hereunder with respect to any Guaranteed Obligations created or arising before or after Guarantor's death.

The validity, interpretation and enforcement of this Guaranty and any dispute arising out of the relationship between Guarantor and Franchisor, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of where the Franchised The Real Food Academy is located (without giving effect to principles of conflicts of law).

Guarantor hereby irrevocably consents and submits to the non-exclusive jurisdiction of the Courts of the State of Florida and the United States District Court located in or serving Miami, Florida and waives any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Guaranty or any of the other franchising agreements or in any way connected with or related or incidental to the dealings of Guarantor and Franchisor in respect of this Guaranty or any of the other franchising agreements or the transactions related hereto or thereto, in each case whether now existing or hereafter arising and whether in contract, tort, equity or otherwise, and agrees that any dispute arising out of the relationship between Guarantor or Franchisee and Franchisor or the conduct of any such persons in connection with this Guaranty, the other franchising agreements or otherwise shall be heard only in the courts described above (except that Franchisor shall have the right to bring any action or proceeding against Guarantor or his or her property in the courts of any other jurisdiction which Franchisor deems necessary or appropriate in order to realize on any collateral at any time granted by Franchisee or Guarantor to Franchisor or to otherwise enforce its rights against Guarantor or his or her property).

Each of the undersigned represents and warrants that, if no signature appears below for such undersigned's spouse or domestic partner, such undersigned is either (a) not an owner of 25% or more of the franchise or (b) not married and the assets used to qualify for the franchise are individual and not combined with a domestic partner.

[Signature page to follow]

IN WITNESS WHEREOF, this Guaranty has been entered into the day and year first before written.

GUARANTORS:

Guarantor Name	Guarantor Signature	Guarantor % of Ownership

The undersigned, as the spouse or domestic partner of the Guarantor indicated below, acknowledges and consents to the guaranty given herein by the Guarantor’s spouse or domestic partner. Such consent also serves to bind the assets of the marital estate and jointly held assets to Guarantor’s performance of this Guaranty.

Name of Guarantor

Name of Guarantor

Name of Guarantor’s Spouse or Domestic Partner

Name of Guarantor’s Spouse or Domestic Partner

Signature of Guarantor’s Spouse or Domestic Partner

Signature of Guarantor’s Spouse or Domestic Partner

**EXHIBIT 4 TO THE FRANCHISE AGREEMENT
 HOLDERS OF LEGAL OR BENEFICIAL INTEREST
 IN FRANCHISEE; OFFICERS; DIRECTORS**

ENTITY NAME: _____

STATE OF FORMATION: _____

FICTITIOUS NAME: The Real Food Academy - _____

EIN: _____ **STATE TAX ID** _____

[ATTACH COPIES OF ARTICLES, d/b/a REG., EIN LETTER, AND BYLAWS OR OP. AGMT.]

Holders of Legal or Beneficial Interest:

Name (If an entity, list beneficial owners)	Position/ Title	Percent of Ownership Interest Held	Contact Information (Home Address, Email, phone)

Officers and Directors:

Name (If an entity, list individual with authority on behalf of entity)	Position/ Title	Contact Information (Home Address, Email, phone)

FRANCHISEE HEREBY DESIGNATES THE FOLLOWING INDIVIDUAL AS THE MANAGING OWNER, UPON WHOM FRANCHISOR IS ENTITLED TO RELY WITH RESPECT TO DECISIONS REGARDING THE FRANCHISE:

Name (If an entity, list individual with authority on behalf of entity)	Contact Information (Home Address, Email, phone)

FRANCHISEE HEREBY DESIGNATES THE FOLLOWING INDIVIDUAL AS THE ONSITE MANAGER

Name	Contact Information (Home Address, Email, phone)

EXHIBIT 5 TO THE FRANCHISE AGREEMENT

MULTI-STATE ADDENDA

**ADDENDUM TO THE FRANCHISE AGREEMENT
THE REAL FOOD ACADEMY**

FOR THE STATE OF CALIFORNIA

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the offering circular.

2. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee’s investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

3. Section 4.1 of the Franchise Agreement and Item 5 of the FDD are amended to add the following:

- All Franchise Fees payable by California Franchisees will be deferred until the Franchisor has completed all of its pre-opening obligations and Franchisee is open for business and operational.

4. In recognition of the requirements of the California Franchise Investment Law, Cal. Corp. Code §§31000-31516 and the California Franchise Relations Act, Cal. Bus. And Prof. Code §§20000-20043, the Franchise Agreement of The Real Food Academy is amended as follows:

- The California Franchise Relations Act provides rights to Franchisee concerning termination or non-renewal of the Franchise Agreement, which may supersede provisions in the Franchise Agreement, specifically Sections 5.2 and 17.
- Section n, which terminates the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).
- Section 18.2 contains a covenant not to compete that extends beyond the expiration or termination of the Agreement; this covenant may not be enforceable under California Law.
- Paragraph 1 of this Addendum contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- Section 24.7 requires binding arbitration. The arbitration will occur at the forum indicated in Section 24.7, with the costs being borne by the non-prevailing party. Prospective franchisees are encouraged to consult 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 the Franchise Agreement restricting venue to a forum outside of the State of California.

5. Neither We nor any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities

Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

6. The franchise agreement requires application of the laws of the state of Florida. This provision may not be enforceable under California law.

7. 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.

8. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

9. “The earnings claims figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.”

10. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

11. We have a website: **www.therealfoodacademy.com** OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF CONNECTICUT

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) between The Real Food Academy Franchise LLC and _____ (“Franchisee”) to amend and revise said Franchise Agreement as follows:

1. Section 4.1, “Franchise Fee,” is amended to delete the following:

- The Franchise Fee shall be deemed fully earned upon execution of this Agreement and is nonrefundable.

2. Section 9, “Training and Assistance,” is amended by the addition of the following language to the original language that appears therein:

- “The required training shall commence no more than sixty (60) days after execution of this Agreement.”

3. Section 10, “Confidential Operations Manual,” is amended by the addition of the following language to the original language that appears therein:

- “Franchisor shall provide the Confidential Operations Manual to the Franchisee no later than thirty (30) days after execution of this Agreement.”

5. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Connecticut Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF HAWAII

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Revised Statutes, Title 26, Chapter 482E *et seq.*, the Franchise Agreement for The Real Food Academy is amended as follows:

- The Hawaii Franchise Investment Law provides rights to Franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If the Agreement, and more specifically Sections 5.2, 17 and 19.2 contain a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.
- Sections 5.2 and 19 require Franchisee to sign a general release as a condition of renewal or transfer of the Franchise; such release shall exclude claims arising under the Hawaii Franchise Investment Law.
- Section 17.2n, which terminates the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF ILLINOIS

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705, the Franchise Agreement for The Real Food Academy is amended as follows:

- Section 4.1 is amended to provide that payment of the initial franchise fee will be deferred until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor’s financial condition.

- Sections 5.2 and 19.2 are amended to add:

No general release shall be required as a condition of renewal or transfer that is intended to require Franchisee to waive compliance with the Illinois Franchise Disclosure Act, 815 ILCS 705, or any other law of Illinois.

- Sections 17, 18, and 19 are amended to add:

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act (815 ILCS 705/19 and 705/20).

- Sections 24.1 and 24.2 are amended to add:

The Franchise Agreement shall be governed by Illinois law. Jurisdiction and venue for court litigations shall be in Illinois. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

- Section 24.4 is amended to add:

No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after Franchisee becomes aware of facts or circumstances reasonably indicating that the Franchisee may have a claim for relief in respect to conduct governed by the Act, or ninety (90) days after delivery to Franchisee of a written notice disclosing the violation, whichever shall first expire.

- Section 24.6 is deleted in its entirety.

2. 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 any provision of the Illinois Franchise Disclosure Act or any other law of Illinois is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a

potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

3. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum to The Real Food Academy Franchise Agreement for the State of Illinois, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF INDIANA

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, IC 23-2-2.7 and the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement for The Real Food Academy is amended as follows:

- Sections 5.2 and 19.2 do not provide for a prospective general release of claims against Franchisor that may be subject to the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law.
- Section 17 is amended to prohibit unlawful unilateral termination of a Franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
- Section 18.2 is amended subject to Indiana Code 23-2-2.7-1(9) to provide that post-term non-competitor covenants shall have a geographical limitation of the territory granted to Franchisee.
- Section 22 is amended to provide that Franchisee will not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee’s reliance upon or use of procedures or products which were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.
- Section 24.1 is amended to provide that, in the event of a conflict of law, the Indiana Franchise Disclosure Law, IC 23-2-2.5, and the Indiana Deceptive Franchise Practices Law will prevail.
- Section 24.2 is amended to provide that Franchisee may, subject to section 24.7, commence litigation in Indiana for any cause of action under Indiana law.
- Section 24.7 is amended to provide that arbitration between Franchisor and Franchisee, shall be conducted at a mutually agreed upon location.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Indiana Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF MARYLAND

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§14-201-14-233, the Franchise Agreement for The Real Food Academy is amended as follows:

- Sections 4.2 and 19.2 require Franchisee to sign a general release as a condition of renewal or transfer of the Franchise; such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law.
- Section 17.2 n, which terminates the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).
- Section 24.1 requires that the Franchise be governed by the laws of the State of Florida; however, in the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.
- Sections 24.2 and 24.7 require mediation or arbitration to be conducted in the State of Florida; the requirement shall not limit any rights Franchisee may have under the Maryland Franchise Registration and Disclosure Law to bring suit in the State of Maryland.
- Any Section of the Franchise Agreement requiring Franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing the Franchise 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.
- Section 24.4 is amended to the extent that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

2. Any portion of the Franchise Agreement which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any such representations 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.

3. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

Return to FA TOC

FOR THE STATE OF MINNESOTA

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et. seq., the parties to the attached Franchise Agreement agree as follows:

- Sections 5 and 17 are amended to add that with respect to Franchises governed by Minnesota Law, Franchisor will comply with the Minnesota Franchise Law that requires, except in certain specified cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of the Agreement.
- Sections 5.2 and 19.2 do not provide for a prospective general release of any claims against Franchisor that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.
- Section 4.10 is amended to provide that pursuant to Minnesota Statute 604.113, the nonsufficient funds charge shall be thirty dollars (\$30).
- Section 7 is amended to add that as required by Minnesota Franchise Act, The Real Food Academy Franchise LLC will reimburse you for any costs incurred by you in the defense of your right to use the Marks, so long as you were using the Marks in the manner authorized by The Real Food Academy Franchise LLC, and so long as The Real Food Academy Franchise LLC is timely notified of the claim and is given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.
- Section 24.4 is amended to state that any claim concerning the Franchised The Real Food Academy or this Agreement or any related agreement will be barred unless an arbitration or an action for a claim that cannot be the subject of arbitration is commenced within three (3) years from the date on which Franchisee or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to or the claim.
- Section 24.5 is deleted in its entirety.
- Section 24.6 is deleted in its entirety.
- Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement 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. However, Franchisor may seek such relief through the court system with or without a bond as determined by a court. Minn. Rule Part 2860.4400J prohibits Franchisee from waiving its rights to a jury trial or waiving your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. To the extent that the Franchise Agreement requires Franchisee to waive these rights, the Franchise Agreement will be considered amended to the extent necessary to comply with the Minnesota Rule.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Law applicable to the provisions are met independently of this

Return to FA TOC

Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum to The Real Food Academy Franchise Agreement for the State of Minnesota and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF NEW YORK

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. In recognition of the requirements of the General Business Laws of the State of New York, Article 33, §§ 680 through 695, the Franchise Agreement for The Real Food Academy is amended as follows:

- Sections 5.2 and 19.2 require Franchisee to sign a general release as a condition of renewal or transfer; such release shall exclude claims arising under the General Business Laws.
- Under Section 19.1, Franchisor shall not transfer and assign its rights and obligations under the Franchise Agreement unless the transferee will be able to perform Franchisor’s obligations under the Franchise Agreement, in Franchisor’s good faith judgment, so long as it remains subject to the General Business Laws of the State of New York.
- Section 22 is amended to provide that Franchisee will not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee’s reliance upon or use of procedures or products that were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.
- Section 24.1 requires that the Franchise be governed by the laws of the state Franchisor’s principal business is then located, such a requirement will not be considered a waiver of any right conferred upon Franchisee by Article 33 of the General Business Laws.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the New York Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF NORTH DAKOTA

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. The North Dakota Securities Commission requires that certain provisions contained in the Agreement be amended to be consistent with North Dakota Law, including the North Dakota Franchise Investment Law, North Dakota Century Code Addendum, Chapter 51-19, Sections 51-19-01 *et seq.* Such provisions in the Agreement are hereby amended as follows:

- Section 4.1 is amended to provide that payment of the initial franchise fee will be deferred until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.
- Sections 5.2 and 19.2 are amended to delete the requirement for the execution of a general release upon renewal or transfer of Franchises purchased in North Dakota.
- Section 23.4 is amended to add that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys’ fees.
- Section 18.2 is amended to add that 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.
- Section 23.4 is amended to state:

If Franchisor or Franchisee is required to enforce this Agreement via judicial or arbitration proceedings, the prevailing party shall be entitled to reimbursement of its costs, including reasonable accounting and legal fees in connection with such proceeding.

- Section 24.1 is amended to state that in the event of a conflict of laws, North Dakota Law shall prevail.
- Section 24.2 is amended to add that any action may be brought in the appropriate state or federal court in North Dakota with respect to claims under North Dakota Law.
- Section 24.4 is amended to state that the statute of limitations under North Dakota Law shall apply.
- Sections 24.5 and 24.6 are deleted in their entireties.
- Sections 24.7 and 24.8 are amended to state that mediation and/or arbitration involving a Franchise purchased in North Dakota must be held either in a location mutually agreed upon prior to the mediation and/or arbitration, which may not be remote from Franchisee’s place of business.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the North Dakota Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF RHODE ISLAND

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. In recognition of the requirements of The Rhode Island Franchise Investment Act §19-28.1-14, the Franchise Agreement for The Real Food Academy is amended as follows:
 - Sections 45.2 and 19.2 require Franchisee to sign a general release as a condition of renewal or transfer; such release shall exclude claims arising under The Rhode Island Franchise Investment Act.
 - Sections 24.1, 24.2 and 24.7 are amended to state that restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under The Rhode Island Franchise Investment Act.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Rhode Island Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE COMMONWEALTH OF VIRGINIA

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) __, is by and between The Real Food Academy Franchise LLC and _____ to amend and revise said Franchise Agreement as follows:

- Section 17.2 n, which terminates the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).
- Section 17.2 u of the Franchise Agreement will not be applicable to the Franchise Agreement signed by the Virginia franchisee entering into the attached agreement.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF WASHINGTON

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____.

1. In recognition of the requirements of the Washington Franchise Investment Protection Act, Washington Rev. Code §§19.100.010 – 19.100.940, the Franchise Agreement for The Real Food Academy is amended as follows:

- The Washington Franchise Investment Protection Act provides rights to Franchisee concerning non-renewal and termination of the Franchise Agreement. If the Agreement contains a provision that is inconsistent with the Act, the Act shall control.
- Sections 5.2 and 19.2 require Franchisee to sign a general release as a condition of renewal or transfer; such release shall exclude claims arising under the Washington Franchise Investment Protection Act.
- Section 24.1 requires that the Franchise be governed by the laws of the State of Florida; such a requirement may be unenforceable in the event of a conflict with the Washington Franchise Investment Protection Act. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.
- Sections 24.2 and 24.7 require litigation or arbitration to be conducted in the State of Florida; the requirement shall not limit any rights Franchisee may have under the Washington Franchise Investment Protection Act to bring suit in the State of Washington.
- Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, or restrict or limit rights or remedies available to a franchisee under the Act, such as a waiver of the right to a jury trial, may not be enforceable.
- Transfer fees are collectable to the extent that they reflect Franchisor’s reasonable estimated or actual costs in effecting a transfer.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Washington Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

FOR THE STATE OF WISCONSIN

This Addendum to the Franchise Agreement is agreed to this _____ (“Effective Date”) is by and between The Real Food Academy Franchise LLC and _____ to amend and revise said Franchise Agreement as follows:

1. The Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Sec. 135.01-135.07 shall supersede any conflicting terms of the Franchise Agreement.

2. This provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Wisconsin Fair Dealership Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

The Real Food Academy Franchise LLC:

Franchisee: _____

Sign: _____

Sign: _____

Print Name & Title: _____

Print Name & Title: _____

EXHIBIT 6 TO FRANCHISE AGREEMENT

DE-IDENTIFICATION

1. Remove, Convey, and Deliver to The Real Food Academy all signage and posters
2. Remove, Convey, and Deliver to The Real Food Academy all other items bearing the Marks.
3. Transfer to The Real Food Academy all social media platforms, online sites, listing services or sites, and review services or sites associated with the Marks or the franchised business.
4. Remove, Convey, and Deliver to The Real Food Academy all Confidential Information.
5. Remove, Convey and Deliver to The Real Food Academy all products acquired from Us or our affiliates.
6. Paint the facility with paint in a color other than the approved colors.

**EXHIBIT 7 to The Real Food Academy Franchise Agreement
Pre-Opening Certification**

I, _____, do hereby certify to The Real Food Academy Franchise LLC (“TRFA”) the following:

1. I understand that it is my responsibility to ensure that my Franchised The Real Food Academy operates in accordance with all laws, rules, and regulations.

2. I understand that I am solely responsible for my employees and that neither the Franchisor nor any of its affiliates or agents exercises any control over my employees or my relationship with them. I will ensure that my business complies with all labor and employment laws.

3. I have obtained a consultation with the advisor(s) of my choice regarding applicable food safety and handling laws in my Area of Primary Responsibility and regarding steps I need to take to be in compliance with all laws applicable to my business.

4. I have ensured that any customer waivers or forms conform to the laws of the state where my business is located.

5. I have completed The Real Food Academy’s initial training program and have received adequate training.

6. I will use my best efforts to operate my Franchised The Real Food Academy accordance with all The Real Food Academy Operating requirements and all laws, rules, & regulations, which may require me to seek legal and accounting advice from time to time from my advisor(s) and which may require me to obtain additional training.

Franchisee

Guarantor

Name & Title _____
Date _____

Name & Title _____
Date _____

**EXHIBIT 8 TO FRANCHISE AGREEMENT
AUTHORIZATION AGREEMENT – PRE-ARRANGED PAYMENTS**

I (We) (Franchisee) authorize The Real Food Academy Franchise LLC (The Real Food Academy) to initiate debit entries and/or credit correction entries, electronic or otherwise, as authorized by the Franchise Agreement between Franchisee and The Real Food Academy. Debit entries for all amounts owed by Franchisee to The Real Food Academy pursuant to the Franchise Agreement are authorized by this Authorization Agreement and shall be made on such due dates as agreed in the Franchise Agreement or such other dates as Franchisee and The Real Food Academy may agree upon from time to time. This authorization shall remain in full force and effect until terminated in writing by Franchisee pursuant to thirty (30) day notice. Franchisee shall provide The Real Food Academy, in conjunction with this Authorization Agreement, a voided check from the below-referenced account.

Bank Name	
Branch Designation	
City, State, Zip	
ABA / Routing / Transit Number	
Account Number	
Franchisee Name on Account	
Franchisee Tax Identification Number	
Authorized Signatory on Account Printed Name	
Authorized Signatory on Account Signature	
Authorized Signatory on Account Contact Phone number and email	Phone: Email:

[ATTACH VOIDED CHECK FOR ACCOUNT VERIFICATION]

**EXHIBIT 9 TO THE REAL FOOD ACADEMY FRANCHISE AGREEMENT
ONLINE/SOCIAL MEDIA ADVERTISING PERMISSION REQUEST**

I, _____, hereby request that The Real Food Academy Franchise LLC (“TRFA”) establish pages/listings for my franchised business known as The Real Food Academy - _____ on the below listed online pages/sites/platforms and authorize me to make postings on such platforms:

1. I hereby acknowledge and agree that TRFA owns all rights to all online pages/sites/platforms regarding the franchised business, including without limitation all information, data, and/or reviews generated through the pages/sites/platforms. I agree to follow TRFA’s instructions for establishing the pages/sites/platforms and/or transferring administrative rights to such pages/sites/platforms.
2. I agree to diligently monitor and update each platform.
3. I agree to promptly and courteously respond to any and all comments, concerns, questions, and/or postings made on each page/site/platform.
4. I agree that TRFA has no obligation to but has the right to monitor, modify, and/or update the pages/sites/platforms.
5. I agree to comply with TRFA’s advertising and social media policies as modified from time to time.
6. TRFA may, but is not required to, specify from time to time in the Operations Manual certain online social media postings that, when made in accordance with the System Standards on these authorized platforms do not require pre-approval prior to posting. In all cases, The Real Food Academy reserves the absolute right, at its sole discretion, to require removal or discontinuance of any posting or advertising.
7. I understand that TRFA reserves the right to revoke approval for posting on any page/site/platform by providing written notice to me.
8. I certify to TRFA that there are no websites, social media pages or other electronic media related to my franchised The Real Food Academy or the services provided through my franchise, other than those for which I have obtained written permission from TRFA.

Franchisee

Approved by Franchisor:

**THE REAL FOOD ACADEMY FRANCHISE
LLC**

(signature)

Print _____
Title _____

Name

& (signature)

Print _____
Title _____

Name

&

EXHIBIT 10 TO FRANCHISE AGREEMENT

RIDER AND SPECIAL STIPULATIONS

TO LEASE AGREEMENT DATED _____
BY AND BETWEEN

_____, AS "LANDLORD"
AND

_____, AS "TENANT" FOR THE DEMISED
PREMISES ("PREMISES") DESCRIBED THEREIN

This Rider and the provisions hereof are hereby incorporated into the body of the lease to which this Rider is attached (the "Lease"), and the provisions hereof shall be cumulative of those set forth in the Lease, but to the extent of any conflict between any provisions of this Rider and the provisions of the Lease, this Rider shall govern and control.

1. Consent to Collateral Assignment to Franchisor; Disclaimer. Landlord acknowledges that Tenant intends to operate a Franchised The Real Food Academy in the Premises, and that Tenant's rights to operate Franchised The Real Food Academy and to use The Real Food Academy name, trademarks and service marks are solely pursuant to a franchise agreement ("Franchise Agreement") between Tenant and The Real Food Academy Franchise LLC ("Franchisor"). Tenant's operations at the Premises are independently owned and operated. Landlord acknowledges that Tenant alone is responsible for all obligations under the Lease unless and until Franchisor or another franchisee expressly assumes such obligations and takes actual possession of the Premises. Notwithstanding any provisions of this Lease to the contrary, Landlord hereby consents, without payment of a fee and without the need for further Landlord consent, to (i) the collateral assignment of Tenant's interest in this Lease to Franchisor or Franchisor's designee to secure Tenant's obligations to Franchisor under the Franchise Agreement, and/or (ii) Franchisor's succeeding to Tenant's interest in the Lease as a result of Franchisor's exercise of rights remedies under such collateral assignment or as a result of the expiration or termination of the Franchise Agreement, or exercise of rights or remedies granted in or under, any other agreement between Tenant and Franchisor or Franchisor's affiliates, and/or (iii) Tenant's, Franchisor's and/or any other franchisee of Franchisor's assignment of the Lease to another franchisee or designee of Franchisor. Landlord, Tenant and Franchisor agree and acknowledge that simultaneously with such assignment pursuant to the immediately preceding sentence, Franchisor shall be released from all liability under the Lease or otherwise accruing up to the date of such assignment (in the event Franchisor is acting as the assignor under such assignment), but neither Tenant nor any other franchisee shall be afforded such release in the event Tenant/such franchisee is the assignor unless otherwise agreed by Landlord. Franchisee shall be solely responsible for all obligations, debts and payments under the lease. Landlord further agrees that all unexercised renewal or extension rights shall not be terminated in the event of any assignment referenced herein, but shall inure to the benefit of the applicable assignee.

2. Use of Premises. The Premises may be used for the purpose of conducting the business of a food related education and entertainment business under The Real Food Academy trade name and for no other purpose without the written consent of the Franchisor.

3. Compliance of Premises With Applicable Law; Parking. Landlord represents and warrants that as of the date hereof the Premises are in compliance with all applicable law, including without limitation the American's With Disabilities Act. Tenant shall have the right to use parking spaces for its guests,

invitees and employees in an amount at least sufficient to comply with applicable zoning and other laws. The use of the parking spaces is provided by Landlord to Tenant without additional charge.

4. Radius/Relocation. Any radius restrictions or relocation provisions found in the Lease are hereby deleted and of no further force or effect.

5. Tenant's Signage and Installations. Notwithstanding anything in the Lease contained to the contrary or in conflict, Landlord hereby grants and approves the following signage and/or installation rights:

5.1. Landlord agrees to allow Tenant to use Franchisor's standard signage and painting packages to the maximum extent permitted by local governmental authorities.

5.2. Tenant shall be provided, at Tenant's sole cost and expense, with a panel on any pylon/monument/directory sign for the development in which the Premises is located, and shall be permitted to install a standard sign thereon as approved by Franchisor, including without limitation Franchisor's logo.

5.3. Landlord agrees to allow Tenant to install all items of Franchisor's 'trade dress' on the interior of the Premises, including but not limited to signage, and specific paint colors.

6. Display of The Real Food Academy Marks. Notwithstanding anything in the lease to the contrary, Landlord agrees that Tenant may display The Real Food Academy Marks in accordance with the specifications required by the Franchise System Confidential Operations Manual, subject only to the provisions of applicable law.

7. Common Areas. If the Premises is located within a complex, Landlord shall not change or alter the common areas in any manner which would alter the dimensions or location of the Premises or adversely affect the use, operation or conduct of Tenant's business being conducted in the Premises, adversely affect the accessibility or visibility of the Premises or reduce the current ratio of parking to rentable square feet in the Complex by more than ten percent (10%). The costs of capital improvements to the common areas (defined as any costs which, in accordance with generally accepted accounting principles, are not fully chargeable to current expenses in the year the expenditure is incurred) shall be excluded from the calculation of Tenant's common areas costs pass through, if any. Tenant's pro rata share of any common areas costs or similar charge shall be based upon the total leasable square footage in the complex (including out-parcels).

8. Landlord's Warranties. Landlord represents, covenants and warrants (i) that it has lawful title to the Premises and has full right, power and authority to enter into the Lease; (ii) that the Premises and (if applicable) the complex are in compliance with the Americans with Disabilities Act ("ADA"); (iii) that the permitted "use" of the Premises does not currently violate the terms of any of Landlord's insurance policies; (iv) that it currently maintains all risk of physical loss coverage for the full replacement cost of the Premises and shall maintain throughout the term of the Lease general liability insurance coverage for the Premises consistent with that being maintained from time to time by reasonably prudent owners of properties similar to the Premises in the same area; (v) that so long as Tenant pays all monetary obligations due under the Lease and performs all other covenants contained therein, Tenant shall peacefully and quietly have, hold, occupy and enjoy the Premises during the term of the Lease and its use and occupancy thereof shall not be disturbed; and (vi) that (a) the Premises and, if applicable, the Complex, has the proper zoning and a legally adequate number of parking spaces for Tenant's permitted use, and (b) Tenant's permitted use does not violate any contracts or agreements to which Landlord is a party or any other covenants, conditions,

restrictions or agreements applicable to the Premises or the Complex. Landlord covenants and agrees that it shall take no action that will interfere with Tenant's intended usage of the Premises. Landlord shall indemnify and hold harmless Tenant and its officers, partners, agents and employees from and against any loss, cost, liability, damage or expense arising out of (i) Landlord's management and operation of the complex (if applicable), (ii) Landlord's breach in the performance of any of its obligations under the Lease or (iii) any violation of law by Landlord or any other act or omission of Landlord or its contractors, agents or employees. The foregoing indemnification shall survive expiration or termination of the Lease.

9. Hazardous Materials. Landlord represents and warrants that the Premises are free of all asbestos, asbestos containing materials and other hazardous or toxic materials (collectively, "Hazardous Materials"). Tenant shall have no obligation to make any repairs, alterations or improvements to the Premises or incur any costs or expenses whatsoever as a result of Hazardous Materials in or about the Premises. Landlord shall be solely responsible for any changes to the Premises relating to Hazardous Materials (at Landlord's expense and not as a charge to Tenant's build out allowance), unless those Hazardous Materials were brought onto the Premises by Tenant. Landlord shall indemnify and hold Tenant harmless from and against all liabilities, costs, damages and expenses which Tenant may incur (including reasonable attorneys' fees) as the result of a breach of Landlord's representation and warranty set forth in this paragraph or the presence of Hazardous Materials in or about the Premises, unless those Hazardous Materials were brought onto such areas by Tenant.

10. Insurance and Waiver of Subrogation. Tenant may maintain the required liability insurance in the form of a blanket policy covering other locations of Tenant in addition to the Premises. As long as their respective insurers so permit, Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party shall apply to its insurers to obtain said waivers. Each party shall obtain any special endorsements, if required by their insurer to evidence compliance with this provision.

11. Mitigation/Reasonableness. Landlord shall use reasonable efforts to mitigate its damages in the event of a Tenant default. Wherever either party to the Lease is required or requested to give its consent, such consent shall not be unreasonably withheld.

12. Notice and Cure Rights to Franchisor. Prior to exercising any remedies hereunder (except in the event of imminent danger to the Premises), Landlord shall give Franchisor written notice of any default by Tenant, and commencing upon receipt thereof by Franchisor, Franchisor shall have fifteen (15) additional days to the established cure period as is given to Tenant under the Lease for such default, provided that in no event shall Franchisor have a cure period of less than (i) fifteen (15) days after Franchisor's receipt of such notice as to monetary defaults or (ii) thirty (30) days after Franchisor's receipt of such notice as to non-monetary defaults. Landlord agrees to accept cure tendered by Franchisor as if the same was tendered by Tenant, but Franchisor has no obligation to cure such default. The initial address for notices to Franchisor is as follows:

The Real Food Academy Franchise LLC
Attn: Arthur Cummins
11111 Biscayne Blvd Ste 205
Miami, FL 33181
art@therealfoodacademy.com,

With a Copy to:

Mary M. Clapp, Esq.
mary@delafra.com

13. Non-disturbance from Mortgage Lenders. Notwithstanding anything contained in the Lease to the contrary or in conflict, it shall be a condition of the Lease being subordinated to any mortgage, deed of trust, deed to secure debt or similar encumbrance on the Premises that the holder of such encumbrance agree not to disturb Tenant's rights under this Lease or Tenant's possession of the Premises, so long as Tenant is not in default of its obligations hereunder beyond an applicable grace or cure period provided herein (as may be extended from time to time pursuant to paragraph 11 immediately above).

CHECK THE FOLLOWING PARAGRAPH THAT APPLIES. CHECK ONLY ONE. IF NONE IS CHECKED, THEN CLAUSE a) BELOW WILL BE APPLICABLE, AND CLAUSE b) BELOW WILL BE DEEMED DELETED

A) Landlord represents and warrants that on the date hereof no mortgage, deed of trust, deed to secure debt or similar encumbrance encumbers the Premises.

B) A mortgage, deed of trust or deed to secure debt currently encumbers the Premises. It is a condition precedent to Tenant's obligations under this Lease that the holder of such encumbrance enter into a written subordination and non-disturbance agreement with Tenant, in form acceptable to Franchisor.

14. Financing of Trade Fixtures by Franchisor and Security Interest. Any security interest and/or Landlord's lien in Tenant's trade fixtures, 'trade dress', equipment and other personal property in the Premises is hereby subordinated to any security interest and pledge granted to Franchisor in such items. The parties acknowledge that there may be certain personal property in the Premises which are not owned by Tenant, which property shall not be subject to any lien of Landlord. Upon request, Landlord shall grant the party who owns such property reasonable access to the Premises for the sole purpose of removing such property, provided such party repairs any damage caused by such removal and otherwise complies with Landlord's reasonable requirements with respect to such access.

15. Tenant Approvals. Notwithstanding anything in the Lease to the contrary, if Tenant is unable to obtain licenses, building permits, signage permits, variances, subdivision approvals, special use permits and other governmental approvals necessary to construct and operate Franchised The Real Food Academy (all of the foregoing licenses, permits and approvals are hereinafter referred to as the "Tenant Approvals") within thirty (30) days after Landlord's approval of Tenant's Plans, Tenant may terminate this Lease by written notice to Landlord, effective as of the date of delivery of written notice to Landlord thereof and any remaining security deposit shall be returned to Tenant, and any rentals paid in advance shall be prorated accordingly.

16. Third Party Beneficiary. For so long as Franchisor holds a collateral assignment of the Lease, Franchisor is a third party beneficiary of the Lease, including, without limitation, this Rider, and as a result thereof, shall have all rights (but not the obligation) to enforce the same.

17. Franchisor Right to Enter. Landlord acknowledges that, under the Franchise Agreement, Franchisor or its appointee has the right to assume the management and operation of the Tenant's business, on Tenant's behalf, under certain circumstances (to-wit: Tenant's abandonment, Tenant's failure to timely cure its default of the Franchise Agreement or any system standards of Franchisor, upon an agreement with Tenant, and while Franchisor evaluates its right to purchase The Real Food Academy business). Landlord agrees that Franchisor or its appointee may enter upon the Premises for purposes of assuming the management and operation of Tenant's business as provided in the Franchise Agreement between Tenant and Franchisor and, if it chooses to do so, it will do so in the name of the Tenant and without assuming any

direct liability under the Lease. Further, upon the expiration or earlier termination of this Lease or the Franchise Agreement, Franchisor or its designee may enter upon the Premises for the purpose of removing all signs and other material bearing The Real Food Academy® name or trademarks, service marks or other commercial symbols of Franchisor and, if Franchisor has purchased the trade fixtures of Tenant pursuant to section 18.4 of the Franchise Agreement, to remove Tenant's trade fixtures. Landlord further agrees that Franchisor may enter the leased premises to make any modifications or alterations necessary in Franchisor's sole discretion to protect The Real Food Academy System and Marks. Landlord expressly agrees and acknowledges that Franchisor may enter the leased premises pursuant to this Rider without being guilty of trespass, or other tort or crime.

18. Amendments. Landlord and Tenant agree that the Lease may not be terminated, modified or amended without Franchisor's prior written consent, nor shall Landlord accept surrender of the Premises without Franchisor's prior written consent. Landlord further agrees to provide Franchisor (at the same time lessor provides to Tenant) a copy of all lease amendments and assignments, and a copy of all letters and notices Landlord sends to Tenant relating to the lease or the leased premises to the address set forth below or such other address as may be provided to Landlord and Tenant.

19. Copy of Lease. Landlord agrees to provide Franchisor with a copy of the fully-executed Lease within ten (10) days of its full execution by Landlord and Tenant to:

The Real Food Academy Franchise LLC
Attn: Arthur Cummins
11111 Biscayne Blvd Ste 205
Miami, FL 33181
art@therealfoodacademy.com

20. Counterparts. This Rider may be executed in one or more counterparts, each of which shall cumulatively constitute an original. Electronic signatures of this Rider shall constitute originals of the same.

AGREED and executed and delivered under seal by the parties hereto as of the day and year of the Lease.

LANDLORD: _____

TENANT: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

THE REAL FOOD ACADEMY FRANCHISE LLC

EXHIBIT D TO THE DISCLOSURE DOCUMENT

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Total Number of Pages in the Written Operations Manual: 234, plus appendices

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THE REAL FOOD ACADEMY FRANCHISE LLC
FINANCIAL STATEMENTS
EXHIBIT E TO THE DISCLOSURE DOCUMENT



Divine
Blalock
Martin
Sellari

LLC
Est. in 1932

**THE REAL FOOD ACADEMY
FRANCHISE, LLC**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2023

(With Independent Auditors' Report Theron)

THE REAL FOOD ACADEMY FRANCHISE, LLC

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AND THE STATE OF NJ
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AND THE STATE OF NC

INDEPENDENT AUDITOR'S REPORT

To the Members of
The Real Food Academy Franchise, LLC
Miami, Florida

Opinion

We have audited the accompanying financial statements of The Real Food Academy Franchise, LLC (a Florida limited liability company), as of December 31, 2023, and the related statements of income, changes in members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 the financial statements that is free from misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Divine, Blalock, Martin & Sellari, LLC

West Palm Beach, FL
May 3, 2024

THE REAL FOOD ACADEMY FRANCHISE, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2023

Assets

Current Assets

Cash and cash equivalents \$ 6,519

Total Current Assets 6,519

Total Assets \$ 6,519

Liabilities and Members' Equity

Current Liabilities

Credit card payable \$ 7,480

Due to/from related party 117,801

Total Current Liabilities 125,281

Total Liabilities 125,281

Members' Deficit

Members' Deficit (118,762)

Total Members' Deficit (118,762)

Total Liabilities and Members' Deficit \$ 6,519

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

THE REAL FOOD ACADEMY FRANCHISE, LLC
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

Revenue

Franchise sales	\$ -
Royalty income	-
	<hr/>

Total Revenue

-

Operating Expenses

Advertising	70,284
Computer equipment & software	100
Bank service charges	295
Dues & subscriptions	200
License & permits	99
Meals & entertainment	16
Subcontractors	60
Professional fees	40,642
Website	15,667
Training & professional development	1,399
	<hr/>

Total Operating Expenses

128,762

Net Loss

\$ (128,762)

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

THE REAL FOOD ACADEMY FRANCHISE, LLC
STATEMENT OF CHANGES IN MEMBERS' DEFICIT
FOR THE YEAR ENDED DECEMBER 31, 2023

Members' Equity @ January 1	\$ -
Members' Contributions	10,000
Net Loss	<u>(128,762)</u>
Members' Deficit @ December 31	<u><u>\$ (118,762)</u></u>

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

THE REAL FOOD ACADEMY FRANCHISE, LLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Net Loss	\$ (128,762)
<i>Adjustments to reconcile Net loss to net cash used by operating activities:</i>	
<i>Decrease (Increase) in operating assets:</i>	
<i>Increase (Decrease) in Operating Liabilities</i>	
Credit card payable	7,480
Due to/from related party	117,801
	117,801
Net Cash Used in Operating Activities	(3,481)
 CASH FLOWS FROM FINANCING ACTIVITIES	
Members' contributions	10,000
	10,000
Net Cash Provided by Financing Activities	10,000
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 6,519
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	 -
 CASH AND CASH EQUIVALENTS AT END OF YEAR	 \$ 6,519

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

THE REAL FOOD ACADEMY FRANCHISE, LLC

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 – BUSINESS ACTIVITY

The Real Food Academy Franchise, LLC was formed in the state of Florida on November 17, 2022; the Company is in the business of offering franchises for the operation of a culinary-based teaching business for both children and adults. Unless otherwise indicated, the terms “we,” “us,” “our,” and “Company” refer to The Real Food Academy Franchise, LLC.

Affiliate

Cooking With Kids Miami, LLC - is a Florida limited liability company formed on March 18, 2010 which operates a “The Real Food Academy” business substantially similar to the Franchise Business offered for sale by us. Our affiliate does not offer franchises in this or any other line of business.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Company’s policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned rather than when received, and expenses are recognized when the obligation is incurred rather than when cash is disbursed.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Accounts Receivable and Bad Debts

Customer accounts receivable are stated at the amount management expects to collect on balances. The Company uses the direct write-off method for bad debts; management closely monitors outstanding balances and writes off, as of year-end, any balances that are considered to be uncollectible. Bad debts amounted to \$0 for the year ended December 31, 2023.

Property and Equipment

Property and equipment are stated at cost. Depreciation and amortization are generally provided using the straight-line method over the estimated useful lives of the related assets which ranges between 5 to 40 years. At December 31, 2023, the Company did not own any fixed assets.

Income Taxes

Certain transactions of the Company may be subject to accounting methods for income tax purposes that differ significantly from the accounting methods used in preparing the financial statements in accordance with generally accepted accounting principles. Accordingly, the taxable income of the Company reported for federal and state income tax purposes may differ from net income in the financial statements.

As a limited liability company, income or loss of the Company is allocated to the members. No provision for federal or state income taxes is necessary because any income or loss is includable in the tax returns of the individual members. Local income taxes, if any, are paid by the Company. The Company was not subject to any local income taxes for the year ended December 31, 2023.

The Company’s tax returns are subject to possible examination by the taxing authorities. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

THE REAL FOOD ACADEMY FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Income Taxes (continued)

The Company accounts for uncertain tax positions in accordance with ASC 740-10, *Accounting for Uncertainty in Income Taxes*. ASC 740-10 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740-10 also provides guidance on de-recognition, classification, interest and penalties, and disclosure and transition accounting. The Company has concluded that no liability for uncertain tax positions is required at December 31, 2023.

Advertising

Advertising costs are expensed as incurred. Advertising expense amounted to \$70,284 for the year ended December 31, 2023.

Concentrations of Credit Risk

The Company maintains cash in bank and deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Revenue Recognition

The Company's revenue recognition policies are in compliance with accounting standards ASC Topic 606, *Revenue from Contracts with Customers*. The new guidance includes the following five-step revenue recognition model:

- Identify the contract with the customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to performance obligations.
- Recognize revenue when (or as) each performance obligation is satisfied.

In 2020, the Financial Accounting Standards Board (FAB) issued Accounting Standards Update (ASU), *Franchisors-Revenue from Contracts with Customers (Subtopic 952-606) Practical Expedient*. This new practical expedient will allow franchisors that are not public business entities to account for pre-opening services provided to a franchise as a single performance obligation in the services are in line with the services listed within the guidance, and they meet certain other conditions.

The Company recognizes franchise royalties, brand marketing fund and local advertising fees on a weekly and monthly basis, which are generally based upon a percentage of sales made by the Company's franchises, when they are earned and deemed collectible.

The following services are provided by the Company prior to the opening of a franchised location:

- *Provide criteria for equipment and supplies necessary for the buildout and operation.*
- *Provide site selection criteria and designate a territory.*
- *Provide an initial training program*
- *Loan a copy of the Operations Manual.*

THE REAL FOOD ACADEMY FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates made by the Company’s management include, but are not limited to, allowances for doubtful accounts and contracts receivable, the allowance for losses on contracts in process and the percentage of completion on uncompleted contracts. Actual results could materially differ from those estimates.

Fair Value of Financial Assets and Liabilities

We measure and disclose certain financial assets and liabilities at fair value. ASC Topic 820, Fair Value Measurements and Disclosures, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

We utilize the active market approach to measure fair value for our financial assets and liabilities. We report separately each class of assets and liabilities measured at fair value on a recurring basis and include assets and liabilities that are disclosed but not recorded at fair value in the fair value hierarchy.

Recently Issued and Adopted Accounting Pronouncements

In February 2016, the FASB issued a new accounting standard on leases. The new standard, among other changes, will require lessees to recognize a right-of-use asset and a lease liability on the balance sheet for all leases. The lease liability will be measured at the present value of the lease payments over the lease term. The right-of-use asset will be measured at the lease liability amount, adjusted for lease prepayments, lease incentives received and the lessee’s initial direct costs (e.g., commissions).

The new standard is effective for annual reporting periods beginning after December 15, 2022, including interim reporting periods within those annual reporting periods. The adoption will require a modified retrospective approach for leases that exist or are entered into after the beginning of the earliest period presented. Effective January 1, 2023, the Company adopted the new lease standard. At December 31, 2023 the Company had no lease agreements in place.

THE REAL FOOD ACADEMY FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 3 – DEFERRED REVENUE

Deferred revenue represents franchise licensing fee and initial franchise sales for which substantially all the services to be provided by the Company have not yet been performed. The licensing fee portion is recognized over the life of the contract while the initial franchise fee revenues are fully recognized when Franchisees open their doors. The amount deferred as of December, 31, 2023 was \$0.

NOTE 4 – RELATED PARTY TRANSACTIONS

At December 31, 2023, the Company owed \$117,801 to their affiliate, Cooking with Kids Miami, LLC (CWKM) for expenses paid by CWKM on behalf of The Real Food Academy Franchise, LLC. The note is unsecured, due on demand and bears no interest. The Company expects to pay the amount due within one year, therefore it is classified as a current liability on the balance sheet.

NOTE 5– COMMITMENTS AND CONTINGENCIES

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

NOTE 6– SUBSEQUENT EVENTS

The Company has evaluated subsequent events through May 3, 2024, the date which the financial statements was available to be issued and nothing has occurred that would require disclosure.

THE REAL FOOD ACADEMY FRANCHISE LLC
EXHIBIT F TO THE DISCLOSURE DOCUMENT

A. LIST OF CURRENT FRANCHISEES AS OF THE DATE OF THIS DISCLOSURE DOCUMENT.

As of the issuance date of this FDD, there are no franchisees:

B. LIST OF TERMINATED FRANCHISEES AS OF THE DATE OF THIS DISCLOSURE DOCUMENT.

As of the issuance date of this FDD, there are no franchisees who have had an outlet terminated, cancelled, transferred, not renewed 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 Disclosure Document Issuance date.

**THE REAL FOOD ACADEMY
MULTI-STATE ADDENDA**

EXHIBIT G TO THE DISCLOSURE DOCUMENT

Return to FDD TOC

EXHIBIT G

**ADDENDUM TO THE REAL FOOD ACADEMY
FRANCHISE DISCLOSURE DOCUMENT**

FOR THE STATE OF CALIFORNIA

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

2. Section 31125 of the California Corporations Code requires us to give you a Disclosure Document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

Neither the franchisor nor any person or franchise broker in ITEM 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling these persons from membership in the association or exchange.

3. ITEM 5 of the Disclosure Document is amended to add the following:

The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

4. ITEM 17 of the Disclosure Document is amended to add the following:

- The California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
- The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).
- The Franchise Agreement contains a covenant not to compete that extends beyond the term of the agreement. This provision might not be enforceable under California law.
- The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- The Franchise Agreement requires binding arbitration. The arbitration will occur at the forum indicated in ITEM 17 with the costs being borne by the non-prevailing

party. Prospective franchisees are encouraged to consult 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 the Franchise Agreement restricting venue to a forum outside the State of California.

- The following URL address is for the franchisor's website:

www.therealfoodacademy.com

FRANCHISOR'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

5. ITEM 19 of the Disclosure Document is amended to provide:

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

FOR THE STATE OF CONNECTICUT

1. ITEM 3 is amended to read as follows:

- Neither the Franchisor nor any person identified in ITEMS 1 or 2 above has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations.
- Neither the Franchisor nor any other person identified in ITEMS 1 or 2 above has during the ten (10) year period immediately preceding the date of this Disclosure Document, been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable in any civil action by final judgment, or been the subject of any material complaint or other legal proceeding where a felony, civil action, complaint or other legal proceeding involved violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations or which was brought by a present or former purchaser-investor or which involves or involved the business opportunity relationship.
- Neither the Franchisor nor any person identified in ITEMS 1 or 2 above is subject to any currently effective injunctive or restrictive order or decree relating to the franchise, or under any federal, state or Canadian franchise, securities, business opportunity, antitrust, trade regulation or trade practice law as a result of concluded or pending action or proceeding brought by a public agency, or is a party to a proceeding currently pending in which an order is sought, relating to or affecting business opportunity activities or the seller-purchaser-investor relationship, or involving fraud, including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property or restraint of trade.
- Neither Company nor any person identified in ITEM 2 above is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities & Exchange Act of 1934) suspending or expelling these persons from membership in the association or exchange.

2. ITEM 4 is amended to read as follows:

- During the 10 year period immediately before the date of the Disclosure Document neither Company nor Affiliate, or current officer or general partner of Company, has (a) filed as debtor (or had filed against it) a petition to start an action under the United States 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 ever filed as a debtor (or had filed against it) a petition to start an action under

the United States Bankruptcy Code, or that obtained a discharge of its debts under the Bankruptcy Code during or within 1 year after the officer or general partner of Company held this position in the debtor company.

FOR THE STATE OF HAWAII

1. The following list reflects the status of our franchise registrations in the states that have franchise registration and/or disclosure laws:

- This registration is not currently effective in any state.
- There are no states that have refused, by order or otherwise, to register these franchises.
- There are no states that have revoked or suspended the right to offer these franchises.

2. The Franchise Agreement has been amended as follows:

- The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If the Franchise Agreement, and more specifically, Sections 5.2 and 17 and 19, contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.
- Sections 5.2 and 19.2 of the Franchise Agreement require franchisee to sign a general release as a condition of renewal or transfer of the franchise; this release shall exclude claims arising under the Hawaii Franchise Investment Law.
- Section 17.2 n of the Franchise Agreement, which terminates the Franchise Agreement upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).

3. The Receipt Pages are amended to add the following:

- THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.
- 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 DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.
- THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT AND THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

FOR THE STATE OF ILLINOIS

- Payment of Initial Fees, including the initial franchise fee, for franchises purchased in Illinois will be deferred until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.
- For choice of law purposes, and for the interpretation and construction of the Franchise Agreement, the Illinois Franchise Disclosure Act, 815 ILCS 705 governs.
- No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of 3 years after the act or transaction constituting the violation upon which it is based, the expiration of 1 year after the franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to the franchisee of a written notice disclosing the violation, whichever shall first expire.
- Illinois law governs the Franchise Agreement (without regard to conflict of laws), and jurisdiction and venue for court litigation shall be in Illinois.
- 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.
- In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the franchise agreement that designates jurisdiction and venue in a forum outside the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.
- Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/19 and 705/20.

FOR THE STATE OF INDIANA

1. ITEM 8 of the Disclosure Document is amended to add the following:
 - Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

2. ITEMS 6 and 9 of the Disclosure Document is amended to add the following:
 - The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.

3. ITEM 17 of the Disclosure Document is amended to add the following:
 - Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
 - Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.
 - ITEM 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee.
 - ITEM 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.
 - ITEM 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action that arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

FOR THE STATE OF MARYLAND

1. ITEM 17 of the Disclosure Document is amended to add the following:
 - Under the Maryland Franchise Registrations and Disclosure Law, Md. Code Ann. Bus. Reg. §14-201 et seq., no general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims under the Maryland Franchise Registration and Disclosure Law.
 - Any litigation between Franchisee and Franchisor may be instituted in any court of competent jurisdiction, including a court in the State of Maryland for claims arising 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.
 - In the event of a conflict of laws if required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail.
 - The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).
2. Exhibit H to the Disclosure Document is amended as follows:
 - Any portion of the Disclosure Questionnaire which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any of these representations 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.

FOR THE STATE OF MICHIGAN

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

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

- The fact that the proposed transferee is our or Subfranchisor's competitor.
- The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- Your or proposed transferee's failure to pay us any sums or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.
- A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants us a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants us the right to acquire the assets of a franchise for the market or appraised value and has failed to cure the breach in the manner provided in ITEM 17 (g).
- A provision that permits us to directly or indirectly convey, assign or otherwise transfer our obligations to fulfill contractual obligations to you unless a provision has been made for providing the required contractual services.

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

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

4. Any questions regarding this notice should be directed to:

State of Michigan
 Consumer Protection Division
 Attention: Franchise Bureau
 525 West Ottawa Street
 G. Mennen Williams Building, 6th Floor
 Lansing, MI 48933
 (517) 373-7117

FOR THE STATE OF MINNESOTA

1. ITEM 13 of the Disclosure Document is amended as follows:
 - As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred by you in the defense of your right to use the Marks, so long as you were using the Marks in the manner authorized by us, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

2. ITEM 17 of the Disclosure Document is amended as follows:
 - With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Agreement.
 - ITEM 17 shall not provide for a prospective general release of claims against us that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.
 - Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

FOR THE STATE OF NEW YORK

1. All references made herein to a “Disclosure Document” shall be replaced with the term “Offering Prospectus” as used under New York Law.

2. The FDD Cover Page is amended as follows:

- **REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, 120 BROADWAY, NEW YORK, NEW YORK 10271-0332. INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION.**
- **THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE CIRCULAR. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS CIRCULAR.**

3. ITEM 3 is amended by the addition of the following language:

- Neither franchisor, the franchisor’s predecessor or an affiliate offering franchises under the franchisor’s principal trademark, nor any person identified in ITEM 2 has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against them 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. In addition, neither franchisor nor any person identified in ITEM 2 has any pending actions, other than routine litigation incidental to the business, that 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.
- Neither franchisor, the franchisor’s predecessor or an affiliate offering franchises under the franchisor’s principal trademark, nor any person identified in ITEM 2 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 held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding involving violation of any franchise law, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

- Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 is subject to any injunctive or restrictive order or decree relating to the franchises, or any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, as a result of a concluded or pending action or proceeding brought by a public agency.
4. ITEM 4 is amended to state that:
- Neither the franchisor, nor its predecessor, officers or general partner of the franchisor has, during the ten (10) year period immediately before the date of the Disclosure Document, has: (a) filed as a 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; (c) was a principal officer of any company or a general partner in any partnership that either filed as a debtor (or had filed against it) a petition to start action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the Bankruptcy Code during or within one (1) year after the officer or general partner of the franchisor held this position in the company or partnership.
5. ITEM 5 of the Disclosure Document is amended to add the following:
- The franchise fee will be used to defray franchisor's costs in obtaining and screening franchisees, providing training, training materials and assisting in opening the Franchised The Real Food Academy for business.
6. ITEMS 6 and 11 of the Disclosure Document are amended to add the following:
- The franchisee will not be required to indemnify franchisor for any liability imposed on franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.
7. ITEM 17 of the Disclosure Document is amended to add the following:
- No general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims arising under the New York General Business Law, Article 3, Sections 687.4 and 687.5.
 - ITEM 17(d) is amended to provide that you may terminate the Agreement on any grounds available by law.
 - ITEM 17(j) is amended to state, that no assignment will be made except to an assignee who, in the good faith judgment of Franchisor, is able to assume our obligations under the Agreement.

- ITEM 17(w) is amended to state that New York Law governs any cause of action that arises under the New York General Business Law, Article 33, Section 680-695.

8. Franchisor represents that this Disclosure Document does not knowingly omit anything or contain any untrue statements of a material fact.

FOR THE STATE OF NORTH DAKOTA

1. ITEM 5 of the Disclosure Document is amended by the addition of the following language to the original language:

- Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If franchisor elects to cancel this Franchise Agreement, franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.
- The initial franchise fee for franchises purchased in North Dakota will be deferred until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.

2. ITEM 17 of the Disclosure Document is amended to add the following:

- No general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims arising under North Dakota Law.
- In the case of any enforcement action, the prevailing party is entitled to recover all costs and expenses including attorneys' fees.
- The Franchise Agreement is amended to state that the statute of limitations under North Dakota Law will apply.
- No liquidated damages or termination fee will apply to franchises purchased in North Dakota.
- ITEMS 17(i) and 17(q) are amended to state that 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.
- ITEMS 17(u) and 17(v) are amended to state a provision requiring litigation to be conducted in a forum other than North Dakota is void with respect to claims under North Dakota Law. The site for any mediation and/or arbitration shall be mutually agreeable to the parties and may not be remote from Franchisee's place of business.
- ITEM 17(w) is amended to state in the event of a conflict of laws, North Dakota Law will control.

FOR THE STATE OF RHODE ISLAND

ITEM 17 of the Disclosure Document is amended to add the following:

- The Rhode Island Franchise Investment Act, R.I. Gen. Law Ch. 395 Sec. 19-28.1-14 provides that a provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.
- Any general release as a condition of renewal, termination or transfer will be void with respect to claims under the Rhode Island Franchise Investment Act.

FOR THE COMMONWEALTH OF VIRGINIA

ITEM 17(h) of the Disclosure Document is amended to add the following:

- Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any right given by any provision contained in the franchise, specifically Section 16.2.1.20 of the Franchise Agreement. If any grounds for default or termination stated in the Franchise Agreement do not constitute “reasonable cause”, as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

FOR THE STATE OF WASHINGTON

ITEM 17 of the Disclosure Document is amended to add the following:

- In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.
- A general release or waiver of rights signed by you will not include rights under the Washington Franchise Investment Protection Act.
- Provisions that unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act, including the right to a jury trial may not be enforceable.
- Transfer fees are collectable if they reflect our reasonable estimated or actual costs in effecting a transfer.
- The Franchise Agreement requires any litigation to be conducted in a state other than Washington; the requirement shall not limit any rights Franchisee may have under the Washington Franchise Investment Protection Act to bring suit in the State of Washington.

FOR THE STATE OF WISCONSIN

ITEM 17 of the Disclosure Document is amended to add the following:

- The Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Section 135.01-135.07 may affect the termination provision of the Franchise Agreement.

THE REAL FOOD ACADEMY
STATE EFFECTIVE DATES AND RECEIPTS
EXHIBIT H TO THE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

<u>State</u>	<u>Effective Date of Order</u>
California	Not registered
Hawaii	Not registered
Illinois	Not registered
Indiana	Pending
Maryland	Not registered
Michigan	Pending
Minnesota	Not registered
New York	Not registered
North Dakota	Not registered
Rhode Island	Not registered
South Dakota	Pending
Virginia	Pending
Washington	Not registered
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.

Receipt

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 The Real Food Academy offers you a franchise, The Real Food Academy must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale or grant unless otherwise stated in your state's addendum. The delivery of the Disclosure Document is to be received at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship in the States of Maryland and New York.

If The Real Food Academy 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Administrator listed in Exhibit A.

The following are the names, principal business addresses, and telephone numbers of each franchise seller offering the franchise:

_____	Arthur Cummins	Maria Cummins
11111 Biscayne Blvd Ste 205	11111 Biscayne Blvd Ste 205	11111 Biscayne Blvd Ste 205
Miami, FL 33181	Miami, FL 33181	Miami, FL 33181
Email _____	art@therealfoodacademy.com	maria@therealfoodacademy.com
Phone _____	305-753-6644	

Date of Issuance: May 6, 2024, as amended June 11, 2024

Our Agents for Service of Process are listed in Exhibit B.

I have received a Franchise Disclosure Document with an issuance date of May 6, 2024, as amended June 11, 2024 that included the following exhibits on the date listed below:

- A. List of State Administrators
- B. List of State Agents for Service of Process
- C. Franchise Agreement
 - Exhibit 1 – General Release
 - Exhibit 2 – Nondisclosure and Non-Competition Agreement
 - Exhibit 3 – Unlimited Guaranty and Assumption of Obligations
 - Exhibit 4 – Holders of Legal or Beneficial Interest in Franchisee
 - Exhibit 5 – Multi-State Addenda
 - Exhibit 6 – De-Identification
 - Exhibit 7 – Pre-Opening Certification
 - Exhibit 8 – ACH Agreement
 - Exhibit 9 – Online/Social Media Request
 - Exhibit 10 – Lease Rider
- D. Table of Contents to the Confidential Operations Manual
- E. Financial Statements
- F. List of Terminated Franchisees
- G. Multi-State Addenda

Please sign and print your name below, date and return one copy of this receipt to The Real Food Academy and keep the other for your records.

Date of Receipt (Date FDD Received)

Prospective Franchisee [Signature]

Prospective Franchisee [Print Name]

Title (if Prospective Franchisee is an entity)

Retain this Copy for your records

Receipt

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 The Real Food Academy offers you a franchise, The Real Food Academy must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale or grant unless otherwise stated in your state's addendum. The delivery of the Disclosure Document is to be received at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship in the States of Maryland and New York.

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Please sign and print your name below, date and return one copy of this receipt to The Real Food Academy and keep the other for your records.

Date of Receipt (Date FDD Received)

Prospective Franchisee [Print Name]

Prospective Franchisee [Signature]

Date, Sign, and Return to: The Real Food Academy Franchise LLC, 11111 Biscayne Blvd Ste 205, Miami, FL 33181, art@therealfoodacademy.com.

Return to FDD TOC