

FRANCHISE DISCLOSURE DOCUMENT

ADVANCED MOBILE IV, LLC dba AMIV

A Utah limited liability company
1971 S. 2660 E., St. George, UT 84790

Phone: (435) 559-2911

Email: info@amiv.com

<https://amiv.com/>



We are Advanced Mobile IV, LLC dba AMIV, a Utah limited liability company doing business as “Advanced Mobile IV” and “AMIV”. We offer franchises to qualified individuals and entities to own and operate a business that provides intravenous or IV vitamin therapies and medication and hydration infusion for the benefit of subscribing members and the general public under our AMIV™ and Advanced Mobile IV™ names and marks (the “Marks”) and our programs and systems (the “Method of Operation”).

The total investment necessary to begin operation of an AMIV franchise is \$56,000 to \$141,060. This includes \$40,100 to \$100,200 that must be paid to us or our affiliate. Your initial investment and initial fees are more fully described in Items 5, 6 and 7 of this Disclosure Document.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Ashley Yardley at 1971 S. 2660 E., St. George, UT 84790 AND (435) 559-2911.

The terms of your contract will govern your franchise relationship. Don't rely on the 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.

Issuance Date: August 11, 2023, as amended February 6, 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 H.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A 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 AMIV business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be an AMIV franchisee?	Item 20 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 F.

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

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 Utah. 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 Utah than in your own state.
2. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements(see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
4. **Sales Performance Required**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
5. **Unregistered Trademark**. The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.
6. **Additional Experience Required**. The training program provided by the franchisor (see Item 11) is not designed to provide the knowledge, skills, and license required to operate the franchise business. Franchisees will either need to already possess the additional knowledge, skills, or license, or hire employees that possess the knowledge, skills, and license to provide the franchise's products and services professionally and safely.
7. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

8. **Inventory Control.** You must make inventory and supply purchases of at least \$500 each month, even if you do not need that much. See Item 6; section 5.3 of the franchise agreement. Your inability to make these purchases or to maintain inventory levels at all times may result in termination of your franchise and loss of your investment.

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

TABLE OF CONTENTS

ITEMS

1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES
2. BUSINESS EXPERIENCE
3. LITIGATION
4. BANKRUPTCY
5. INITIAL FEES
6. OTHER FEES
7. ESTIMATED INITIAL INVESTMENT
8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES
9. FRANCHISEE'S OBLIGATION
10. FINANCING
11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING
12. TERRITORY
13. TRADEMARKS
14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION
15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS
16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL
17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION
18. PUBLIC FIGURES
19. FINANCIAL PERFORMANCE REPRESENTATIONS
20. OUTLETS AND FRANCHISEE INFORMATION
21. FINANCIAL STATEMENTS
22. CONTRACTS
23. RECEIPTS

EXHIBITS

- A Financial Statements
- B Standard Franchise Agreement and Schedules
 - Schedule 1 – Franchise Territory and Initial Franchise Fee
 - Schedule 2 – Franchise Owner Information
 - Schedule 3 – Owner's Guaranty
 - Schedule 4 – Minimum Performance Benchmarks
 - Schedule 5 – Owner Personal Covenants Regarding Confidentiality & Competition
- C Phone Number Acknowledgment and Conditional Assignment
- D EFT Authorization
- E Multi-State Addendum to the FDD and Franchise Agreement
- F List of State Agents for Service of Process and State Administrators
- G SBA Addendum
- H List of Current and Former Franchisees
- I Medical Director Agreements
- J Confirmation of Additional Terms and Representations
- K State Effective Dates
- Receipt

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

We are ADVANCED MOBILE IV, LLC dba AMIV (called “We,” “Us,” or “Our”). We are a Utah limited liability formed on November 3, 2021. We do business under the “Advanced Mobile IV” and “AMIV” names, marks, and logos. We do not intend to do business under any other names. Advanced Mobile IV, LLC is called “us” or “we” in this franchise disclosure document. “You” means the prospective purchaser of an AMIV™ franchise, and includes owners or partners of a corporation, partnership, or other legal entity that purchases an AMIV franchise.

Who We Are

We are the franchisor of the AMIV franchise system. Our principal office address is 1971 S. 2660 E., St. George, UT 84790. Our telephone number is (435) 559-2911. We have offered franchises since May 2022. We have never offered franchises in any other line of business. We do not operate any businesses of the type being franchised. We produce and sell innovative advertising and sales promotion materials. We may attempt to negotiate group discount rates for the benefit of our franchisees for products, supplies, and equipment. We do not have any other business activities.

We have no parent or predecessors.

Our affiliate Advanced Mobile Distribution, LLC is a Utah limited liability company whose principal address is 1971 S 2660 E, St. George, Utah 84790. It offers and sells IV supplies and inventory to our franchisees. It has no other business activities and has never offered franchises in this or any other line of business.

Our affiliate Advanced Mobile IV St. George, LLC, a Utah limited liability company operates an AMIV™ business of the type being franchised in St. George, Utah since 2021. This affiliate has never offered franchises in this or any other line of business.

Our registered agents for service of process are outlined in Exhibit F to this Disclosure Document.

We and affiliate companies retain the right to own or operate additional AMIV offices and franchises.

The AMIV™ Franchise

We license our AMIV™ franchisees in specified territories to own and to operate a business that provides mobile intravenous (or “IV”) vitamin therapies and medication and hydration infusion services for the benefit of subscribing members and the general public under the direction of a medical director and using the AMIV™ names and marks and our Method of Operation. Unless you are permitted to practice medicine under your state’s laws, you will not practice medicine.

To operate an AMIV™ franchise, you must sign the Franchise Agreement with us. You will own the assets of the franchised business and provide the medical director and staff with management, administrative services, and general business and operational support consistent with our system and Method of Operation to provide IV vitamin therapy services and related products and services consistent and in compliance with all applicable laws and regulations. The Franchise Agreement does not make you our agent, legal representative, joint venturer, partner, employee, or servant for any purpose. You will be an independent contractor and will not be authorized to make any contract, agreement, warranty or representation or to create any obligation, express or implied, for us.

Market and Competition

The principal sources of direct competition include other retail and mobile intravenous vitamin therapy and hydration businesses, including nurses providing services in clients' homes and at events and businesses that may be part of other franchise systems or chains. Indirect competition comes from hospitals or medical clinics. Though intravenous therapies and hydration have been administered worldwide for many decades, the mobile intravenous therapy and hydration market is developing and mobile intravenous therapy and hydration businesses are rapidly spreading across the United States.

Laws and Regulations

Most states allow only a licensed physician or nurse practitioner to provide medical supervision of intravenous therapies and hydration services. Unless otherwise allowed by state laws, the AMIV™ franchise must be owned by and under the direct supervision of a currently-licensed physician or nurse practitioner, as permitted by law. The licensed medical professional must provide at least the level of supervision of staff and rendered services as required by applicable laws.

For quality control and consistency, we only offer and sell AMIV™ franchises under the express condition that a properly licensed physician or nurse practitioner – as permitted under local laws and regulations - provides the medical supervision services and standing orders for properly-licensed healthcare professionals, such as registered nurses, regardless of the lack of state requirements. We do not offer or sell our AMIV™ franchises unless there will be properly-licensed medical supervision. We require you to become familiar with and to understand all relevant federal, state, and local laws and regulations.

Healthcare regulations require oversight of the franchised business by a medical director. The medical director is responsible review, oversee, and manage all patient bookings and patient care including care and services provided by any and all licensed healthcare professionals and staff who provide actual intravenous therapy and hydration services to be provided through the franchised business. Only licensed healthcare professionals may actually administer the intravenous therapies and hydration, such as registered nurses. You may not provide, control, or supervise the intravenous therapies or hydration services if you are not properly licensed and qualified. Because various federal and state laws govern the practice of medicine and the ownership of medical practices and healthcare businesses, it is critically important that a franchisee that is not a licensed healthcare professional does not engage in conduct or practices that are, or may appear to be, the practice of medicine. The medical director must be responsible for and offer all intravenous therapies and hydration services in accordance with all relevant laws and regulations. We undertake upfront and ongoing reviews to verify and enforce that each AMIV™ franchise is owned and operated and includes currently licensed medical professionals

as required by relevant state laws and regulations. We never influence a medical professionals' decisions related to diagnosis or treatment of patients, directly or indirectly through the operations manuals. We do not control the licensed medical professionals or participate in any conduct or activity or make any business or management decisions that would control the licensed professional's practice of medicine. If, at any time, a franchise is not operated as required by relevant local licensing, practice, or layperson-influence rules, we will require the franchise to be transferred to an appropriately licensed medical professional with a current license, or we may terminate the franchise.

Intravenous therapy and hydration services are heavily regulated. Most states have specific regulations on these services and the business providing these services. It will be your duty to investigate, know, understand, and adhere to all local and state IV administration and medical practice regulations. You are responsible to make sure that you do not violate any federal and state laws and regulations related to the practice of medicine, including state board of medicine rules. Generally, this means that all intravenous therapies and hydration services be rendered by currently licensed registered nurses or similar medical professionals. All procedures must follow state and federal laws and regulations and rules, requirements, and recommendations of national, state, and local associations, boards, and other appropriate regulation entities that address the following subjects areas, among others:

- Practice of medicine and the operation of medical services;
- Treatment controls and monitoring;
- Fraud and abuse statutes;
- OSHA laws;
- Physician self-referral, including the federal "Stark Law", patient-brokering, and anti-kickback laws and restrictions;
- Payment systems for medical benefits to individuals through insurance and government resources (including Medicare and Medicaid) and state billing limitations, opt-out rules, and participation conditions;
- Restrictions or prohibitions on the corporate practice of medicine, captain-of-the-ship requirements, and fee splitting. The following states follow the corporate practice of medicine doctrine which may prohibit corporations other than professional associations and non-profit corporations from practicing medicine: Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Montana, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Washington, West Virginia, Wisconsin;
- Privacy of patient records, including the Health Insurance Portability and Accountability Act ("HIPPA") and related regulations;
- Use of medical devices;
- Hazardous waste handling and disposal;
- Health and sanitation;
- Access by persons with disabilities;
- Safety, and zoning;
- Advertising of medical services.

You should also become familiar with federal and state laws regarding wage and hour, occupational health and safety, equal employment opportunity, communication to employees, and the Americans With Disabilities Act.

Before you purchase an AMIV™ franchise, you should consult with an attorney who is familiar with the applicable state and federal laws and any others which may apply to the operation of a mobile intravenous vitamin therapy and hydration services business in your state and locale and that can advise you on your relationship with an approved medical director and the ability to participate in the franchise.

2. BUSINESS EXPERIENCE

ASHLEY YARDLEY – Co-CEO

Ashley Yardley has served as our Co-CEO in St. George, Utah since November 2021. Ashley has owned and operated the AMIV™ operation in St. George, Utah since December 2021. Ashley has owned and operated Southern Comfort Care, a private companionship services company, in St. George, Utah since March 2017. From February to October 2021, she served as Vice President for Innovation Medical in St. George, Utah. From February 2020 to February 2021, she owned and operated TempleView Home Health & Hospice in St. George, Utah. From February to August 2019, she worked as Administrator for Pathway Hospice in St. George, Utah. From January 2018 to February 2019, she worked as Licensed Practical Nurse for Dixie Hospice in St. George, Utah.

HOLLY HANSEN – Co-CEO

Holly Hansen has served as our Co-CEO in St. George, Utah since November 2021. Holly has owned and operated the AMIV™ operation in St. George, Utah since October 2021. From June to October 2021, she served as a Nurse for Innovation Medical in St. George, Utah. From February to June 2021, Holly served as a Nurse for Temple View in St. George, Utah. Holly attended nursing school from August 2018 to May 2021. From January 2016 to April 2018, Holly served as a phlebotomist and medical assistant for St. George Urology in St. George, Utah.

3. LITIGATION

Prior Actions

Maryland Securities Commissioner Administrative Proceeding. In the Matter of: Advanced Mobile, IV, LLC, Case No. 2023-0028.

In April 2023, we entered into a Consent Order with the Maryland Securities Commissioner and paid to the Maryland Office of Attorney General a \$500 penalty related to our unregistered offer and sale of a franchise in Maryland in 2022. We agreed to cease and desist from offering or selling unregistered franchises in Maryland and we were required to offer to rescind the relevant 2022 franchise agreement by a process outlined by the Securities Division of the Maryland Office of Attorney General. We were also required to register our franchise offering in Maryland within a prescribed timeframe with various additional penalties owed for failure to timely register.

Washington Department of Financial Institutions, Securities Division. In the Matter of: Advanced Mobile, IV, LLC, Order No. S-23-3535-23-CO01.

In April 2023, we entered into a Consent Order with the Washington Department of Financial Institutions Securities Division related to our unregistered offer and sale of two franchises in Washington in 2022. We and our agents and employees agreed to cease and desist from offering or selling unregistered franchises in Washington and related violations and paid a \$1,000 penalty.

Minnesota Commerce Department. In the Matter of: Advanced Mobile, IV, LLC, File No. 79656.

In April 2023, we entered into a Civil Penalty Agreement with the Minnesota Commerce Department related to our unregistered offer and sale of a franchise in Minnesota in 2022. We agreed to make no solicitations or sales of any kind in Minnesota until we register the franchise opportunity and paid a \$1,000 penalty.

There are no currently effective restrictive orders or decrees in Maryland, Washington, Minnesota, or any other state.

Other than these actions outlined above, no litigation is required to be disclosed in this Item.

4. BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

5. INITIAL FEES

You pay to us non-refundable Initial Franchise Fee. The Initial Franchise Fee is currently based on a 4-tier system dependent on the population of your approved Franchise Territory, as follows:

Tier	Population Size	Initial Franchise Fee
Tier 1	Up to 150,000 persons	\$35,000
Tier 2	150,001 to 300,000 persons	\$55,000
Tier 3	300,001 to 450,000 persons	\$70,000
Tier 4	450,000 to 600,000 persons	\$85,000

If you desire a Franchise Territory larger than 600,000 persons of population, or to later add additional territory to your Franchise Territory, you must pay an additional Initial Franchise Fee of \$0.14 per person for every person of population above 600,000 or above the population of your original Franchise Territory, subject to territorial availability and approval. All territory and areas comprising the Franchise Territory must be contiguous and must be approved by us. The population in your designated Franchise Territory is determined based upon recent United States census data and estimates and chamber of commerce information, but we will make the final determination.

Simultaneous with the execution of the Franchise Agreement, you will pay to us one-half of the Initial Franchise Fee. The remaining half is due 30 days after signing the Franchise Agreement. The Initial Franchise Fee is paid in consideration for our sales expenses, administrative overhead, return on investment, and start-up costs related to the execution of the Franchise Agreement, the opening of the Franchise, and for our lost or deferred opportunity to sell franchises in the Franchise Territory to others.

You must also purchase from our affiliate Advanced Mobile Distribution, LLC 2 to 4 initial nurse kits currently at the average purchase price of **\$2,550** each. The nurse kits contain an initial inventory of needles, water and saline bags, and most common IVs.

Our initial training program includes optional training at our headquarters in St. George, Utah. If you participate in such on-site training, you are responsible for and must pay all transportation, lodging, meals, and other expenses that you or your manager incur related to attending training at our headquarters. You must arrange your travel through third party vendors not affiliated with us. Amounts paid to third parties may be refundable, depending upon the contracts or other arrangements between them and you.

If you do not pass the entire mandatory training course to our satisfaction we may terminate the Franchise Agreement without refunding any of the Initial Franchise Fee or any other amounts paid to us, our affiliate, or others for training or travel reimbursement.

You must open the franchise within the earlier of **180** days after the date of the Franchise Agreement or **60** days after successful completion of the initial training program. If this obligation is not fulfilled, we may elect to terminate the Franchise Agreement without refunding any of the Initial Franchise Fee and or other amounts paid to us or our affiliate.

The initial fees are uniform except as described in this Item 5. In 2022, franchisees paid to us initial franchisees ranging from \$10,000 to \$20,000. We intend to raise the initial franchise fee after certain growth levels have been attained. The increased franchise fee and timing have not

been determined as of this date. We have not contemplated and do not currently intend to raise the transfer or renewal fees, but reserve the right to do so in the future.

We may selectively offer franchises at a reduced rate or with custom terms to prospective franchisees who in our opinion possess the knowledge and experience to conduct business with minimal assistance from us or who are purchasing multiple franchises. Occasionally, we may grant new franchises to our owners and employees and their family members with reduced or no initial fees.

All fees and amounts paid to us and our affiliate are fully earned upon receipt and are nonrefundable.

6. OTHER FEES

<u>Name of Fee</u>	<u>Amount</u>	<u>Date Due</u>	<u>Remarks</u>
Royalty Fee	5% of Gross Sales	Payable monthly, currently on the 27 th day of each month, for the prior month	This fee may be payable through automatic debit processes as outlined in the Operations Manual.
Marketing Fee	Up to 1% of monthly Gross Sales, beginning in month 13 following franchise agreement execution.	Payable monthly, currently on the 27 th day of each month, for the prior month	This fee may be payable through automatic debit processes as outlined in the Operations Manual.
Software Fee	Currently \$500/month	Payable monthly, currently on the 15 th day of each month, for the current month	This fee is currently used for website software booking subscription and online and social media, and may be used for other software, technology, and processes that we determine. We may change this fee once each calendar year with 30 days' notice to you but no more than 10% per year.
Accounting and Bookkeeping Services	Currently:	Monthly	You must use our designated accounting

<u>Name of Fee</u>	<u>Amount</u>	<u>Date Due</u>	<u>Remarks</u>
	- \$60 per payroll period, (up to 13 employees) plus an additional \$10 direct deposit fee - \$125 per quarter for Q1 through Q3 quarterly sales tax and payroll tax returns and \$290 for Q4 returns and annual payroll reconciliations and issuing employee W2 forms.		and bookkeeping service or vendor for accounting or bookkeeping services. This fee may be payable directly to the accounting or bookkeeping service or vendor or to us, payable through automatic debit processes as outlined in the Operations Manual.
Inventory	Required minimum inventory orders of \$500/month from our affiliate Advanced Mobile Distribution	As Incurred	
Medical Director Fee	As negotiated, estimated \$500 month with annual cost of living increases based on the Consumer Price Index	As incurred, monthly, generally on the 1 st day of each month for the current month.	Paid directly to Medical Director. You are required to engage a Medical Director to oversee the franchised business and employ and control any and all licensed healthcare professionals and staff who provide IV therapy and services through the franchised business.
Local Advertising Recommendation	We recommend that you spend at least 1% of your annual Gross Sales on your local advertising.	As Incurred	This amount is not a fee to us. It is spent by you on approved sources of local advertising.
Regional Advertising Fund Contribution	Up to 1 percent of your Gross Sales according to a vote of the franchisees in the region.	As voted and approved by your local advertising cooperative (only if franchisees in an advertising region vote to establish a Regional Advertising Fund).	If at any meeting of the franchisees in an advertising region, 65 percent of the franchisees vote to contribute to a regional advertising program, all franchisees within that region will be obligated to make a contribution to a regional advertising fund in the amount established by

<u>Name of Fee</u>	<u>Amount</u>	<u>Date Due</u>	<u>Remarks</u>
			the vote. We may require you to execute documents that allow us to automatically take this fee out of your franchise bank accounts each month. See Item 11, below.
Additional Training	\$300 per day and you must reimburse us for our reasonable actual out of pocket costs.	Before opening or after you open your franchise for business.	You must give us not less than 35 days' prior written notice of your desire to receive additional training. The duration of training is negotiable depending upon your needs. You will not receive any compensation for services rendered by the trainee during this or any other training. We may designate qualified franchisees or master franchisees to conduct some or all of your training.
Refresher training programs and seminars	\$300 per day or then-current reasonable rates.	Upon demand	In addition to a reasonable training fee, you are exclusively responsible for paying all travel, living and other expenses and compensation of attending refresher training programs and seminars. (See Franchise Agreement, Section 3.2)
Annual Convention Fee	Up to \$500	Upon demand	You are required to attend our annual convention. We may charge this fee even if you do not attend.
Cost to Attend Annual Convention	\$1,000 to \$3,500	As arranged with third party vendors	You are required to attend our annual convention. The amounts in this table are estimates for your travel, food and lodging costs to attend. This is

<u>Name of Fee</u>	<u>Amount</u>	<u>Date Due</u>	<u>Remarks</u>
			not a fee collected by us; these amounts are paid to third parties vendors. Travel and lodging costs, including plane fares, may vary greatly based on your franchise location and the distance to the location of the annual convention.
Step-In Rights Fee	15% of Gross Sales plus reasonable administrative, personnel, and travel costs	Upon demand	Payable only if we exercise our Step-In Rights (see Section 6.7 of the Franchise Agreement).
Transfer Fee	Then-current fee, currently \$5,000 plus applicable taxes.	Before or upon transfer	This fee will be determined based on the Transfer Fee outlined in our most recent disclosure document at the time of transfer.
Renewal	Then-current fee, currently \$2,500 for Tiers 1 & 2 and \$5,000 for Tiers 3 & 4, plus applicable taxes.	Upon renewal, every 5 years	This fee will be determined based on the Renewal Fee outlined in our most recent disclosure document at the time of renewal.
Late Charge	1.5% per month, plus a \$50 service fee.	Each month that amounts owed remain unpaid	You will not be compelled to pay late charges at a rate greater than the maximum allowed by applicable law.
Unsatisfied Payment Fee	\$50 for each unsatisfied attempt	As incurred	If we attempt a draw or other process that is returned unsatisfied for any reason, we may charge you a \$50 fee for each unsatisfied attempt.
Relocation	You will reimburse us for our reasonable out-of-pocket costs concerning the relocation.	Prior to relocation	

<u>Name of Fee</u>	<u>Amount</u>	<u>Date Due</u>	<u>Remarks</u>
Annual Software Upgrade Fee	Reasonable rates, which will not exceed \$500 per calendar year	Once each calendar year as outlined in the Operations Manual	We may expand and improve our software programs, or have additional software programs that you will be required to implement in your Business.
Technical Support Fee	Reasonable rates if we decide to collect this fee	As incurred	We will give you a reasonable time to become familiar with our computer software programs. We will give you free technical software support for so long as we deem necessary for you to sufficiently understand our software. We will give you 45 days advance notice when we deem it reasonable for you to pay a reasonable fee to receive additional technical support.
Product Testing Costs	Reasonable out-of-pocket expenses and costs we incur	As incurred	You must reimburse us for our out of pocket expenses and costs we incur to test new products or sources you request for approval (See Item 8 and Franchise Agreement Section 5.1).
Audit	Our reasonable costs for the audit if you understate revenue by more than 2% or fail to deliver to us required reports on time	Immediately upon demand	See Notes 5 and 6 below.

*Unless otherwise indicated above, all fees are imposed by and payable to us. All fees are non-refundable.

Note 1. "Gross Sales" Defined. "Gross Sales" means all receipts generated by the Franchise from any source, including, but not limited to, intravenous or IV vitamin therapies and medication and hydration infusion and memberships, subscriptions, sales, services, products, charges, contracts, and any other type of remuneration and excludes discounts, refunds and sales taxes.

Credit transactions will be included in Gross Sales as of the date of the transaction without deduction for uncollected credit accounts.

Note 2. Taxes. You must pay any taxes imposed as a result of your payment to us of initial or ongoing fees.

Note 3. We May Return Funds to You or Use Funds for Regional Co-op Programs. We will have the right to expend all, or any portion of, the Marketing Fees for the creation of co-op advertising programs as outlined in Item 11, below.

Note 4. Advertising Fee. We reserve the right to temporarily lower, suspend, or rebate the Advertising Fee at any time, upon prior written notice to you and to our other franchisees. Advertising Fee payments are in addition to and exclusive of any sums that you may decide or be required to spend on local advertising and promotion. We have sole discretion over the creative ideas, materials, endorsements, media, placement, and allocation of monies related to use of the Advertising Fee.

The Advertising Fee is used to maintain, administer, direct, prepare, and review national, regional, and local advertising materials and programs and to cover our related overhead as we in our sole discretion deem necessary. We are under no obligation to administer the Advertising Fee to ensure that expenditures are proportionate to contributions of our franchisees for any given market area or that any franchise benefits directly or proportionately from the development or placement of advertising. We are not obligated to expend all or any part of the Advertising Fee during any specific time.

Note 5. Financial Position and Gross Sales Reporting. You will deliver to us, as outlined in the Operations Manual, an itemized report of your Gross Sales for the preceding month. The report must be in the form we designate. All Royalty Fee and Advertising Fee payments based upon the Gross Sales for the preceding month must be submitted with the report.

Note 6. Audits. We may audit your reports, books, statements, business records, cash control devices, and tax returns at any time during normal business hours. Audits will be conducted at our expense unless you understate the Gross Sales for any reported period or periods by more than 2 percent or unless you fail to deliver any required report of Gross Sales or any required financial statement in a timely manner. In the event of an understatement or failure to deliver, you will reimburse us for all audit costs. These will include, among other things, the charges of any independent accountant and the travel expenses, room, board, and compensation of our employees incurred in connection with the audit. You will immediately pay all Royalty Fees, Marketing Fees, and late payment charges that the audit determines are owed. These payments will not prejudice any other remedies we may have under the Franchise Agreement or by law.

7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

<u>EXPENDITURE</u>	<u>AMOUNT</u>	<u>PAYMENT METHOD</u>	<u>WHEN DUE</u>	<u>TO WHOM</u>
Initial Franchise Fee	\$35,000 to \$85,000 (depending on Franchise Tier)	Check or Wire Transfer	One-half upon execution of the Franchise Agreement, remaining one-half 30 days after signing.	Us
Initial Nurse Kits	\$5,100 to \$10,200	Check or Wire Transfer	Upon	Our affiliate Advanced Mobile Distribution, LLC
Business Licenses and Permits	\$100 to \$500	As Incurred	Prior to Opening	Government agencies, Local City etc.
Travel and Living Expenses to Attend Optional Headquarters Training	\$0 to \$5,000	As Incurred	During Training	Airlines, Hotels, Restaurants, etc.
Office and Computer Equipment, Software	\$0 to \$2,000	As Incurred	Prior to Opening	Supplier
Cell Phone	\$300 to \$360 (\$100 to \$120/month)	As Incurred	Before Starting Operations	Suppliers
Supplies and Equipment	\$3,000	As incurred	Before Opening	Our affiliate and suppliers
Advertising Materials	\$2,000	As Incurred	As Incurred during startup	Us and Approved Suppliers

<u>EXPENDITURE</u>	<u>AMOUNT</u>	<u>PAYMENT METHOD</u>	<u>WHEN DUE</u>	<u>TO WHOM</u>
Clothing and Uniforms	\$0 to \$500	As Incurred	As Incurred during startup	Approved Suppliers
Vehicle/ Transportation	\$0 to \$4,000	As Incurred	Prior to Opening	Suppliers
Insurance	\$2,500 to \$3,500/year	As Incurred	Upon Operation	Insurers
Software Fee	\$1,500 (\$500/month)	As Incurred	Monthly	Franchisor or Third Parties
Medical Director Fee	\$1,500 (\$500/month)	Monthly	Monthly	Medical Director Stipend
Professional Fees	\$0 to \$5,000	As Incurred	Before Opening	Attorneys, Accountants, Consultants
Miscellaneous Opening Costs	\$0 to \$2,000	As Incurred	As Incurred	Suppliers
Additional Funds –3 months(1)(2)	\$4,000-\$10,000	As Incurred	As Incurred	Employees, Suppliers, Utilities, etc.
TOTAL	\$56,000 to \$141,060			

You should anticipate the preceding initial expenditures in connection with the establishment of an AMIV franchised business. Additional factors related to certain expenditures are described in the following notes.

Financing sources may reduce your initial cash requirements, and the availability and terms of financing to any individual franchisee will depend upon factors including the availability of financing in general, your credit worthiness, the collateral security that you may have and policies of lending institutions concerning the type of business to be operated by you. The investment and expenditures required of actual franchisees may vary considerably from the projections outlined above, depending on many factors, including geographical area and the capabilities of any particular management and service team.

Note 1: We estimate that the initial phase covered by the additional funds estimate to be approximately 3 months. The high and low range estimates are based on the experience of our existing AMIV™ franchisees since 2022 and our founders Ashley Yardley and Holly Hansen, in opening and operating mobile IV businesses in the United States since 2021.

- A. We assume and strongly recommend that you will operate the franchised business from your home. You must have an address to which certain inventory is drop shipped, under the supervision of your Medical Director. The typical franchise will need approximately 50 to 100 square feet of space, half of which will be used for equipment storage. We recommend that you do not lease or purchase warehouse or office space during or after the initial 3-month start-up phase. If you choose to lease or purchase warehouse or office space, you are solely responsible for obtaining and paying for the

location. If used, you will need leased location of 50 to 100 square feet and it must be located within or accessible to the Franchise Territory at your own discretion and without our approval. The cost of purchasing or leasing warehouse or office varies with the location and size of the premises.

- B. You are required to have an automobile or other reliable public or private transportation. We recommend that you purchase, lease, or otherwise use a vehicle in the operation of the franchise to drive to customer or event sites and to haul inventory and equipment. The amounts in the table are for the upfront and first 3 months of payments under a vehicle lease or for financing the vehicle's purchase. The vehicle should be in good repair, attractive appearance, and sound operating condition. If you already have a suitable vehicle, you will not need to purchase or lease one.
- C. You may incur salary expenses for your staff and employees in conjunction with the initial training we provide. For this training program, we will provide instructors and instructional materials, and will provide the training at our headquarters or another designated location, resulting in travel and lodging expenses depending on the distance you and your employees must travel.
- D. You are required to have access to a telephone and computer.
- E. The Franchise Agreement requires that you have in force insurance policies prior to commencing business, acquired at your sole expense, protecting both you and your staff and us and our officers and employees, against losses and within the limits described. The figures in the table are estimated annual premiums for the minimum amount of insurance we require.
- F. Supplies, equipment, and inventory are required as outlined in the Operations Manual.
- G. A minimum of **\$5,000** working capital is strongly recommended. You should plan on other sources of income to cover your living expenses.

Note 2. Varying Amounts. The amount of your initial investment varies greatly based on what assets you already own or contracts you already have in place. You may already own computer, a vehicle, supplies, equipment, etc. The \$0 low-end estimate for certain expenditures relates to franchisees that already have computer equipment and a vehicle and will not incur the corresponding purchase or lease expenses. The Miscellaneous Opening Costs and Additional Funds line items may include license fees, deposits, pre-opening advertising and recruiting expenses, employee wages and owner salaries, and supply expenses.

You must pay all taxes required by local, state or federal laws related to the services furnished or used in connection with the operation of your franchise. You must obtain all permits, certificates or licenses necessary for the full and proper conduct of the franchise.

Except as provided in Item 5, any fees paid to us are not refundable. Amounts paid to any third parties may be refundable, depending upon the contracts between them and you.

We do not finance any of these initial expenses. The availability and terms of financing will depend on various factors including the availability of financing generally, your credit worthiness, security available to you, lending institution policies concerning the type of business to be operated by you, and other comparable elements.

These tables estimate your initial start-up expenses. These figures represent our estimates based upon our experience and the experience of our licensees.

8. RESTRICTIONS ON SOURCES OF PRODUCTS & SERVICES

We will provide to you online access to our Operations Manual. We may amend the Operations Manual, including changes that may affect minimum requirements for your franchise operations. You will strictly follow the requirements of the Operations Manual as we amend it. You will carry out immediately all changes at your cost, unless we otherwise specify. We reasonably may designate minimum standards for operations and designate guidelines, as specified in the Operations Manual. The Operations Manual is confidential and our exclusive property.

The Operations Manual contains the AMIV™ System and related specifications, standards, operating procedures, accounting and bookkeeping methods, marketing programs and ideas, advertising guidelines, style guidelines, operation requirements, public relations guidelines, service guidelines and other rules that we may prescribe.

You must purchase all AMIV™ advertising materials from us or approved suppliers to ensure uniformity and quality of the advertising. Any equipment, products, inventory, or other items that bear the AMIV™ logo or have the words “AMIV” or “Advanced Mobile IV” in them must be bought from us or an approved supplier.

To provide you and us with current and accurate financial reports, we currently require that you use required accounting software and use our designated accounting service vendor to set up your chart of accounts, to integrate with our system, and for ongoing accounting services. We intend that the designated accounting service will be an outside vendor, but we reserve the right to require you to pay to us a reasonable monthly fee for accounting services.

You must engage a medical director that you choose but that is approved by us in writing. We currently refer franchisees to some physicians that they can choose to affiliate with as their medical director. You may use another medical director approved by us. The medical director is responsible to review, oversee, and manage all patient bookings and patient care including care and services provided by any and all licensed healthcare professionals and staff who provide actual intravenous therapy and hydration services to be provided through the franchised business. Only licensed healthcare professionals may actually administer the intravenous therapies and hydration, such as registered nurses. You may not provide, control, or supervise the intravenous therapies or hydration services if you are not properly licensed and qualified. In states that have

adopted the corporate practice of medicine, there are additional restrictions and prohibitions. Because various federal and state laws govern the practice of medicine and the ownership of medical practices and healthcare businesses, it is critically important that a franchisee that is not a licensed healthcare professional does not engage in conduct or practices that are, or may appear to be, the practice of medicine. The medical director must be responsible for and offer all intravenous therapies and hydration services in accordance with all relevant laws and regulations. If, at any time, a franchise is not operated as required by relevant local licensing, practice, or layperson-influence rules, we will require the franchise to be transferred to an appropriately licensed medical professional with a current license, or we may terminate the franchise. A copy of the agreements offered by the physicians that we refer to our franchisees as of the date of this disclosure document are included in Exhibit I to this disclosure document; they include a management services agreement and practice equity holder agreement.

You must purchase all equipment, inventory, and all other items used in your franchised business in accordance with our specifications and guidelines to ensure the quality and uniformity of services in the AMIV franchise system. These products include nurse kits, simulator equipment, IV supplies and inventory, and items that bear the Marks.

You must order and purchase products from us, our affiliate, or designated suppliers for the operation of the Franchise.

You must use us, our affiliate, or a designated vendor for website and social media advertising, scheduling system, and payment processing. We may turn off or prohibit you to use or access the website, online and social media accounts, and the phone number if you do not timely pay to us the Software Fees or if you are not otherwise in good standing under the franchise agreement with us.

All specifications that we require of you and lists of approved suppliers will be included in the Operations Manual. We will upon request provide them to approved suppliers and suppliers seeking approval. We will use our best judgment to set and modify specifications to maintain the integrity and quality of our franchise system.

We and our affiliate Advanced Mobile Distribution, LLC are currently the only approved suppliers for advertising materials, simulator equipment, IV supplies and inventory, and other items that bear the AMIV and "Advanced Mobile IV"™ names, marks, or logos. Our officers Ashley Yardley and Holly Hansen have an ownership interest in our parent, who owns us.

With advance written notice, you may request our approval to obtain products, equipment, supplies or materials from sources that we have not previously approved. We may require you to give us sufficient information, photographs, drawings, samples and other data to allow us to determine whether the items from these other sources meet our specifications and standards. These specifications and standards will relate to quality, durability, value, cleanliness, composition, strength and the suppliers' capacity and facility to supply your needs in the quantities, at the times, and with the reliability necessary for efficient operation. We may require that samples from any supplier be delivered to a designated independent testing laboratory for testing before approval and use. You will reimburse us for the actual cost of the tests. We may license any supplier that can meet or exceed our quality control requirements and standards, for a reasonable license fee, to produce and deliver AMIV™ products to you but to no other person. Our confidential requirements, systems and formulas will be revealed to potential suppliers only

after we have received reasonable evidence that the proposed supplier is trustworthy and reputable; has the capacity to consistently follow our standards, requirements and testing procedures; will maintain the confidentiality of the designs, systems and formulas; and will adequately supply your reasonable needs. We will not unreasonably withhold approval of a supplier you propose. We will notify you in writing of the approval or disapproval of any supplier you propose within 30 days of receiving written notice from you of your request for approval.

We or our agents may inspect any approved manufacturer, supplier or distributor facilities and products to assure proper production, processing, packaging, storing, and transportation. Permission for inspection will be a condition of our continued approval of any manufacturer, supplier or distributor. If we find from any inspection that a manufacturer, supplier or distributor fails to meet our specifications and standards, we will give written notice describing this failure to you and to the manufacturer, supplier or distributor, with a notice that unless the failure or deficiency is corrected within 30 days, the manufacturer, supplier or distributor will no longer be approved.

We and our affiliate may derive revenue from products and services that you are required to purchase. This revenue results from sales by us and our affiliate to our franchisees of products bearing our names and services marks, simulator equipment, certain IV inventory and supplies, and rebates from third-party suppliers. In the fiscal year ended December 31, 2022, we received revenues in the amount of **\$0** from the sale of such products to our franchisees and from supplier rebates, which was 0% of our total revenues of \$0. In the fiscal year ended December 31, 2022, our affiliate Advanced Mobile Distribution, LLC received revenues in the amount of **\$80,393** from the sale of such products to our franchisees and from supplier rebates, which was 100% of our affiliate's total revenues of \$80,393. We estimate that purchases from us, our affiliate, or approved suppliers will be from **80 to 90** percent of the total purchases you make to establish your franchise. We estimate that purchases from us, our parent company, our affiliate, approved suppliers will be from **80 to 90** percent of the total purchases you make to operate your franchise.

We and our affiliate may receive rebates, price adjustments, or discounts on products or services sold to you by recommended or approved suppliers. We do not intend to negotiate rebates with this and other suppliers, we simply markup the price of our discounted supplies and inventory through our distribution entity.

You must use website and social media advertising vendors and accounting software that we designate. You must lease, purchase or otherwise acquire, from sources of your choice and at your expense, software, hardware and devices (including but not limited to programs, laptop or tablet devices, and Internet connection) which strictly conform to our specifications and the specifications of the required technology and software. Your total purchase costs for these additional computer systems will range from \$1,500 to \$2,000.

The technology and software attaches to a specific telephone number that you will use in all of your franchise advertising and promotional materials and in your franchise operations. We will own and exercise complete control of this telephone number. The telephone line and associated number are paid for by us from the Software Fees that you pay to us. We may turn off or prohibit you to use or access the phone number if you do not pay to us the Software Fees or if you are not otherwise in good standing under your franchise agreement with us. You will point and connect our telephone number that is assigned to your franchise to your own separate telephone line. You will use no other telephone number to advertise and promote your franchise.

You may not promote, offer, or sell any products or services relating to your franchise, or use any of the AMIV™ and ADVANCED MOBILE IV™ names or marks, through the Internet without our consent. You must acknowledge that we and our parent and affiliate are the lawful, rightful, and sole owners of www.AMIV.com domain name and website (the “Website”) and unconditionally disclaim any ownership interests in any similar name, phrase or any similar Internet domain name. You and your owners agree not to register any Internet domain name in any class or category that contains the words ADVANCED MOBILE IV™, AMIV™, or any abbreviation, acronym, combination, derivative, or variation of these words.

You will use the Website in strict compliance with the standards, specifications, guidelines, and restrictions we include in the Operations Manual. We may designate a vendor who will set up your website and social media advertising accounts. This vendor may change at any time. There may be a management fee imposed by the vendor for this website and social media management service. Only website and social media pages and accounts owned by us are permitted. You may not create your own separate website or social media account for your franchise. You may only post and upload content to our website or social media pages and accounts if you follow our specifications and guidelines. We must approve all content and graphics before you post or upload and we reserve the right to remove or request removal of any content or graphics within 24 hours of notice. As new website, social media and technology platforms arise, we will determine in our sole discretion the desirability of each and may decide to create pages or accounts on these platforms for your franchise under the same or similar conditions.

There are no other obligations for you to purchase or lease according to specifications or from approved suppliers. Except as explained above, we have no required specifications, designated suppliers or approved suppliers for goods, services, or real estate related to your franchise business. Except as explained above, we will not derive revenue from your purchases or leases.

We currently provide material benefits to franchisees based on use of designated or approved sources including the right to renew your franchise rights and to obtain additional franchises.

We intend to negotiate purchase arrangements with suppliers, including price terms for the benefit of our franchisee. We intend to enter into formal purchasing or distribution cooperatives related to our franchise system with suppliers. In the future, we hope to create and augment the effectiveness of cooperatives for the purchase of materials and the provision of advertising, for the benefit of the AMIV™ franchise system.

You may not sell any products, services or activities other than those specifically recognized and approved by us as part of our franchise system without our prior written approval. We do not require you to offer any sort of warranty or guaranty on any products or services.

You are required to obtain and keep in force by advance payment of premium appropriate liability insurance. The insurance will include, at a minimum, the following:

- A. Medical malpractice coverage (Professional liability, Errors and Omissions) with a limit of at least **\$1,000,000**, listing Advanced Mobile IV, LLC as an additional insured. This policy must name the medical director within the policy.

- B. Comprehensive general liability insurance, including and products liability, completed operations, property damage, contractual liability, independent contractors liability, owned and non-owned and hired automobile coverage, and personal injury coverage with a combined single limit of at least **\$1,000,000** per occurrence and **\$2,000,000** aggregate, including umbrella coverage.
- C. Automobile liability insurance, including owned, non-owned, leased and hired vehicle coverage, with a combined single limit of at least \$1,000,000 for death, personal injury and property damage. With our prior written consent, this amount may be lowered if needed to obtain a commercially reasonable rate, but in no event less than any statutorily imposed minimum coverage.
- D. Unemployment, workers' compensation, and employer's liability insurance, and other insurance required by statute or rule of the state in which the franchise is located and operated.
- E. All-risk personal property insurance in an amount equal to at least 100% of the replacement costs of the franchise equipment.

The insurance will not be limited in any way because of any insurance we maintain. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained in the Franchise Agreement. The policy or policies will insure against our vicarious liability for actual and, unless prohibited by applicable law, punitive damages assessed against you. All policies must provide for a 30-day advance notice of cancellation to us.

We may require you to increase the minimum limits of and types of coverage to keep pace with regular business practice and prudent insurance custom.

The insurance will insure us, you, and our respective subsidiaries, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death, or property damage that may accrue due to your operation of the Franchise. Your policies of insurance will contain a separate endorsement naming us as an additional named insured.

9. FRANCHISEE'S OBLIGATIONS

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

<u>OBLIGATION</u>	<u>SECTION IN FRANCHISE AGREEMENT ("FA")</u>	<u>DISCLOSURE DOCUMENT ITEM</u>
a. Site selection and acquisition or lease	Not Applicable	Items 6 & 12

<u>OBLIGATION</u>	<u>SECTION IN FRANCHISE AGREEMENT ("FA")</u>	<u>DISCLOSURE DOCUMENT ITEM</u>
b. Pre-opening purchases and leases	FA Sections	Items 7 & 8
c. Site development and other pre-opening requirements	FA Sections 6 and 7	Items 7, 8 & 12
d. Initial and ongoing training	FA Section 6	Items 6 & 11
e. Opening	FA Sections 5, 6, 7, and 8	Item 11
f. Fees	FA Sections 4 and 11	Items 5, 6 & 17
g. Compliance with standards & policies/ Operating Manual	FA Section 8	Items 11 & 17
h. Trademarks and proprietary information	FA Section 14	Items 13, 14 & 17
i. Restrictions on products and services offered	FA Sections 10 and 13.4	Items 8, 12, 13, 16 & 17
j. Warranty and customer service requirements	Not applicable	Item 11
k. Territorial development and sales quotas	Not applicable	Items 7 & 12
l. Ongoing product & service purchases	FA Section 10	Items 7 & 8
m. Maintenance, appearance and remodeling requirements	FA Section 10	Items 7, 11 & 17
n. Insurance	FA Section 21	Item 7
o. Advertising	FA Section 12	Items 9 & 11
p. Indemnification	FA Section 19.3	Item 6
q. Owner's participation/ management/ staffing	FA Section 10	Items 11, 15 & 17
r. Records and reports	FA Section 15	Items 6, 11 & 17
s. Inspections and audits	FA Section 13.3 and 15.5	Items 6, 11 & 17
t. Transfer	FA Section 16	Item 17
u. Renewal	FA Section 17	Item 17
v. Post-termination obligations	FA Section 18.5	Item 17
w. Non-competition covenants	FA Section 20	Item 17
x. Dispute resolution	FA Section 22	Item 17

10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or financial obligations.

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

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

A. **Pre-Opening Obligations**

Before you open your franchise, we will:

- 1) Designate your Franchise Territory in the Franchise Agreement before the Franchise Agreement is executed. (Franchise Agreement, Section 1.1) The telephone line and associated number are paid for by us from the Software Fees that you pay to us. We may turn off or prohibit you to use or access the phone number if you do not pay to us the Software Fees or if you are not otherwise in good standing under your franchise agreement with us.
- 2) Provide you online access to initial orientation and training materials and the initial training program checklist (Franchise Agreement, Section 3.1).
- 3) Provide the Operations Manual. (Franchise Agreement, Section 5.1).
- 4) Assist you and your manager to complete the initial training program using the initial orientation and training materials and monitor your completion of the training checklist. (Franchise Agreement, Section 3.1).

- 5) Give you a list of any approved or designated suppliers. (Franchise Agreement, Section 5.1)

Time to Open

The typical length of time between the signing of the Franchise Agreement or first payment of consideration for the Franchise and the opening of the Franchise for business is about 15 to 90 days. You must complete the initial training program and commence your franchise business operations within the earlier of **180** days after you sign the franchise agreement or **60** days after you successfully complete the initial training program. Factors that may affect this time are arranging for the training session, equipping the Franchise, obtaining insurance and initial inventory, financing and business permit and licensing requirements, and your personal operational needs. Any failure caused by a war or civil disturbance, a natural disaster, a labor dispute, shortages or other events beyond your reasonable control will be excused for a time that is reasonable under the circumstances.

If the commencement of operation obligation is not fulfilled, we may terminate the Franchise Agreement without refunding any part of the Initial Franchise Fee. (Franchise Agreement, Section 4.1).

Operations Manual Table of Contents

The Operations Manual is hosted and available online. The Operations Manual is confidential and remains our property. It contains mandatory and suggested specifications, standards, guidelines, policies, protocols, and procedures. We may modify the Operations Manual, but the modifications will not alter your basic status and rights under the franchise agreement. The revisions may include advancements and developments in supplies, products, equipment, sales, marketing, operational techniques, and other items and procedures used for the operation of the franchise. As of the date of this disclosure document, the table of contents of the current version of the Operations Manual consists of approximately **62** separate pages plus embedded content and videos and includes:

Patient Care & Nurse Service Protocol.	- 32 pages
Employee Handbook.	- 6 pages
Website & Social Media.	- 2 pages
Local Marketing.	- 4 pages
Inventory, Supplies, Distribution Management.	- 3 pages
Initial Training Program Checklist	- 4 pages
IV Receipt Description (IV Recipes, additives, vitamins)	- 11 pages

Training

We will provide to you an initial training program and online access to initial orientation and training materials and the initial training program checklist. We will assist you and your manager to complete the initial training program using the initial orientation and training materials. We will monitor your progress to ensure that all required initial training items are covered.

The initial training program consists of our 60-day Road Map program of remote training and follow up using our initial training program checklist which includes operations, nurse recruitment,

sales and marketing, website and social media use, and maintenance of quality standards. At your option, we will also provide up to 2 consecutive days of onsite training at our headquarters in St. George, Utah. We may also provide standard boilerplate contract templates for franchisees to modify in their state with the assistance of local legal counsel, if desired. This initial training program will introduce you to our system and structure and cover software, building your business, operational practices, and marketing plan and strategy. We will review, assist, and monitor your completion of the initial training program checklist and assist you to commence operation of the Franchise. After you have completed all items on the initial training program checklist, we provide periodic remote support through telephone and email communications.

The training provided by us will not allow you to become a licensed healthcare professional. You will either need to already possess the additional knowledge, skills, licenses, and certifications or hire employees that possess the knowledge, skills, licenses, and certifications to operate the franchise and offer the franchise services and products professionally and safely.

The initial training program is included in the Initial Franchise Fee. If you choose to participate in onsite training at our headquarters in St. George, Utah, all your accommodations, travel, room, board, and wage expenses during this period are borne exclusively by you. We may offer in person training at our headquarters at your request and our reasonable availability and discretion. If we provide on-site training to you, you are exclusively responsible for all of your accommodations, travel, room, board, wage, and training expenses during this period. Most training is done remotely via zoom video conferencing or by standard telephone, text and email. The training program must be completed by all franchisees, unless, at our reasonable discretion, based upon a franchisee’s experience, it is deemed unnecessary. As of the date of this disclosure document, the current agenda for the training includes:

TRAINING PROGRAM

Subject	Hours Of Class Room Training	Hours Of On-the-Job Training	Location
Operations	1-2 hours	0 hours	Virtual
Nurse Recruitment	1-2 hours	0 hours	Virtual
Sales/Marketing	10 hours	0 to 15 hours	Virtual, St. Georgia (per your request)

* The Training Program may be amended.

Our training supervisors are Ashley Yardley and Holly Hansen. Both Ms. Yardley and Ms. Hansen have served as our training supervisors since 2022 and have operated AMIV businesses since 2021. Ms. Yardley has worked in the healthcare industry since 2017. Ms. Hansen has been a registered nurse since 2021.

The initial training program utilizes the initial training program checklist, the AMIV™ Operations Manual and initial orientation and training materials for instructional material.

Training is scheduled and held on an “as needed” basis depending on the number of franchisees requesting training in a particular time frame and the availability of our training personnel.

You and your manager, if any, must complete the initial mandatory training program to our satisfaction or we may terminate the Franchise Agreement without refunding any part of the Initial Franchise Fee. You are encouraged to complete the initial training program as soon as possible after executing the Franchise Agreement and before incurring any costs or expenses related to the opening of the Franchise. We will not be liable for your costs or expenses if we terminate the Franchise Agreement because you or the manager fails to complete the mandatory training to our satisfaction.

You are responsible for all expenses you and your employees incur to participate and attend the initial training, including wages and salaries, transportation, meals, accommodations and entertainment.

If you desire to have more than two individuals receive initial training, these additional individuals will be accommodated at our convenience. We reserve the right to charge a reasonable fee for the provision of the training regardless of when and where the individuals participate in initial training.

We may at any time during initial training inform you that an individual attending training on your behalf is not suitable due to criminal activities, disruptive behavior, poor attendance or other reasons. Upon that notice, our obligations to train that individual will be deemed to have been discharged.

Although not required by agreement, we may, at our discretion or upon your request, provide other supervision, assistance, and services before the opening of your business; such as literature, videos, advertising materials, and additional training assistance.

B. Our Obligations DURING the Operation of Your Franchise Business

After you open your franchise, we will:

- 1) At your option and upon not less than thirty-five days' prior written notice to us, you may receive additional training at our headquarters, in your Franchise Territory, or at other agreed upon locations. All expenses of this training will be borne by you, including but not limited to your and our travel, lodging, meals, compensation, and our reasonable costs and expenses including a reasonable training fee at our then current rates. This additional training may include work experience and observation of our or other franchise operations. The duration of training is negotiable depending upon your needs. You will not receive any compensation for services rendered by the trainee during this or any other training. We may designate others to conduct some or all of such training. (Franchise Agreement, Section 3.2)
- 2) From time to time we may provide refresher training programs or seminars and may require that you or your managers attend and complete them to our satisfaction. These programs and seminars will be held at locations we designate and will be provided without charge to you. You will be exclusively responsible for paying all travel, living and other expenses and compensation of attending these programs and seminars. Each year, usually in conjunction with our annual convention, you or the designated managers of your Franchise will be required to attend up to 12 to 16 hours of programs and seminars, depending upon program and seminar availability. In addition, we may deem it appropriate or necessary to provide additional training and supervision to you

and your managers and employees onsite in your Franchise Territory. If so, you will fully participate in and complete this additional training and supervision, including additional or revised training programs and processes that may be added to the Operations Manual in the future. We may charge a reasonable training fee for these additional training sessions. (Franchise Agreement, Section 3.2)

- 3) Administer our advertising program and formulate and conduct national and regional promotion programs. (Franchise Agreement, Sections 5.3 and 5.6) We do not have any obligation to assist you in establishing prices; but, to the extent permitted by relevant law, we may establish price ceilings or minimum or maximum allowable prices on the products and services you offer and sell. Except as so specified by us or as otherwise required in the Franchise Agreement and in the Operations Manual, you may determine the prices at which you sell products and services, as well as the terms and conditions of sale. (Franchise Agreement, Section 5.3 and 5.6)
- 4) Inspect the Franchise and conduct activities to ensure compliance with the terms of the Franchise Agreement and Operations Manual to assure consistent quality and service throughout our franchise system. (Franchise Agreement, Sections 2.9 and 5).
- 5) Inspect the facilities of your manufacturers, suppliers, and distributors and notify you and the manufacturers, suppliers, and distributors in writing of any failure to meet our specifications and standards. (Franchise Agreement, Sections 2.9 and 5).
- 6) We may provide other supervision, assistance or services although we are not bound by the Franchise Agreement or any related agreement to do so. These may include among other things: advertising materials, videos, literature, additional assistance in training, promotional materials, bulletins on new products or services, and new sales and marketing techniques or developments.(Franchise Agreement, Section 3.2)
- 7) Cause our affiliate to provide IV supplies and inventory ordered by you. (Franchise Agreement, Section 5.3)
- 8) Provide the booking system and nurse management system for your use. (Franchise Agreement, Section 2.4)

Advertising

You are responsible for advertising and marketing activities relating to your Franchise. You must fully participate in all of our advertising and promotional programs and events, but you do not have the opportunity to approve or disapprove of our advertising and promotions, although we do welcome your thoughts, suggestions, and recommendations. Currently we promote our franchises through internet and social media. We may also advertise through print and direct mail media. Advertising programs may be implemented locally and regionally through advertising cooperatives. We may use in-house advertising departments and may use regional advertising agencies. We may provide to you advertising materials and sales aids for you to use in your local advertising and promotional efforts. We use your Marketing Fees for internet and social media advertising at times and using platforms and services we deem to be in the best interest of our franchisees and our franchise system. This includes Google, Facebook, Instagram, Tik Tok, Twitter, and YouTube, produced by in house content creators, and private SEO firm contractors.

Marketing Fees

Beginning in the 13th month of franchise relationship, you are required to pay to us 1% of your monthly Gross Sales as an Advertising Fee (see Item 6, above). We reserve the right to temporarily lower, suspend, or rebate the Advertising Fee at any time, upon prior written notice to you and to our other franchisees. We will administer the capital we receive as Marketing Fees and direct all regional and national advertising programs with sole discretion over the creative ideas, materials, endorsements, placement, and allocation of overhead expenses. We may use the Advertising Fee to maintain, administer, direct, prepare, and review national, regional, or local advertising materials and programs as we, in our sole discretion, deem proper. We are under no obligation to use the Advertising Fee to ensure that expenditures are proportionate to contributions of franchisees for any given market area or that any franchise benefits directly or proportionately from the development or placement of advertising. We shall not be obligated to expend all or any part of the Marketing Fees we receive during any specific period.

Each of our company-owned and affiliate-owned AMIV operations offering products and services similar to our franchisees will make advertising contributions equivalent to the contribution percentage required of our franchisees.

Any Marketing Fees not used in the fiscal year in which they were contributed will be applied and used for advertising expenses in the following year.

We require that most advertising materials note that franchises are available. We do not intend to use marketing fees or assessments we collect from our franchisees for advertising that is principally to solicit the sale of new franchises.

Summary of Marketing Fee Contributions and Expenses for Fiscal Year Ended December 31, 2022

Expenses:	Advertising and Promotion	\$0	0.0%
Total expenses:		\$0	0.0%
Advertising fee contributions*:		\$0	0.0%
Excess of expenses over contributions:		\$0	0.0%

The Marketing Fees are administered by us. The Marketing Fees are not audited. We receive payment from the Marketing Fees for providing certain marketing support services. You may obtain an accounting of the Marketing Fees and expenditures upon written request to us.

Local Advertising Expenditures

In addition to your obligation to pay to the Advertising Fee, we recommend that each month you expend in your local market at least 1% of your Gross Sales to advertise and promote your Franchise.

Promotional Materials

You will submit to us all advertising copy and other advertising and promotional materials before you use them in your local advertising program. You will not use any advertising copy or other promotional material until we approve it. You specifically acknowledge and agree that any web site will be deemed “advertising” under the Franchise Agreement and will be subject to, among other things, our approval, restrictions, and requirements outlined in the Operations Manual. The term “web site” means an interactive electronic document contained in a network of computers linked by communications software you operate or authorize others to operate that refers to the franchised business, proprietary marks, us, or the Method of Operation. The term web site

includes, but is not limited to, Internet and World Wide Web home pages. All advertising and promotional materials must include the wording “franchises available.”

Advertising Cooperatives

We may designate local, regional, or national advertising coverage areas for the development of cooperative local or regional advertising and promotional programs. An “advertising coverage area” is defined as the area covered by a particular advertising medium such as television, radio, or other medium, as recognized in the media industry. We will designate the geographic boundaries of cooperative advertising and promotional programs and the respective advertising coverage areas of these programs. We have the power to require cooperatives to be formed, changed, dissolved, or merged.

We will promptly notify you and our other franchisees of the establishment, modification, and geographical boundaries of regional advertising regions. We may require all franchisees located within each advertising region to meet periodically for the purpose of creating and establishing regional advertising programs. Each franchise and each operation we, parent company, or our affiliates own and operate will be entitled to one vote at these meetings. For the purpose of this subsection, each operation we own will be deemed to be a franchise.

If at any meeting of the franchisees in an advertising region, **65** percent of the franchisees vote to contribute to a regional advertising program, all franchisees within that region will be obligated to make a contribution to a regional advertising fund in the amount established by the vote (the “Regional Advertising Fund”). No advertising region may require any franchisee in that region to make a contribution to a Regional Advertising Fund in excess of **2** percent of that franchisee’s Gross Sales. At the time a cooperative local or regional advertising or promotional program is developed, we will provide to you a list of all open AMIV™ franchises within your advertising coverage area.

We will administer each Regional Advertising Fund in the same manner and upon the same terms and conditions as the Marketing Fees outlined in this Item 11. (Franchise Agreement, Section 2.3). There are no other written governing documents that govern any cooperative advertising program. No Regional Advertising Fund will be audited. However, we will prepare annual financial statements that you may obtain upon written request to us.

Your contributions must be paid to the cooperative administrator we designate, when and in the same manner as the Royalty Fee and Advertising Fee payments are paid to us. Please refer to Items 6, 8, and 9 for more information about our advertising programs.

Other than the Marketing Fees and the Regional Advertising Funds described above, there are no other advertising funds in which you must participate.

Computer Systems

To ensure consistency throughout the franchise system, you must utilize certain technology and software in your operations. All websites and accounting and reporting must be performed using software that we may designate from time to time. (Franchise Agreement, Sections 5.10) We currently require that you have a subscription to and utilize QuickBooks online and our primary

website for all bookkeeping, accounting, and reporting. This is included in the \$500 per month Software Fee. There are additional Stripe payment processing fees.

You must utilize a laptop or tablet device and a cell phone in the operation of your franchised business. The devices must connect to the Internet and must be fully compatible with the designated software and meet our minimum specifications and guidelines and those of the designated software. You must lease, purchase, or otherwise acquire, from sources of your choice and at your expense, software and hardware which strictly conform to our specifications. We will give you at least 90 days' written notice, describing the hardware, software, and upgrading requirements of the system before you are obligated to initially install the computer systems. Required computer systems, hardware, and software generally cost between \$500 and \$1,500.

We may require you to use an information processing and communication system that is fully compatible with any program or system which we, in our sole discretion, may employ. If we require, you must record and transmit all financial information using this system and our designated ISP or other communication vendors. We may at our discretion change standards for reporting to provide effective technology for the entire system. We will have full ability to poll your data, system, and related information by means of direct access whether in person or by telephone/modem. We will have independent access to the information that will be generated and stored in your information processing and communication system. We will have access to all of your data and there will be no contractual limitation on our right to access your information or data. We will not implement any electronic system that will disrupt or damage your electronic system, and our access will be read-only.

We may utilize financial and other data received from you and your computer systems. To provide transparency in the franchise system and for reporting purposes, we may publish any of your financial and other data so received on our franchisee intranet and disclosure documents; this information may include without limitation sales, lead volume, closing ratio, cost of goods and services sold, etc.

Other than the website and related software and technology referenced above, none of the hardware or software you are required to obtain is proprietary to us. Any hardware and software that is functionally equivalent and fully compatible to that listed may be used, except for your website, software, and technology stack.

Neither we nor any of our affiliates or any other third parties are obligated to provide ongoing maintenance or repairs to any of the computer or software systems. You must pay for upgrades to designated software. The cost of those upgrades will not exceed \$500 during any calendar year. Other than the required upgrades to designated software, you may, but are not obligated to, update or upgrade hardware and software during the term of the agreement. We estimate that these optional updates or upgrades will be approximately \$0 to \$250 per year. This hardware and software is used for communications, accounting and record keeping. We do not now have, but may in the future require, independent access to and use of the information and data on your computer systems. There are no contractual limits on such access and use.

We will give you free technical software support for so long as we deem necessary for you to sufficiently understand our software. We will give you 45 days advance notice when we deem it reasonable for you to pay a reasonable technical support fee to receive additional technical support. We estimate that the technical support fee would be no more than \$250 per month.

12. TERRITORY

Franchise Territory

We will grant you a specific territory within which you may operate your franchised business (the “Franchise Territory”). The exact location and boundaries of the Franchise Territory offered to you will depend upon your requests and our market analysis, market penetration plans, and franchise placement strategies. Your approval will also be considered in designating the Franchise Territory. Among the factors we consider to determine the feasibility of possible franchise territory locations are population demographics and healthcare expenditures in the area according to census, chamber of commerce, and similar information. If you operate in a rural area, a rural franchise territory may be measured as a radius from a specific center point and may depend on the proximity of the franchise territory to other franchised territories or metropolitan areas.

The size of the territory affects the amount of your Initial Franchise Fee payable to us. See Item 5, above. The Franchise Territory is identified in Section 1.1 and Schedule 1 of the Franchise Agreement. Before you sign the Franchise Agreement, the geographical boundaries of your Franchise Territory will be described in the Franchise Agreement. The Franchise Territory will be identified using geographical and population boundaries identified by zip code (and approved by us). If any zip code that is part of the Franchise Territory is changed by government authorities, we can reasonably adjust the Franchise Territory.

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.

Operations Outside your Franchise Territory

You agree not to offer products or services outside your Franchise Territory without our prior written consent. You may only operate and conduct limited services in another franchisee’s territory, such as to a corporate or national client. To operate outside of the state boundaries in which the Franchise Territory is located you must receive our prior written consent and we may require you to execute a separate franchise agreement for that territory. Franchisees may solicit or accept orders outside of their protected territory as long as it is not in another Franchisee’s protected territory; however, we advise investing in your own territory.

Additional Franchise Territory

We only extend the Franchise Territory to contiguous trade areas and define such territory by using geographical or political boundaries, such as particular zip codes, county, city, postal code, or other political subdivision, or by particular boundaries such as roads or rivers or other designations.

To increase the size of your Franchise Territory, you must not be in default in any material provision of any and all agreements between you and us; your proposed territory must meet our franchise placement and market penetration guidelines and criteria; and you must sign an

addendum to the Franchise Agreement that outlines the new Franchise Territory definition. The territory must also be legally available in compliance to federal and state franchise disclosure and registration laws and contractually available pursuant to contractual obligations to other AMIV™ franchisees.

Relocation

You must be in good standing and receive our written permission before you relocate your franchise. The relocated territory must be available according to our contractual commitments to other franchisees. We must deem the move to be in the best interest of the AMIV™ system, you, and other nearby franchisees. Any relocation will be at your sole expense. You must satisfy our then current franchise placement and demographics criteria, as expressed in the Operations Manual.

Continuation of Your Franchise; Minimum Sales Quotas

Your territorial rights and protections are dependent upon achievement of the following performance benchmarks outlined in Schedule 4 attached to the Franchise Agreement:

Time Period After Franchise Agreement Signing	IV's Administered	Sales
Months 1-3	15	\$2,250
Months 4-6	30	\$4,500
Months 7-12	60	\$9,000
Months 13-24	200	\$30,000
Months 25-36	400	\$60,000
Months 37-48	500	\$75,000
Each Successive Year	600	\$90,000

If you fail to achieve these minimum performance obligations, we reserve the right to reduce the size or scope of protection of the Franchise Territory or to terminate the Franchise Agreement.

Except as provided above, continuation of your franchise or territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency.

First Right of Purchase and Right of First Refusal

You do not receive the right to acquire additional franchises or grant sub franchises within the Franchise Territory or in contiguous territories. You have not been extended options, rights of first refusal, or similar rights to acquire additional franchises or grant sub franchises within the Franchise Territory or in contiguous territories, unless negotiated as part of an area development plan or similar arrangement.

Our Use of the Service Marks and AMIV Products and Services

We retain all rights not specifically granted to you in the Franchise Agreement. This includes our right to use or license the use of our service marks and trademarks to others. Neither we nor parent company nor our affiliates are restricted from participating in other distribution methods, whether or not within the Franchise Territory including Internet, other forms of media now or in the future developed, wholesale and mail order channels, whether under our principal marks or under marks and product configurations different than those offered through your franchise. We are not required to compensate you for soliciting or conducting such business within your territory.

We retain the sole right to market on the Internet, including all use of web sites, domain names, URL's, linking, meta-tags, advertising, auction sites, e-commerce, and co-branding arrangements. You will provide us content for our Internet marketing, and follow our Intranet and Internet usage requirements. We also retain the sole right to use the Service Marks on the Internet, including on web sites, as domain names, directory addresses, meta-tags, and in connection with linking, advertising, co-branding, and other arrangements. We retain the right to approve any linking or other use of our web site. You may not establish a presence on or market using the Internet except as we may specify, and only with our prior written consent. We intend that any franchisee web site be accessed only through our home page. Subject to the terms of use on our web site, we may gather, develop and use in any lawful manner information about any visitor to the web site, including but not limited to your customers, franchisees or prospective franchisees regardless of whether they were referred to you via the web site or were otherwise in contact with you.

We have not established and do not intend to establish other franchises or company-owned outlets selling similar products or services under a different method of operation, trade name or trademark.

We may purchase or be purchased by, or merge or combine with, competing businesses, wherever located.

Your Use of the Service Marks and AMIV Products and Services

Except with our prior written permission, you will not place under any circumstances advertisements using the Service Marks in or originating from any area other than the Franchise Territory.

Except as otherwise provided in the Franchise Agreement or the Operations Manual, you may not directly market to, solicit or service customers whose principal home address or place of business is outside the Franchise Territory. You may not advertise in any media whose primary circulation is outside the Franchise Territory, except with our prior written permission and the prior written consent of any of our franchisees whose territory is reached by that media. All Internet marketing is part of our marketing programs described in the Operations Manual and defined in the Franchise Agreement, and must be coordinated through us and approved by us. You May not market independently on the Internet or acquire an independent Internet domain name or web site. You may not solicit or accept orders outside your Franchise Territory under other channels of distribution (such as the Internet, other forms of media now or in the future developed, wholesale and mail order channels) without our prior written approval. The distribution company may offer distribution goods to other entities outside of the franchise.

Only we may place national or regional advertising.

13. TRADEMARKS

We have registered the following mark on the Supplemental Register of the U.S. Patent and Trademark Office (“USPTO”), as follows:

Mark: **ADVANCED MOBILE IV**
Registration Number: **7290146**
Registration Date: **January 23, 2024**

The USPTO refused to register this ‘Advanced Mobile IV’ word mark on the Principal Register because it was deemed to merely describe a feature or characteristic of our services. The mark is registered on the USPTO’s Supplemental Register.

We have applied to register the following mark on the Principal Register of the U.S. Patent and Trademark Office, as follows:

Mark:

Serial Number: **97521340**
Application Date: **July 26, 2022**

In May 2023, the U.S. Patent and Trademark Office issued a non-final office action requiring a disclaimer to the use of the descriptive wording “Advanced Mobile IV” in the pending logo application. In a response to this office action, the application was revised to list us as the owner of the mark and we disclaimed the exclusive right to use Advanced Mobile IV apart from the applied-for logo mark.

No affidavits or renewal filings are yet due in connection with these applications. We will file all required affidavits at the time specified by law.

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

We and our affiliates also claim common law rights to the “**AMIV**” and “**ADVANCED MOBILE IV**” names, marks and logos, including the following logos:



We will allow you to use these and all other trade names, trademarks, service marks, and logos we now own or may in the future develop for our franchise system. We refer to all these commercial symbols as the “trademarks.”

The trademarks are our exclusive property. You will immediately notify us of any infringement of, or challenge to, your use of the trademarks. We will have sole discretion to take or not to take action, as we deem appropriate. We are not required to protect your rights to use the trademarks or to protect you against claims for infringement or unfair competition arising out of your use of the trademarks. We have sole discretion as to whether to defend you against or indemnify you for expenses or damages incurred due to claims of infringement or unfair competition arising out of your use of the trademarks. The franchise agreement does not require us to take affirmative action when notified of such uses or claims or to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the trademarks, or if the proceeding is resolved unfavorably to you. We have the sole right to control any administrative proceedings or litigation involving the trademarks.

You must follow our rules when you use the trademarks. You may not use the trademarks in any manner we have not authorized in writing.

All goodwill associated with the trademarks, including any goodwill that might be deemed to have arisen through your activities, will accrue directly and exclusively to our benefit, except as otherwise provided by applicable law.

You may not use or give others permission to use the trademarks, or any colorable imitation of them, combined with any other words or phrases.

We may change or modify any part of the trademarks at our sole discretion. You will accept, use and protect, for the purposes of the franchise, all changes and modifications as if they were a part of the trademarks at the time the franchise agreement is executed. You will bear all costs and expenses that may be reasonably necessary because of these changes or modifications. Under no circumstances will we be liable to you for any damages, costs, losses, or detriments related to of these changes or modifications.

There are no any pending interference, opposition or cancellation proceeding and any pending material litigation involving the trademarks in any state.

There are no agreements that concern our rights to use or license the use of the trademarks. We know of no infringing uses that could materially affect your use of the trademarks.

We and our affiliates claim common law rights to the trademarks and any other marks used by us in interstate commerce in the United States. This claim is based upon the widespread use of the names in interstate commerce.

We are aware of a business in Arizona that operates under the “Advanced Mobile IV Therapy” names and marks. This use will affect your rights as a franchisee to use the Advanced Mobile IV names and marks, especially if you desire to locate and operate your franchise in Arizona.

14. PATENTS, COPYRIGHT, AND PROPRIETARY INFORMATION

We intend to affix a statutory notice of copyright to our Operations Manual, to most of our advertising products, and to all modifications and additions to them. There are no determinations, agreements, infringements or obligations currently affecting these notices or copyrights. You have no rights to the copyrighted material. You are granted the right and are required to use the copyrighted items only with your operation of the franchise during the term of your franchise agreement. You can use our website and booking software, social media content, and branded marketing materials generally. No copyrights or patents applied for, just authored and placed into the stream of commerce.

The Operations Manual is described in Item 11. It is confidential, proprietary, and contains trade secret materials. Although we have not filed applications for copyright registration, all copyrighted materials are our property. Item 11 describes limits on use of the copyrighted materials by you and your employees. We claim proprietary rights in our reporting systems. You are only permitted to use these proprietary systems in accordance with the Franchise Agreement and only as long as you are a franchisee. You must contact us immediately if you learn of any unauthorized use of our or our affiliate’s proprietary information. You must also agree to not contest our rights to and interest in our copyrights and other proprietary information.

Proprietary information includes industry knowledge, IV product mixtures, ordering quantity trade secrets, nurse schedule management software and proprietary IV booking software, which is all considered confidential information and Franchisees are obligated to refrain from disclosing and sharing.

We have no patents and no pending patent applications material to your franchise.

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

You or one of your owners if you are a corporation or partnership, must participate fully in the actual day-to-day operation of the franchise business. You may designate a manager to assume responsibility for day-to-day operations. We do not impose any restrictions on who may serve as a manager of your franchise; however you should exercise reasonable care in selecting your employees. Any managers you employ to help you to operate the franchise must successfully complete the initial training program described in Item 11. Your manager is not required to have an equity interest in your franchise. The manager and all of your owners must agree to be bound by the confidentiality and non-competition provisions of the Franchise Agreement in writing. If you own multiple AMIV franchises, the managing owner or manager of each franchise must successfully pass our training.

Each of your owners must assume and agree to discharge all of your obligations under the franchise agreement. You are expected to participate actively in franchisee meetings, seminars, conferences, and supplemental training we sponsor. We generally require that you directly and with your full time manage your franchise operations.

Our Step-In Rights. As outlined in Section 6.7 of the Franchise Agreement, to prevent any interruption of the franchised business that would cause harm to the franchise and to our franchise system and lessen their value, we may step in to operate the franchise when we deem necessary. Reasons may include our determination that: you are incapable of operating the franchise; you are absent or incapacitated because of illness or death; you have failed to pay when due any taxes or assessments against the franchise or property used in connection with the franchise; you have failed to pay when due any liens or encumbrances of every kind placed upon or against your business property; or we decide that operational problems require us to operate the franchise for a time. All revenue derived from our operation of the franchise will be for your account. We may pay from that revenue all expenses, debts, and liabilities we incur during our operation of the franchise. We will keep in a separate account all revenue generated by the operation of your business, less the expenses of the business, including reasonable compensation and expenses for us and our representatives.

16.

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require that you use, offer, and sell only those products, services, and programs that we approve in writing. You must offer all products and services that we designate as required by our franchisees. You may not offer any products or services through alternative channels of distribution without our prior written approval. We reserve the right, without limitation, to modify, delete, and add to the authorized products and services.

Only licensed healthcare professionals may actually administer the intravenous therapies and hydration, such as registered nurses. You may not provide, control, or supervise the intravenous therapies or hydration services if you are not properly licensed and qualified. Because various federal and state laws govern the practice of medicine and the ownership of medical practices and healthcare businesses, it is critically important that a franchisee that is not a licensed healthcare professional does not engage in conduct or practices that are, or may appear to be, the practice of medicine. You must engage a medical director that you choose but that is approved by us in writing. The medical director is responsible to review, oversee, and manage all patient bookings and patient care including care and services provided by any and all licensed healthcare professionals and staff who provide actual intravenous therapy and hydration services to be provided through the franchised business. The medical director must be responsible for and offer all intravenous therapies and hydration services in accordance with all relevant laws and regulations. If, at any time, a franchise is not operated as required by relevant local licensing, practice, or layperson-influence rules, we will require the franchise to be transferred to an appropriately licensed medical professional with a current license, or we may terminate the franchise.

Our minimum standards and guidelines do not involve influencing decisions related to diagnosis or treatment of patients. Notwithstanding that you must purchase products, equipment, and supplies from us and from suppliers approved by us and that you must offer and sell services, products, and programs that we approve, we will never interfere or control in any way in the exercise of medical judgment by you and by your medical director, healthcare providers, employees, and professional entities.

17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
a. Length of the franchise term	Section 1.1	5 years
b. Renewal or extension of term	Section 6.1	If you are in good standing, you may renew for additional terms of 5 years under the terms of our then current franchise agreement forms that may have materially different terms and conditions than your original contract.
c. Requirements for franchisee to renew or extend	Section 6.1	“Renewal” means that you, upon the expiration of the original term of the franchise agreement, have the right to enter into a new agreement according to our then-current franchise agreement forms that may have materially different terms and conditions than your original contract. You must give notice at least three and not more than 6 months before expiration of the initial term; faithfully perform under the initial agreement; sign general release; sign a new agreement; pay the then-current renewal fee (currently \$2,500 for Tiers 1 & 2, \$5,000 for Tiers 3 & 4. Plus

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
		applicable taxes); and go through retraining.
D. Termination by franchisee	Section 6.2	You may terminate the Franchise Agreement if you comply with the terms of the Franchise Agreement and if we substantially breach any material provision of the Agreement and fail to cure or reasonably to begin to cure that breach within 30 days after receipt of written notice specifying the breach. Termination will be effective 10 days after you deliver to us written notice of termination for our failure to cure within the allowed period.
e. Termination by franchisor without cause	Not applicable	We cannot terminate unless you are in default
f. Termination by franchisor with cause	Section 6.3	We can terminate only if you default.
g. "Cause" defined – curable defaults	Section 6.3(A)	You have 30 days to cure any default not listed in Section 6.3.
h. "Cause" defined – non-curable defaults	Section 6.3(B)	Bankruptcy and insolvency, abandonment, repeated default, misrepresentations, levy of execution, criminal conviction, noncompliance with laws, non-payment of fees, repeated under reporting of sales, disclosure of information, failure to achieve performance benchmarks.
i. Franchisee's obligations on termination/non-renewal	Section 6.5 & 6.8	De-identification, return of manuals, release of phone numbers and listings, de-identification of your franchise equipment, payment of sums owed, confidentiality, and non-competition.

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
j. Assignment of contract by franchisor	Sections 7.1 and 7.2	There are no restrictions on our right to transfer.
k. "Transfer" by franchisee – defined	Section 7.1	Restrictions apply if you sell, transfer, assign, encumber, give, lease, or sublease (collectively called "transfer") the whole or any part of: the franchise agreement, substantial assets of the franchise, or ownership or control of you.
l. Franchisor approval of transfer by franchisee	Section 7.1	We have the right to approve all transfers.
m. Conditions for franchisor approval of transfer	Section 7.1	The transferee must qualify as a franchisee and must assume your obligations, you may not be in default, the transferee must successfully complete the mandatory training, you must pay the then-current transfer fee (currently \$5,000 plus applicable taxes), the transferee must sign a new franchise agreement on our then current terms, and you must release us.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 7.4	If you receive an offer, we will have the right to purchase on the same terms and conditions as offered to you, 30 -day notice and right to decide.
o. Franchisor's option to purchase franchisee's business	Section 7.3	You will give us the right of first purchase before soliciting offers from a third party if you choose to sell your franchise business. You agree to notify us in writing if you desire to sell or transfer any interest in you or in your franchised business. We will elect to exercise our option to purchase within 30 days after our receipt of your written notification. If we offer you an amount that you do not agree to, you may try to sell to a third

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
		party. You are obligated before any transfer to a third party to comply with all criteria outlined in the paragraphs related to First Right of Refusal.
p. Death or disability of franchisee	Section 7.2	Within 180 days, your heirs, beneficiaries, devisees or legal representatives may apply to continue to operate the franchise, or transfer Franchise interest.
q. Non-competition covenants during the term of the franchise	Sections 5.12 & 5.13	You may not disclose confidential information or compete.
r. Non-competition covenants after the franchise is terminated or expires	Sections 5.13 & 6.8	No competition is allowed for 720 days within the Franchise Territory, within 25 miles of the Franchise Territory, within 25 miles of any territory or market where we operate or have granted the franchise to operate a business, and within the United States of America.
S. Modification of the agreement	Sections 5.9 and 9.7	We may modify the Operations Manual. Modifications to the language of the Franchise Agreement require the signed written agreement of the parties.
T. Integration/Merger clause	Sections 5.1, 5.9, & 9.7	Subject to relevant state law, only the terms of the Franchise Agreement and Operations Manual are binding. Any other promises may not be enforceable. Nothing in the Franchise Agreement or in any related agreement is intended to disclaim the representations we make in the Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	Section 9.8	Except for certain claims, all disputes must be arbitrated in accordance with the provisions

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
		of the <i>Federal Arbitration Act</i> , except as stated in State Addenda to this Disclosure Document. The Franchise Agreement prohibits disputes from being arbitrated on a class or consolidated basis.
V. Choice of forum	Section 9.8	Arbitration and Litigation must be in Washington County, Utah, except as stated in State Addenda to this disclosure document. Subject to state law.
x. Choice of law	Section 9.8	Utah law applies except as otherwise provided in the Franchise Agreement and subject to state laws in those states whose laws require exclusive application and except to the extent governed by the United States Trademark Act.

18. PUBLIC FIGURES

No public figures are involved in our franchise program.

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 this Item 19 may only be given if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Ashley Yardley at 1971 S. 2660 E., St. George, UT 84790, AND (435) 559-2911, the Federal Trade Commission, and the appropriate state regulatory agencies.

20. OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1
SYSTEMWIDE OUTLET SUMMARY
As of December 31 for Years 2020 to 2022 and as of July 31, 2023**

<u>Column 1</u> <u>Outlet Type</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets at the</u> <u>Start of the</u> <u>Year</u>	<u>Column 4</u> <u>Outlets at the</u> <u>End of the</u> <u>Year</u>	<u>Column 5</u> <u>Net Change</u>
Franchised	2020	0	0	+0
	2021	0	0	+0
	2022	0	17	+17
	2023	17	16	-1
Company or Affiliate Owned	2020	0	0	+0
	2021	0	1	+1
	2022	1	1	+0
	2023	1	1	+0
Total Outlets	2020	0	0	+0
	2021	0	1	+1
	2022	1	18	+17
	2023	18	17	-1

**Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(other than the Franchisor)
As of December 31 for Years 2020 to 2022 and as of July 31, 2023**

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Number of</u> <u>Transfers</u>
Total	2020	0
	2021	0
	2022	0
	2023	0

Table No. 3
STATUS OF FRANCHISED OUTLETS
As of December 31 for Years 2020 to 2022 and as of July 31, 2023

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets</u> <u>at the</u> <u>Start of</u> <u>the</u> <u>Year</u>	<u>Column 4</u> <u>Outlets</u> <u>Opened</u>	<u>Column 5</u> <u>Terminations</u>	<u>Column 6</u> <u>Non-</u> <u>Renewals</u>	<u>Column 7</u> <u>Reacquired</u> <u>by</u> <u>Franchisor</u>	<u>Column 8</u> <u>Ceased</u> <u>Operations</u> <u>- Other</u> <u>Reasons</u>	<u>Column 9</u> <u>Outlets</u> <u>at End</u> <u>of the</u> <u>Year</u>
Arizona	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Florida	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Idaho	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	1	0	0	0	0
Kentucky	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Minnesota	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	1	0	0	0	0
Nebraska	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Nevada	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	3	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Texas	2020	0	0	0	0	0	0	0

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets at the Start of the Year</u>	<u>Column 4</u> <u>Outlets Opened</u>	<u>Column 5</u> <u>Terminations</u>	<u>Column 6</u> <u>Non-Renewals</u>	<u>Column 7</u> <u>Reacquired by Franchisor</u>	<u>Column 8</u> <u>Ceased Operations – Other Reasons</u>	<u>Column 9</u> <u>Outlets at End of the Year</u>
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Utah	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	6	0	0	0	0	6
	2023	6	1	0	0	0	0	7
Washington	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	1	0	0	0	0
	2023	0	0	1*	0	0	0	0
Total	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	17	1	0	0	0	17
	2023	17	1	3	0	0	0	16

* There was a termination in Washington for a franchise that had not yet opened.

Table No. 4
STATUS OF COMPANY-OWNED OUTLETS
As of December 31 for Years 2020 to 2022

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets at the Start of the Year</u>	<u>Column 4</u> <u>Outlets Opened</u>	<u>Column 5</u> <u>Outlets Reacquired from Franchisees</u>	<u>Column 6</u> <u>Outlets Closed</u>	<u>Column 7</u> <u>Outlets Sold to Franchisees</u>	<u>Column 8</u> <u>Outlets at End of Year</u>
Utah	2020	0	0	0	0	0	0
	2021	0	1	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Total	2020	0	0	0	0	0	0
	2021	0	1	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1

* The St. George, Utah outlet is owned and operated by our affiliate Advanced Mobile IV St. George, LLC.

**Table No. 5
PROJECTED OPENINGS AS OF January 1, 2023 through December 31, 2023**

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Current Fiscal Year
Arizona	0	1	0
Maryland	1	0	0
Nevada	0	1	0
Texas	0	1	0
Washington	1	0	0
TOTALS	2	3	0

Exhibit H contains a complete listing of all of our current franchisees and the addresses and telephone numbers of all of their operations as of **December 31, 2022**.

The following is a complete listing of all current “company-owned” stores and the addresses and telephone numbers of all of their operations as of the date of this Disclosure Document:

<u>Territory</u>	<u>Name</u>	<u>Business Address</u>	<u>Phone</u>
St. George, Utah	Advanced Mobile IV St. George, LLC	1971 S. 2660 E., St. George, UT 84790	(435) 559-2911

Exhibit H contains a list of the name, city and state, and the current telephone number or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within **10** weeks of the date of this Disclosure Document.

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

Our standard franchise agreement, all renewal and transfer agreements, and all agreements to settle disputes with franchisees, generally contain confidentiality clauses. Thus, all our franchisees have signed a confidentiality clause with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with AMIV™. 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.

The following is a list, to the extent known to us, of the names, addresses, telephone numbers, email addresses, and web addresses of each trademark-specific franchise organization

associated with the franchise system being offered which we have created, sponsored, or endorsed: **NONE**.

The following is a list of any independent franchisee organizations that have asked to be included in this disclosure document: **NONE**

21. FINANCIAL STATEMENTS

Attached in Exhibit A to this Disclosure Document are our audited financial statements as of December 31, 2022. We have not been in business for three or more years, so we cannot disclose all financial statements required by this Item. Our fiscal year-end is **December 31**.

22. CONTRACTS

The following contracts are attached to this Disclosure Document:

Exhibit B	Standard Franchise Agreement and Schedules,
Exhibit C	Phone Number Acknowledgment and Conditional Assignment
Exhibit D	EFT Authorization
Exhibit E	Multi-State Addendum to the FDD and Franchise Agreement
Exhibit G	SBA Addendum
Exhibit I	Medical Director Agreements
Exhibit J	Confirmation of Additional Terms and Representations

23. RECEIPTS

Attached to this Disclosure Document are two Receipt pages. They are duplicates that evidence your receipt of this Disclosure Document – the first is to be retained by you, the other by us.

FINANCIAL STATEMENTS

ADVANCED MOBILE IV, LLC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2022



ADVANCED MOBILE IV, LLC

Table of Contents

	<u>Page</u>
Independent auditor's report.....	3
Balance sheet.....	5
Statement of operations	6
Statement of members' equity	7
Statement of cash flows.....	8
Notes to the financial statements	9



Independent Auditor's Report

To the Members
Advanced Mobile IV, LLC
St. George, Utah

Opinion

We have audited the accompanying financial statements of Advanced Mobile IV, LLC, which comprise the balance sheet as of December 31, 2022, and the related statements of operations, 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 Advanced Mobile IV, LLC as of December 31, 2022, 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 Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We are required to communicate 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.

Restrictions on Use

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.

Kezar & Dunbar

St. George, Utah
July 10, 2023

ADVANCED MOBILE IV, LLC
BALANCE SHEET
As of December 31, 2022

	2022
Assets	
Current assets	
Cash and cash equivalents	\$ 67,404
Employee advance	20,281
Total current assets	87,685
Non-current assets	
Property and equipment, net	66,444
Total non-current assets	66,444
Total assets	\$ 154,129
 Liabilities and Members' Equity	
Current liabilities	
Accrued liabilities	\$ 12,323
Deferred revenue	39,998
Related party payables	85,129
Total current liabilities	137,450
Total liabilities	137,450
Members' equity	16,679
Total liabilities and members' equity	\$ 154,129

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

ADVANCED MOBILE IV, LLC

STATEMENT OF OPERATIONS For the year ended December 31, 2022

	<u>2022</u>
Operating revenue	
Initial franchise fees	\$ 215,000
Royalty fees	12,500
Total operating revenue	<u>227,500</u>
Operating expenses	
Advertising and marketing	10,481
Professional fees	11,905
General and administrative	173,501
Total operating expenses	<u>195,887</u>
Net income	<u>\$ 31,613</u>

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

ADVANCED MOBILE IV, LLC
STATEMENT OF MEMBERS' EQUITY
For the year ended December 31, 2022

Balance as of January 1, 2022	\$ -
Member distributions	(14,934)
Net income	31,613
Balance as of December 31, 2022	<u>\$ 16,679</u>

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

ADVANCED MOBILE IV, LLC
STATEMENT OF CASH FLOWS
For the year ended December 31, 2022

	2022
Cash flows from operating activities	
Net income	\$ 31,613
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	3,655
Changes in operating assets and liabilities:	
Employee advance	(20,281)
Accrued liabilities	12,323
Deferred revenue	39,998
Related party payable	85,129
Net cash provided by operating activities	152,437
 Cash flows from investing activities	
Purchase of property and equipment	(70,099)
Net cash used in investing activities	(70,099)
 Cash flows from financing activities	
Member distributions	(14,934)
Net cash used in financing activities	(14,934)
 Net change in cash and cash equivalents	67,404
 Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	\$ 67,404
 Cash paid for interest and taxes	\$ -

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

ADVANCED MOBILE IV, LLC
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

Advanced Mobile IV, LLC (the "Company") was formed on November 3, 2021 in the state of Utah as a Limited Liability Company for the principle purpose of conducting franchise sales, marketing, and management of the Advanced Mobile IV franchise system. The Company began substantive operations during the year ended December 31, 2022.

The Company uses the accrual basis of accounting, and its accounting period is the 12-month period ending December 31 of each year.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission ("SEC"), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. As of December 31, 2022, the Company had cash and cash equivalents of \$67,404.

(e) Leasing

The Company adopted ASC 842, *Leases* upon inception. The Company has made an accounting policy election not to recognize right-of-use assets and lease liabilities that arise from any of its short-term leases. All leases with a term of 12 months or less at commencement, for which the Company is not reasonably certain to exercise available renewal options that would extend the lease term past 12 months, will be recognized on a straight-line basis over the lease term.

(f) Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Items in excess of \$500 that meet specific guidelines are capitalized. Expenditures for major renewals and improvements are capitalized. Minor replacements, maintenance, and repairs are expensed as incurred. When property and equipment are retired or otherwise disposed of, the cost of the asset and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the result of operations for the respective period. Depreciation on property and equipment is calculated on the straight-line method over the estimated useful lives of the assets. The estimated useful lives for significant property and equipment categories are as follows:

Website	5 years
Furniture and fixtures	5 years
Leasehold improvements	Lesser of the useful life or lease term

ADVANCED MOBILE IV, LLC
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

(g) Revenue Recognition

The Company's revenues consist of initial franchise fees and ongoing royalties based on a percentage of gross revenues.

Upon inception, the Company adopted ASC 606, *Revenue from Contracts with Customers*. ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue.

For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the transaction price, which includes an initial fee and ongoing royalties, marketing fees, and technology fees, and the Company's performance obligations. For service revenues, the Company enters into contracts with individual customers and franchisees.

Upon evaluation of the five-step process, the Company has determined that royalty fees, which are based on a percentage of gross revenue reported by franchisees, are to be recognized at the time the underlying sales occur. In allocating the transaction price and recognizing the revenue associated with initial franchise fees, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers*. The practical expedient allows franchisors to account for pre-opening services as a single distinct performance obligation. These pre-opening services include the following:

- Assistance in the selection of a site
- Assistance in obtaining facilities and preparing the facilities for their intended use, including related financing, architectural, and engineering services, and lease negotiation
- Training of the franchisee's personnel or the franchisee
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes about local regulations affecting the franchisee's business
- Inspection, testing, and other quality control programs

The Company has determined that the fair value of pre-opening services exceeds the initial fees received; as such, the initial fees are allocated to the pre-opening services, which are recognized as revenue upon commencement of operations.

(h) Income Taxes

The Company is structured as a limited liability company under the laws of the state of Utah. Accordingly, the income or loss of the Company will be included in the income tax returns of the members. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under ASC 740, *Accounting for Uncertainty in Income Taxes*. ASC 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the member rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2022, the 2021 tax year was subject to examination.

ADVANCED MOBILE IV, LLC
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

(i) Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses for the year ended December 31, 2022, were \$10,481.

(j) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, and accounts payable the carrying amounts approximate fair value due to their short maturities. The amounts shown for notes payable also approximate fair value because current interest rates and terms offered to the Company for similar debt are substantially the same.

(k) Concentration of Risk

The Company maintains its cash in bank deposit accounts that 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 risks on cash or cash equivalents.

(l) Reclassification

Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements. These reclassifications had no effect on the previously reported results of operations.

(2) Property and Equipment

As of December 31, 2022, the Company had the following property and equipment:

	2022
Website	\$ 69,599
Furniture and office equipment	500
	70,099
Less: accumulated depreciation	(3,655)
	\$ 66,444

Depreciation expense for the year ended December 31, 2022 was \$3,655.

(3) Accrued Liabilities

The Company's accrued liabilities consist of accrued payroll taxes and refunds to franchisees. As of December 31, 2022, the accrued liabilities totaled \$12,323.

(4) Related Party Payables

The Company has received loans from its members and an affiliate through common ownership. These amounts do not accrue interest and are due on demand. As of December 31, 2022, the total balance due to related parties was \$85,129.

ADVANCED MOBILE IV, LLC
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

(5) Franchise Agreements

The Company's franchise agreements generally provide for a payment of initial fees as well as continuing royalties, technology fees, and marketing fees to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a location using the Advanced Mobile IV system for a period of ten years. Under the Company's revenue recognition policy, franchise fees and any corresponding commissions are recognized when the franchisee begins operations. For any franchisees that have not yet begun operations as of year-end, the Company defers both the revenues and commissions. All locations that are expected to begin operations within the following year are categorized as current, while all others are classified as non-current. As of December 31, 2022, the Company had deferred revenue of \$39,998, all of which was classified as current.

(6) Commitments and Contingencies

(a) Litigation

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC 450, *Contingencies*, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involving such amounts of unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(b) COVID-19

On March 11, 2020, the World Health Organization classified the outbreak of a new strain of the coronavirus ("COVID-19") as a pandemic. The COVID-19 outbreak in the United States began in mid-March 2020 and has continued through 2022 and subsequent to the fiscal year end. It is continuing to disrupt supply chains and affect production and sales across a range of industries. Management believes the pandemic has had a material effect on the Company's operations, reducing revenue from both new and existing franchisees. The extent of the impact of COVID-19 on the Company's future operational and financial performance continues to evolve and will depend on certain ongoing developments, including the duration and spread of the outbreak, impact on the Company's customers and vendors all of which are uncertain and cannot be reasonably estimated. At this point, the full extent to which COVID-19 may impact the Company's future financial condition or results of operations is uncertain.

(7) Subsequent Events

Management has reviewed and evaluated subsequent events through July 10, 2023, the date on which the financial statements were issued.

Franchise Disclosure Document Exhibit B



**ADVANCED MOBILE IV
FRANCHISE AGREEMENT**

Franchisee

Territory

Date of Agreement

**ADVANCED MOBILE IV, LLC
St. George, Utah**

FRANCHISE AGREEMENT

THIS AGREEMENT (the "Agreement") is made this _____ (the "Effective Date"), by and between **ADVANCED MOBILE IV, LLC**, a Utah limited liability company, ("Franchisor" and "we/us"), whose principal address of 1971 S 2660 E, St. George, UT 84790 and _____, ("Franchisee" and "you") whose principal address is _____.

For purposes of this Agreement "Franchisee" and "you" may include an individual, corporation, partnership, limited liability company or other legal entity. "Franchisee" and "you" include any corporation, partnership, limited liability company, individual, combination of individuals, or other legal entity that owns a majority interest of Franchisee, or in which Franchisee owns a majority interest. The term "Franchisee" and "you" include, collectively and individually, all owners, managers, officers, directors, partners, principals and holders of a beneficial interest of Franchisee, and of any legal entity directly or indirectly controlling Franchisee. The term "Franchisee" and "you" will include all persons who succeed to Franchisee's interest by transfer or by operation of law.

Franchisor has certain rights to, has registered in various jurisdictions, and has developed and intends to continue to develop methods for establishing, operating and promoting general IV (Intravenous Therapy) services, including but not limited to vitamin infused hydration therapy and other injection services designed to help with fatigue, difficulty focusing or concentrating, lack of motivation, slow recovery, poor immunity, or dry skin, among other issues ("Mobile IV Business") using the "Advanced Mobile IV," "AMIV," and related names, marks, logos, slogans, and other commercial symbols that Franchisor owns or for which Franchisor has obtained the right to use ("Marks") and Franchisor's proprietary concepts, formats, procedures, processes, proprietary products, systems, standards, techniques, guidelines, specifications, training programs, and methods of doing business as Franchisor develops and prescribes from time to time (collectively, the "Licensed Methods").

Franchisee desires Franchisor to train and to authorize Franchisee to establish a Mobile IV Business to operate within a territory identified in this Agreement, and Franchisor desires to grant Franchisee the right to operate a Mobile IV Business within such territory under the terms and conditions which are contained in this Agreement.

THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, the parties agree as follows:

1 GRANT OF FRANCHISE AND FRANCHISE TERRITORY

1.1 **Grant of Franchise and Franchise Territory.** Franchisor grants to Franchisee, and Franchisee accepts from Franchisor, the franchise, license, and privilege to use the Marks and Licensed Methods for **5 years** from the Effective Date (the "Term") in connection with the establishment and operation of a Mobile IV Business (the "Franchise"), within a territory described below. Franchisee agrees to use the Marks and Licensed Methods, as they may be changed, improved, and further developed by Franchisor from time to time, only in accordance with the terms and conditions of this Agreement. The term "Franchise" shall include the entire enterprise that Franchisee is authorized to conduct under this Agreement.

This grant solely is for the operation by Franchisee of one Advanced Mobile IV franchise within the geographical territory identified in the attached Schedule 1 (the "Franchise Territory"). Franchisee may not operate outside the Franchise Territory without Franchisor's prior written consent. To operate outside of the

state boundaries in which the Franchise Territory is located Franchisee must receive Franchisor's prior written consent and Franchisee must execute a separate franchise agreement for that territory. To establish additional franchises, Franchisee must not be in default in any material provision of this Agreement and any and all other agreements between Franchisee and Franchisor or its affiliates; Franchisee's proposed territory must meet Franchisor's franchise placement and market penetration guidelines and criteria; and Franchisee must sign Franchisor's then-current franchise agreement for that franchise. The franchise territory must also be legally available in compliance with federal and state franchise disclosure and registration laws and contractually available pursuant to contractual obligations to other Advanced Mobile IV franchisees.

If the Franchise Territory is comprised of postal ZIP codes and if the U.S. Postal Service moves, alters, or eliminates any of the ZIP code(s) that are part of the Franchise Territory, Franchisor has the right to re-define the boundaries of the Franchise Territory to correspond as nearly as possible to the original territorial border. During the Term of and so long as the Franchisee is in good standing under this Agreement, Franchisor shall not establish or operate and shall not license or allow any other the right to establish or operate another Mobile IV Business that uses the Marks within the Franchise Territory. In the event Franchisee desires to expand the Franchise Territory, Franchisee would then need to purchase separate franchise rights or expand Franchisee's current Franchise Territory. Franchisee shall be obligated to establish and implement franchise operations in each additional Franchise Territory, including meeting the minimum Performance Benchmarks set forth.

The Franchise Territory purchased by Franchisee under this Agreement shall in no way limit the ability of Franchisor or any other Franchisee to provide limited IV Therapy services in the Franchise Territory. This provision in no way authorizes Franchisor or other Franchisees from other areas to market their services in the Franchise Territory consistently or purposefully, but rather, this provision shall apply when Franchisor or other franchisees have existing corporate clients or other existing clients who may be traveling through an area for a particular event or for a temporary stay, even if the stay is an extended stay. For example, if another AMIV franchisee negotiates a deal with a corporate client and the client has a team of athletes who travel to various temporary destinations across the country, that franchisee would be authorized to provide such services wherever that franchisee's client may be, even if the services are required to be performed in the Franchised Territory awarded to Franchisee under this Agreement. Franchisee shall provide notice to Franchisor prior to providing Franchisee's services in any location outside of the Franchise Territory acquired under this Agreement. Franchisor may deny Franchisee's ability to provide such services outside of the Franchise Territory, in Franchisor's sole and absolute discretion.

Nothing in this Agreement gives Franchisee any interest in Franchisor or the right to participate in Franchisor's business activities, investment or corporate opportunities. Franchisor may change, improve or further develop the Licensed Methods.

Franchisor continues to develop, use and control the Marks for its benefit and use and for the benefit and use of its franchisees. The Marks identify for the public the source of the products and services marketed and represent Franchisor's high standards of products, operations, quality and services. Franchisor may seek to obtain state and federal trademark or service mark registrations for any or all of the Marks. There can be no assurance that any such registrations will be granted. There may be similar trademarks or service marks, either registered or not, that are owned by third parties. These third parties may have rights in their trademarks or service marks that are superior to Franchisor's rights in the Marks. This could restrict Franchisor's ability to expand the franchise system into certain geographic areas. Franchisor makes no representations concerning the possible rights of such third parties. Franchisor advises Franchisee to investigate and satisfy itself as to the status of the Marks and the potential rights of third parties prior to entering into this Agreement.

Anything in this Agreement to the contrary notwithstanding, Franchisor may purchase or be purchased by, or merge or combine with, competing businesses, wherever located.

2 – ADVANCED MOBILE IV FRANCHISE AGREEMENT

1.2 **Scope of Franchise Operations.** Franchisee agrees at all times to faithfully, honestly and diligently perform the Franchisee's obligations under this Agreement, and to continuously exert best efforts to promote the Franchise. Franchisee agrees to utilize the Marks and Licensed Methods to operate all aspects of the Franchise in accordance with the Licensed Methods. Franchisee shall offer only such products and services as Franchisor shall designate and shall be restricted from manufacturing, offering or selling any products and services not previously approved by Franchisor in writing. Franchisee must utilize the Marks and must feature products and services approved by Franchisor in writing.

1.3 **Performance Benchmarks.** Franchisee shall dedicate the necessary time and attention necessary to reach the minimum performance benchmarks outlined in Schedule 4 attached to this Agreement (the "Performance Benchmarks"). Failure to reach the level of sales or performance in a given time period as stated in the Performance Benchmarks shall be good cause for Franchisor, in its sole discretion, to terminate this Agreement or to reduce the size or scope of protection of the Franchise Territory.

1.4 **Relocation of the Franchise Territory.** Franchisee will not relocate the Franchise Territory without Franchisor's prior written approval. Franchisee must be in good standing and the relocated territory must be available according to Franchisor's contractual commitments to other franchisees and in accordance with relevant franchise disclosure and registration and similar laws and regulations. Any relocation will be at Franchisee's sole expense. You will reimburse us for our reasonable out-of-pocket costs concerning any relocation.

The Marks and Licensed Methods are licensed to Franchisee for the operation of the Mobile IV Business only in the Franchise Territory; therefore, Franchisee may not provide mobile IV or hydration infusion services, or offer any other type of products or services using the Marks and Licensed Methods without the prior written consent of Franchisor.

1.5 **Existence of Divergent Forms of Franchise Contracts.** You acknowledge that the terms of our franchise offering may have in the past or may in the future materially differ from those set forth in this Agreement.

1.6 **Franchisor's Reservation of Rights.** Franchisee acknowledges that the Franchise granted under this Agreement is non-exclusive and that Franchisor retains all rights not specifically granted to Franchisee under this Agreement. Except as otherwise expressly provided in this Agreement, Franchisor retains the rights, among others, in Franchisor's sole discretion and without granting any right to Franchisee:

- A. to use, and to license others to use, the Marks and Licensed Methods for the operation of mobile IV Therapy businesses in territories and at any location other than in the Franchise Territory;
- B. to use or license to others to use the Marks and Licensed Methods or any other trademarks, service marks, logos or commercial symbols in connection with the sale of any services or products other than those directly contemplated being used, offered, or sold by Franchisee under this Agreement. Franchisor expressly reserves the right to sell, or earn rebates and fees from the sale by others licensed or authorized by Franchisor to sell, proprietary products on a wholesale basis for use in preparing services and products that will not carry an Advanced Mobile IV brand.
- C. to operate and grant to others the right to operate Advanced Mobile IV businesses on such terms and conditions as we deem appropriate.

3 – ADVANCED MOBILE IV FRANCHISE AGREEMENT

- D. to use the Marks and Licensed Methods to identify services and products, promotional and marketing efforts or related items, and to identify products and services similar to those which Franchisee will sell, but made available through alternative channels of distribution other than through mobile IV Therapy business, at any location other than in the Franchise Territory, including, but not limited to, through permanent or temporary clinic or retail store locations or kiosk, by way of mail order, (including electronic mail order), the internet, catalog, television, display, other forms of media now or in the future developed, or through the wholesale sale of its services and products to or to distributors or outlets located in stadiums, arenas, airports, turnpike rest stops or supermarkets; and
- E. to use and license the use of other proprietary marks or methods in connection with the sale of products and services similar to those which Franchisee will sell or in connection with the operation of the Mobile IV Business operating IV administration or hydration infusions, at any location, which business may be the same as, or similar to, or different from the Mobile IV Business, on any terms and conditions as Franchisor deems advisable, and without granting Franchisee any rights therein.
- F. to establish, operate, own or franchise any business, including competitive businesses.

1.7 **Nonexclusive.** Franchisor reserves the right to market, solicit sales, and sell, lease, rent or otherwise dispose of franchise products to any person or customer Franchisor chooses. These include national accounts, commercial customers, franchisees, end users or any other customer Franchisor may select. Franchisor may exercise its right directly or indirectly by or through independent contractors that may include franchisees, dealers, and brokers. Franchisee acknowledges that Franchisor has made no representation concerning complete exclusivity in any geographic territory or for any customer segment.

2 **PAYMENT OF FEES AND OTHER FINANCIAL REQUIREMENTS**

2.1 **Initial Franchise Fee.** In consideration for the right to develop and operate the Franchise in the Franchise Territory, Franchisee agrees to pay to Franchisor an initial franchise fee in the amount set forth in Schedule 1 (The “Initial Franchise Fee”). The amount of the Initial Franchise Fee depends on the population of the Franchise Territory, which falls under one of the following tiers (the “Franchise Tiers”) as part of this Franchise Agreement. The four Franchise Tiers are as follows:

Franchise Tier	Population Size	Initial Franchise Fee
Tier 1	Up to 150,000 persons	\$35,000
Tier 2	150,001 to 300,000 persons	\$55,000
Tier 3	300,001 to 450,000 persons	\$70,000
Tier 4	450,001 to 600,000 persons	\$85,000

If you desire a Franchise Territory larger than 600,000 persons of population, or to later add additional territory to your Franchise Territory, you must pay an additional Initial Franchise Fee of \$0.14 per person for every person of population above 600,000 or above the population of your original Franchise Territory, subject to territorial availability and approval. All territory and areas comprising the Franchise Territory must be contiguous and must be approved by us. The population in your designated Franchise Territory is

4 – **ADVANCED MOBILE IV FRANCHISE AGREEMENT**

determined based upon recent United States census data and estimates and chamber of commerce information, but we will make the final determination.

Contemporaneously with the execution of this Agreement, Franchisee has paid to Franchisor **one-half** of the Initial Franchise Fee. The remaining balance of the Initial Franchise Fee is due and payable within 30 days from the Effective Date of this Agreement. Franchisee acknowledges and agrees that the Initial Franchise Fee represents payment for the initial grant of the rights to use the Marks and Licensed Methods, and Franchisor's sales expenses, administrative overhead, return on investment, and startup costs related to the execution of this Agreement and the opening of the Franchise and for the lost or deferred opportunity to sell franchises in the Franchise Territory to others. Franchisor has earned the Initial Franchise Fee upon receipt and is under no circumstances refundable to Franchisee after paid, unless otherwise specifically set forth in this Agreement. If a transfer occurs, no initial franchise fee shall be due at the time that Franchisee transfers Franchisor to another party, but a transfer fee will apply as set forth in this Agreement, below.

2.2 **Royalty Fee.** Franchisee will pay to Franchisor a monthly royalty fee (the "Royalty Fee") equal to **5%** of the total Gross Revenue derived from the Franchise during the preceding month. This fee is due monthly in the manner specified below or as otherwise prescribed from time to time in our franchise disclosure document or the Operations Manual described in Section 5, below.

2.3 **Marketing Fee.** Beginning 12 months following the Effective Date of this Agreement, Franchisee will pay to Franchisor a "Marketing Fee" equal to up to **1%** of the total Gross Sales derived from the Franchise during the preceding month. This fee is due monthly in the manner specified below or as otherwise prescribed from time to time in our franchise disclosure document or the Operations Manual described in Section 5, below.

2.4 **Software Fee.** Franchisee will pay to Franchisor the then-current Software Fee, which is currently **\$500** per month. This fee is currently used for website software booking subscription and online and social media, and may be used for software, technology, telephone, and other processes that we determine in our sole discretion from time to time. If deemed necessary by Franchisor, Franchisor may change this fee once each calendar year with 30 days' notice to Franchisee but no more than 10% per year. This fee is due monthly in the manner specified below or as otherwise prescribed from time to time in our franchise disclosure document or the Operations Manual described in Section 5, below. The franchise website, certain online and social media accounts, telephone line and associated number are paid for by Franchisor from the Software Fees that Franchisee pays. Franchisor may turn off or prohibit Franchisee to use such website, online and social media accounts, and the phone number if Franchisee does not timely pay to Franchisor the Software Fees or if Franchisee is not otherwise in good standing under this Agreement.

2.5 **Payment.** All fees, charges, royalties, and other amounts due to Franchisor or its affiliates shall be paid in the manner, and at the times set forth in this Agreement and our franchise disclosure document or the Operations Manual. Franchisor may require payment to be made by automatic account withdrawal or other automatic processes Franchisor reasonably specifies in the Operations Manual, such as check, cash, certified check, money order, credit or debit card, automatic pre-authorized payment plan, electronic funds transfer or the Internet, including processes whereby Franchisor is authorized by Franchisee to remove the payment directly from Franchisee's bank account. If Franchisor attempts a draw or other process that is returned unsatisfied for any reason, Franchisor may charge Franchisee a **\$50** fee for each unsatisfied attempt.

Franchisee authorizes Franchisor to initiate debit entries and/or credit collection entries to Franchisee's designated primary business operating checking or savings account ("Designated Account") for the payment of all fees, royalties or other amounts due under this Agreement or related to the Franchise to us or our affiliates. You shall, at your sole cost and expense, instruct your bank to pay all fees, royalties or

5 – ADVANCED MOBILE IV FRANCHISE AGREEMENT

other amounts due under this Agreement to us or our affiliates directly from the Designated Account, and promptly upon our request, you shall execute or re-execute and deliver to us a pre-authorized check form or such other instrument or draft our bank may require. In connection with this requirement, you shall fill out and sign an Authorization for Electronic Funds Transfer form, in the form required by us or such other form as the relevant financial institutions require. You shall ensure that sufficient funds are available in the Designated Account to make all payments due under this Agreement upon such date as provided in the Operations Manual from time to time.

You will not set off any claim for damages or money due to you from us against any payments to be paid by you to us under this Agreement or any related agreement between the parties. No endorsement or statement on any check or payment of any sum less than the full sum due from you to us will be construed as an acknowledgment of payment in full or as an accord and satisfaction. We will have the right to accept any check or payment without prejudice to our rights to recover the balance due or to pursue any other remedy available to us.

If any fee or any other amount due under this Agreement remains unpaid after the date due, you shall pay to us a late charge calculated at **1.5%** per month for each day such amount is past due plus a **\$50** service fee. This charge and fee shall accrue whether or not we exercise our right to terminate this Agreement. These late charges and late payment penalties will not exceed any limits placed upon late charges and late payment penalties by applicable local laws.

Our acceptance of late charges and fees will not constitute a waiver of the breach created by your non-payment of any amount when due. Notwithstanding the payment of any late charges, we may exercise any rights or remedies granted by this Agreement upon your breach or any rights or remedies otherwise granted by law.

Nothing contained in this Agreement obligates us to accept any payments after due or to commit to extend credit to or otherwise finance your operation of the Franchise. You acknowledge that failure to pay all amounts when due will constitute grounds for termination of this Agreement.

Upon your failure to pay us as and when due, we may, at our election, deduct the unpaid sums from any monies or credit we hold for your account. You agree that you will not withhold payment of any amounts due to us on the grounds of any alleged non-performance by us, or in the event of any dispute or a claim by you, or for any other reason whatsoever.

If any payments to us, our affiliates or approved vendors are late by more than 15 business days, we may suspend your ability to access forms, software, web sites, Internet or Intranet, or limit your continued operation of the Franchise until the payments are received.

2.6 **Application of Payments.** We have the right, in our sole discretion, to apply any payment from you to any past due indebtedness you owe to us or our affiliates, whether from monthly fee payments, purchases, late payment charges, or for any other reason. This section will apply regardless of how you may designate a particular payment is to be applied.

For the purposes of this Agreement, and all other instruments and agreements relating to it, we will have the right to treat any payment received from you as payment on account. We may apply any monies received from you in any order that we, in our discretion, decide and notwithstanding any contrary designations by you as to the application of your payments. You agree that you may not designate an order for application of any fees and royalties different from that designated by us and expressly acknowledge and agree that we may accept fees paid pursuant to different instructions without any obligation to follow such instructions, even if such payment is made by its terms conditional on such instructions being followed. This provision may

6 – ADVANCED MOBILE IV FRANCHISE AGREEMENT

be waived only by written agreement signed by us, which written agreement must be separate from the check or other document constituting payment.

2.7 **“Gross Sales” Defined.** “Gross Sales” means all receipts and income of any kind generated by the Franchise from any source, including, but not limited to, products, services, memberships, subscriptions, sales, charges, contracts, any other type of remuneration, cash, credit, gift, contra-deal, barter of products or services, payment in kind, or any other benefit or value that is received or deferred to be received, and excludes discounts, refunds (not to exceed the sale price), shipping expenses paid by the customer, and sales or service taxes collected from the customer and paid to the appropriate taxing authority. Credit transactions will be included in Gross Sales as of the date of the transaction without deduction for uncollected credit accounts.

2.8 **Records and Reports; Accounting and Bookkeeping.** You shall keep a complete and accurate set of books and records of the operation of the Franchise (the “Records”) in accordance with GAAP, consistently applied. We may establish a uniform list of accounts and a uniform bookkeeping system for all of our franchisees. You agree to maintain your books and records in the manner we require, including to preserve them for at least five years after the fiscal year to which they relate.

You will furnish to us as outlined in the Operations Manual, an itemized report of the Gross Sales for the prior month. This report must be certified by you to be true and correct. The report will be in the form and will include such supporting documentation as we may reasonably demand from time to time. All Royalty and Marketing Fees due based upon the Gross Sales for the preceding month will accompany the report. If you fail to deliver any report in a timely fashion, we may unilaterally estimate the Royalty and Marketing Fees you owe and we may draw such fees from your accounts pursuant to automatic account withdrawal or other automatic processes we reasonably specify in the Operations Manual. The estimates will be based upon your historically reported Gross Sales and our experience with other franchised and company owned locations. These withdrawals will be adjusted to reflect actual amounts owed, once reasonably determined.

You acknowledge and agree that we may use your reports and information submitted to us as we may deem appropriate in our sole and absolute discretion, including without limitation to (i) provide you with consultation and advice in accordance with this Agreement; (ii) monitor your compliance with the obligations to pay fees on actual Gross Sales; (iii) monitor performance under this Agreement generally and your purchases, revenue, operating costs, expenses and profitability; (iv) develop system-wide statistics; (v) develop new operating procedures; (vi) develop new proprietary products, remove products, and improve and enhance the Licensed Methods; and (vii) implement changes in the Licensed Methods to respond to competitive and marketplace changes.

To provide you and us with current and accurate financial and tax reports and to promote an efficient and smooth relationship, we currently require that you use required accounting software and a designated accounting and bookkeeping service or vendor to set up your chart of accounts, to integrate with our system, and for ongoing accounting and bookkeeping, payroll, and quarterly tax preparation services.

(a) **Electronic Access.** We may designate certain systems, including electronic systems that provide access to us, to be used in the maintenance of the Records and preparation of financial statements. Such systems may have components or software that is available only through us, an affiliate or designated suppliers at a fee. You acknowledge and agree that we have the right to access and use all such electronic Records, reports, and the information and data that are contained therein.

You authorize (and agree to execute any other documents deemed necessary to effect authorization) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors, landlords, lessors, and other

7 – ADVANCED MOBILE IV FRANCHISE AGREEMENT

persons or entities with which you do business to disclose to us any requested financial information in their possession relating to you or the Franchise. You authorize us to disclose data from your reports and information, if we determine, in our sole and absolute discretion, that such disclosure is necessary or advisable, which disclosure may include disclosure to prospective or existing franchisees or other third parties.

You will inform your employees and managers that they can expect no privacy in the computers, files or papers in your Franchise, or in any computer, papers or files which they bring to your Franchise, and that their assigned computer, their personal computer and any container containing papers or files, whether stored on paper or by electronic media, are subject to inspection at any time by you or us.

2.9 **Audits.** We may audit your reports, books, statements, business records, cash control devices, and tax returns at any time during normal business hours. Audits will be conducted at our expense unless you understate the Gross Sales for any reported period or periods by more than **2%** or unless you fail to deliver any required report of Gross Sales or any required financial statement in a timely manner, or fail to allow us access to your computers, accounting system and bank accounts as required by the Operations Manual. In the event of an understatement or failure to deliver, you will reimburse us for all audit costs. These will include, among other things, the charges of any independent accountant and the travel expenses, room, board, and compensation of our employees incurred in connection with the audit. You will immediately pay all Royalty Fees, Marketing Fees, and late payment charges that the audit determines are owed. These payments will not prejudice any other remedies we may have under this Agreement or by law. Our right to audit will include the right to examine the books, tax returns and records of other businesses that you own or operate, in whole or in part, to determine whether all revenue to be reported by you has been properly reported and that appropriate fees and contributions have been paid.

2.10 **You Will Pay Taxes, Indebtedness, and All Franchise Costs.** You will pay all taxes, assessments, liens, encumbrances, accounts, and other debts, regardless of their nature, assessed against you, the Franchise, or inventory, materials, and equipment used in the Franchise. Payment will be made when due and before delinquent except when being contested in good faith by appropriate proceedings. If we are charged with any tax by the authorized taxing authority of any state or political subdivision, including taxes on sales made to or licenses granted to you, or sales made by you from the Franchise, you will pay these taxes. You will pay to us promptly and when due the amount of all sales taxes, personal property taxes and similar taxes imposed upon, required to be collected, or on account of collection by us of the Initial Franchise Fee, the Royalty Fee, or any other payments you make to us pursuant to this Agreement.

All the costs of the Franchise, including opening and operating costs, will be your sole obligation. We will have no costs, liability or expense whatsoever with respect to your opening and operation of the Franchise. You will not use or employ the Marks in performing any activity or incurring any obligation or indebtedness in a manner that could result in making us liable for them. You are responsible for any employee wages and compensation, payroll taxes and other required withholding, worker's compensation and benefits. You will control your own employees and contractors. You will take all steps necessary to maintain a safe and healthy environment for your workers and customers.

You will pay all of the operating expenses of your franchise business in a timely manner. You understand and agree that your failure to do so could materially harm the reputation of Licensed Methods and of the Marks and our ability and the ability of our franchisees to obtain favorable purchase, lease or finance terms. You expressly agree to promptly make all product purchase payments on invoices and statements rendered to you in accordance with the terms of the invoices and statements. If you have a bona fide dispute with any supplier or vendor which you believe justifies non-payment or partial payment, you must promptly notify the supplier or vendor of the particulars of your claim and diligently pursue resolution of the claim or prosecution of appropriate legal action. Any trade debt which remains unpaid for more than 30 days after the date it is due

8 – ADVANCED MOBILE IV FRANCHISE AGREEMENT

will constitute a breach of this Agreement unless, before the end of the 30-day period (i) you and the supplier or vendor agree to alternative payment terms; or (ii) you initiate appropriate legal action to contest the trade debt. We will have no liability for your debts or obligations to third parties.

You authorize us to communicate with all the suppliers, distributors, and vendors with whom you do business and you authorize them to communicate with us regarding all aspects of your purchases from and dealings with them. You authorize us to instruct the suppliers, distributors, and vendors (and you instruct them to comply with our instruction) to immediately cease sales and deliveries to you upon the occurrence of any default by you under this Agreement. You will, at our option, execute the forms and documents we deem necessary to appoint us as your true and lawful attorney-in-fact with full power and authority for the sole purpose of obtaining any and all returns and reports filed by you with any state or federal taxing authority relating to the Franchise.

3 **TRAINING**

3.1 **Initial Training**. We will provide to you an initial training program and online access to initial orientation and training materials and videos and the initial training program checklist. We will assist you and your manager to complete the initial training program using the initial orientation and training materials and videos. We will monitor your progress to ensure that all required initial training items are covered.

The training program consists of our 60-day Road Map program of remote training and follow up using our initial training program checklist which includes various aspects of the operation of the Franchise, including operations, nurse recruitment, sales and marketing, website and social media use, and maintenance of quality standards. At your option, we will also provide up to 2 consecutive days of onsite initial training at our headquarter offices (currently in St. George, Utah) or another location to be designated by us. This initial training will introduce you to our system and structure and cover software, building your business, operational practices, and marketing plan and strategy. After the completion of the initial training program, we will review, assist, and monitor your completion of the training program checklist and provide remote support through telephone and email communications.

If you choose to participate in onsite training at our headquarters, you will pay all accommodation, transportation, room, board, lodging, and wage expenses that you or the manager incur related to this training. The training program must be completed by all franchisees, unless, at our reasonable discretion, based upon a franchisee's experience, it is deemed unnecessary.

You or one of your owners if you are a business entity or partnership must participate fully in the actual day-to-day operation of the Franchise. You will notify us of your managers. Each manager you hire must successfully complete the mandatory training program before supervising the Franchise. You will bear all costs of the training, including a reasonable training fee at our then current rates. Each of your employees will complete a training program as prescribed in the Operations Manual. All training programs for your employees will be conducted under the direction of you or your designated manager who has successfully completed the initial training program. Many small businesses fail when the owner does not take an active day-to-day role in the operation and management of the business. We strongly recommend that all individual franchisees and all partners and owners of franchisee entities devote their full time and best efforts to the day to day operation of the franchise with no operational or management commitments in other businesses except other franchises offered by us.

You or the manager will complete the course prior to opening the Franchise for business. We may terminate this Agreement without refunding any part of the Initial Franchise Fee if you fail to complete the initial training

9 – **ADVANCED MOBILE IV FRANCHISE AGREEMENT**

program to our exclusive satisfaction. If your manager fails to satisfactorily complete the initial training program, such manager may not manage or supervise the Franchise. We will not be liable for any costs or expenses you incur if we terminate this Agreement because you or your manager fails to satisfactorily complete the initial training program.

If you desire to have more than two individuals receive initial training, these additional individuals will be accommodated at our convenience. We reserve the right to charge a reasonable fee for the provision of the training regardless of when and where the individuals participate in initial training.

We may at any time during initial training inform you that an individual attending training on your behalf is not suitable due to criminal activities, disruptive behavior, poor attendance or other reasons. Upon that notice, our obligations to train that individual will be deemed to have been discharged.

3.2 **Supplemental Training**. At your option and upon not less than **35** days' prior written notice to us, you may receive additional training at our headquarters or at other agreed upon locations. All expenses of this training will be borne by you, including but not limited to your travel, lodging, meals, compensation, and our reasonable costs and expenses including a reasonable training fee at our then current rates.

This additional training may include work experience and observation of our or other franchise operations. The duration of training is negotiable depending upon your needs. You will not receive any compensation for services rendered by the trainee during this or any other training. We may designate others to conduct some or all of such training.

From time to time we may provide refresher training programs or seminars and may require that you or your managers attend and complete them to our satisfaction. These programs and seminars will be held at locations we designate and will be provided without charge to you. You will be exclusively responsible for paying all travel, living and other expenses and compensation of attending these programs and seminars. Each year, you or the designated managers of your Franchise will be required to attend up to **12 to 16** hours of programs and seminars, depending upon program and seminar availability. In addition, we may deem it appropriate or necessary to provide additional training and supervision to you and your managers and employees onsite in your Franchise Territory. If so, you will fully participate in and complete this additional training and supervision, including additional or revised training programs and processes that may be added to the Operations Manual in the future. We may charge a reasonable training fee for these additional training sessions.

As and when we request, you will cooperate with our reasonable request to allow us to conduct training of new franchisees in the Franchise Territory so that they can experience a live, working environment without compensation from us as long as the training does not interfere with your operations or the experience of your customers. We will indemnify you from all costs and liabilities related to this training and you will not be liable to pay the trainers or the trainees for any services provided to you or to your customers during or as a result of this training.

4 **COMMENCEMENT OF OPERATIONS**

4.1 **Time to Complete Training and Commence Operation**. You shall commence full and continuous operation of the Franchise within the earlier of **180** days after execution of this Agreement or **60** days after successful completion of the initial training program outlined above. Prior to commencing operation, you will procure all necessary licenses, permits and improvements and purchase from our affiliate initial inventory as we reasonably direct. Any failure to commence operation caused by a war or civil disturbance, a natural disaster, a labor dispute, shortages or other events beyond your reasonable control will

be excused for a period of time that is reasonable under the circumstances. If this commencement of operation obligation is not fulfilled, we may terminate this Agreement and retain the entire Initial Franchise Fee.

4.2 **You Are to Obtain Permits and Licenses.** Prior to commencing business operations, you will obtain all local permits and licenses necessary to operate the Franchise. You will comply with all of the provisions of all other applicable federal, state or local statutes, rules or ordinances.

5 **FRANCHISE STANDARDS OF OPERATION**

5.1 **Operations Manual.** Our industry is highly competitive. Continuous efforts to maintain, update and improve the Licensed Methods are essential. The developments we will make for the benefit of our franchise system as a whole are contemplated throughout the Term of this Agreement. The continuous development of the Licensed Methods in this manner is an important and beneficial aspect of the relationship you want to have with us. We agree to loan to you a copy of or permit you access to the Advanced Mobile IV Operations Manual (the “Operations Manual”). The Operations Manual shall include materials in whatever form (including electronic) we provide to you that describe the guidelines, advice, and requirements regarding the operation of the Franchise, including user manuals, notices, amendments, supplements, media, intranet sites, related instruction materials, and any embodiment of the Licensed Methods or identified by us as part of the Operations Manual. It includes amendments, supplements, and new documents made and identified by us as part of the Operations Manual. Nothing in this Agreement may be construed as an incorporation of the terms of the Operations Manual or as making the Operations Manual part of this Agreement.

The Operations Manual describes the Licensed Methods, including specifications, standards, operating procedures, accounting and bookkeeping methods, marketing ideas, equipment requirements and other standards, guidelines, and rules that we may prescribe from time to time and identify as part of the Operations Manual. Among other things, the Operations Manual may contain information, requirements and standards related to:

- Permitting and licensing
- Equipment standards and assistance
- Computer programs and software
- Written operations standards and assistance
- Initial and ongoing operational training
- Management and employee training
- Marketing and advertising
- Standards, ongoing training and ongoing support
- Insurance guidance and standards
- Warranty programs

The Operations Manual may be delivered to you by hard paper copy, computer diskette, CD-ROM, via an intranet or other downloading mechanism to your computer or via another medium chosen at our discretion.

We may amend the Operations Manual, including changes which may affect minimum standards and requirements for your franchise operations. You will strictly adhere to the requirements of the Operations Manual as we amend it from time to time. You will implement immediately all changes at your cost, unless we otherwise specify. We reasonably may restrict you from offering and selling certain services or products, from time to time, as specified in the Operations Manual. At all times you will insure that your copy of the Operations Manual and any other manuals given to you are kept current and up to date with the amendments and updates we provide to you. In the event of any dispute as to the contents of the Operations Manual, the terms of our master copies maintained at our principal place of business will be controlling.

11 – **ADVANCED MOBILE IV FRANCHISE AGREEMENT**

The Operations Manual is and will remain confidential and our exclusive property. You will not disclose, copy or duplicate any part of the Operations Manual for any reason.

5.2 **Franchise Equipment.** You are responsible to equip the Franchise. All equipment shall conform to the standards, guidelines, and requirements as outlined in the Operations Manual from time to time. If we require any changes in or additions to equipment, you will modify, replace or add to your existing equipment at your sole expense.

You, at your expense, will maintain the Franchise equipment in good repair, attractive appearance, and sound operating condition in compliance with the Operations Manual. At our request, you will make necessary repairs to the Franchise equipment in order to maintain uniform appearance and to protect the reputation of the Marks. You will commence all repairs and changes within a reasonable time after notice from us, and you will proceed with due diligence until completion.

If you do not maintain the Franchise as required, after notice to you, we at our option may make the necessary maintenance and repairs and charge the cost to you. If we make or direct the making of repairs, we will not incur any liability to you, including but not limited to, liability for interruption of your business during the course of making the maintenance and repairs.

5.3 **Engagement of Medical Director; Supplies, Inventory, and Vendors.** You are responsible to engage and pay for a qualified and licensed medical director that specializes in comprehensive health care for people of all ages (the “Medical Director”). We must reasonably approve of the Medical Director in writing before you commence operation of the Franchise. The Medical Director will oversee your operations. You may not provide, control, or supervise the intravenous therapies or hydration services if you are not properly licensed and qualified. You will typically pay the Medical Director directly in the form of a monthly stipend. The Medical Director must have a state medical license, a doctorate degree in medicine, 2 years of relevant experience, and must be generally available for phone calls, emails or texts as needed during business hours. The Medical Director must be responsible to review, oversee, and manage all patient bookings and patient care including any care and services provided by any and all licensed healthcare professionals and staff who provide actual intravenous therapy and hydration services of and the products and services supplied by the Franchise. You will not be allowed to order product unless you have engaged a qualified Medical Director.

Because various federal and state laws govern the practice of medicine and the ownership of medical practices and healthcare businesses, it is critically important that if you are not a licensed healthcare professional that you do not engage in conduct or practices that are, or may appear to be, the practice of medicine. The Medical Director must be responsible for and offer all intravenous therapies and hydration services in accordance with all relevant laws and regulations. We never influence the Medical Director or any medical professionals’ decisions related to diagnosis or treatment of patients, directly or indirectly through the Operations Manuals. We do not control the Medical Director or any licensed medical professionals or participate in any conduct or activity or make any business or management decisions that would control the Medical Director’s or any licensed professional’s practice of medicine. If, at any time, The Franchise is not operated as required by relevant local licensing, practice, or layperson-influence rules, we will require you to transfer the Franchise to an appropriately licensed medical professional with a current license, or we may terminate this Agreement.

We develop minimum requirements for products, inventory, supplies, and advertising, among other things. These requirements are outlined in the Operations Manual. You will purchase all initial inventory items and additional items specified from time to time in the Operations Manual.

You shall purchase all products, services, supplies and materials required for the operation of the Franchise from manufacturers, suppliers or distributors designated by us. You must purchase nurse kits, simulator equipment, and inventory items such as needles, water and saline bags, and various IVs and related products, and items that bear the Marks from us, our affiliates, or suppliers we direct and approve from time to time. Proprietary items and supplies may be private labeled by us or our affiliates. We or our affiliates retain the right to make a reasonable profit on any items, supplies and materials you buy from us or our affiliates. You must use us, our affiliate, or a designated vendor for website and social media advertising, scheduling system, and payment processor.

We or our affiliates may obtain money, goods, services, or other benefits from persons and entities with whom you do business, on account of that business with you. These may include rebates, refunds, commissions, co-operative payments, or discounts. We will accumulate them, annually account to the Advanced Mobile IV franchise system for them and either add them to the Marketing Fund, use them for programs that benefit all franchisees such as conventions and administration of purchasing programs, use them to provide supplemental training and promotional services to Advanced Mobile IV franchisees, or return them at reasonable times to all Advanced Mobile IV franchisees pro rata, based upon the volume of related business.

Beginning in the fourth month following the Effective Date of this Agreement, and for every month thereafter during the Term, you must order and purchase at least \$500 in product from us, our affiliate, or designated supplier for the operation of the Franchise. You must always have enough supplies on hand to meet customer demand. When purchase equipment, inventory, and supply items from us or our affiliates, payment must be made when you place your order.

Any products and goods sold, licensed, or leased by or through us to you will be sold, licensed, or leased in accordance with the terms expressly set forth in the Operations Manual or as otherwise provided for in writing by us or the manufacturer of the products and goods. **EXCEPT AS EXCLUSIVELY SET FORTH IN WRITING AND SIGNED BY US, WE MAKE NO EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE PRODUCTS AND GOODS, AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT RESTRICTED TO, THE IMPLIED WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY DISCLAIMED. UNDER NO CIRCUMSTANCES WILL OUR LIABILITY IN CONNECTION WITH ANY PRODUCTS OR GOODS EXCEED THE DOLLAR AMOUNT OF THE PURCHASE PRICE OR LICENSE FEE PAID BY YOU FOR THE PRODUCTS OR GOODS. IN NO EVENT WILL WE BE LIABLE TO ANY PARTY, INCLUDING BUT NOT LIMITED TO, YOU AND YOUR CUSTOMERS, FOR ANY TORT DAMAGES OR INDIRECT, SPECIAL, GENERAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS OR ANTICIPATED PROFITS AND LOSS OF GOODWILL, ARISING IN CONNECTION WITH THE USE OF (OR INABILITY TO USE) THE PRODUCTS OR GOODS FOR ANY PURPOSE WHATSOEVER, EVEN IF WE ARE AWARE OR HAVE BEEN ADVISED OF THE POSSIBILITY OF POTENTIAL LOSS OR DAMAGES.**

We will not be liable to you if we are unable to deliver equipment, inventory or supply items to you because of any loss, damage, or delay caused by strikes, riots, fire, insurrection, war, elements, embargoes, failure of carriers, inability to obtain transportation facilities, forces majeure, acts of God or of the public enemy, or any other cause beyond our control.

You will purchase all products, supplies and materials required for the operation of the Franchise from manufacturers, suppliers or distributors approved by us. All specifications that we require of you and lists of

approved suppliers will be included in the Operations Manual. We will use our best judgment to set and modify specifications in order to maintain the integrity and quality of the franchise system.

You must sell, offer for sale, distribute or deliver only such services or products that meet the specifications and standards of quality and quantity in the Operations Manual. You must sell or offer to sell all approved items and services. You must refrain from deviating from our standards and specifications and must discontinue selling or offering for sale any such items as we may, in our discretion, disapprove in writing at any time.

You are required to maintain an inventory of authorized and approved equipment and supplies sufficient in quantity to satisfy customer demand.

We do not require you to offer any sort of warranty or guaranty on any products or services.

With advance written notice, you may request our approval to obtain products, supplies or materials from sources that we have not previously approved. We may require you to give us sufficient information, photographs, drawings, samples, and other data to allow us to determine whether the items from these other sources meet our specifications and standards, as established from time to time. These specifications and standards will relate to quality, taste, texture, composition, absorbency, strength, finish and appearance, and the suppliers' capacity and facility to supply your needs in the quantities, at the times, and with the reliability necessary for efficient operation and at competitive prices. We may require that samples from any supplier be delivered to a designated independent testing laboratory for testing prior to approval and use. You will reimburse us for the actual cost of the tests. We will license any supplier that can meet or exceed our quality control and confidential formula requirements and standards, for a reasonable license fee, to produce and deliver products to you but to no other person. Our confidential manufacturing requirements, equipment, designs, systems and formulas will be disclosed to potential suppliers only after we have received reasonable evidence that the proposed supplier is trustworthy and reputable; has the capacity to consistently adhere to our standards, requirements and testing procedures; will maintain the confidentiality of the designs, systems and formulas; and will adequately supply your reasonable needs. We may require a Confidentiality and Non-Disclosure Agreement signed by the proposed supplier prior to release of any confidential information. We will not unreasonably withhold approval of a supplier you propose. We will notify you in writing of the approval or disapproval of any supplier you propose [within 90 days of our receipt from you of your written notice of request for approval]. However, we reserve the right to designate exclusive suppliers (including third parties, us or our affiliates) for any products or services to ensure quality and uniformity of products, services, production, shipping and storage for the benefit of the franchise system. From time to time we or our agents may inspect any proposed or approved manufacturer's, supplier's or distributor's facilities and products to assure proper production, processing, packaging, storing, and transportation. Permission for inspection will be a condition of our continued approval of any manufacturer, supplier or distributor. If we determine that a manufacturer, supplier or distributor fails to meet our specifications and standards, we will give written notice describing this failure to you and to the manufacturer, supplier or distributor, together with a notice that unless the failure or deficiency is corrected within **30** days, the manufacturer, supplier or distributor will no longer be approved.

One of the benefits accruing to you and all our other franchisees is the economy of mass purchasing power made available through us and our affiliates. Your failure to pay or repeated delay to make prompt payment in accordance with the terms of the invoices and statements for payments due on your purchases of signs, equipment, supplies and other inventory items, or you misdirection of supplies or other abuse of our approved suppliers, distributors and manufacturers, will result in a loss of credit standing and goodwill and benefits otherwise available to us and our other franchisees. You expressly agree to promptly pay all such invoices and statements in accordance with their terms. You authorize us to communicate with all the suppliers,

distributors, manufacturers and vendors with whom you do business and you authorize them to communicate with us regarding all aspects of your purchases from and dealings with them. You authorize us to instruct the suppliers, distributors, manufacturers and vendors (and you instruct them to comply with our instruction) to immediately cease sales and deliveries to you upon the occurrence of any default by you under this Agreement.

5.4 **Standards to Be Maintained.** You will follow the Licensed Methods and maintain standards of service that we prescribe. You will operate the Franchise in a clean, orderly, and respectable manner in strict compliance with this Agreement and the Operations Manual. You acknowledge that the mandatory standards, specifications and policies we establish are not aimed at the day-to-day operation of your Franchise, which will solely be within your control, but are merely intended to preserve the goodwill of the Licensed Methods and of the Marks.

A. **Inspections.** We may accompany you in your operation of the Franchise at reasonable times to verify your compliance with the terms of this Agreement. To do so, we may: (1) Inspect the Franchise; (2) Observe your operation of the Franchise for any consecutive or intermittent periods we deem necessary; (3) Select products and other materials, equipment, and supplies for test of content and evaluation purposes to make certain that they are satisfactory and meet our quality control provisions and performance standards; (4) Interview your personnel, customers, vendors and partners; and (5) Inspect and copy any books, records and documents related to the operation of the Franchise and any other franchise information we may require; and (6) Photograph and make video or digital recordings of your franchise operations and your employees and customers at all reasonable times. We will have the right to use these photographs and videos or digital recordings for such purposes as we deem appropriate, including, but not limited to, use in training, advertising, marketing and promotional materials, and as evidence in any court or arbitration proceeding.

You and anyone acting as your agent will cooperate fully with us and our agents in connection with these inspections, observations, and interviews. You expressly waive any rights of privacy or confidentiality you have with your personnel, customers, vendors and partners in reference to these inspections, observations and interviews.

B. **Local Laws and Licenses.** You will comply with all applicable ordinances, regulations, bylaws, laws, and statutes. You will not permit unlawful activities in the Franchise business and will not sell, exchange, offer, hold, show, rent, or permit to be sold, exchanged, offered, held, shown, or rented any material or service you know or reasonably suspect to have been obtained in violation of law or to be otherwise illegal. You may not provide, control, or supervise the intravenous therapies or hydration services if you are not properly licensed and qualified. Because various federal and state laws govern the practice of medicine and the ownership of medical practices and healthcare businesses, it is critically important that a franchisee that is not a licensed healthcare professional does not engage in conduct or practices that are, or may appear to be, the practice of medicine.

You will secure and maintain in force all required licenses, permits and certificates relating to the operation of the Franchise and will operate the Franchise in full compliance with all applicable ordinances and regulations, including without limitation, all government laws and regulations relating to occupational hazards and health, corporate practice of medicine, EEOC laws, Americans with Disabilities Act, copyright laws protecting owners of artistic works, consumer protection, trade regulations, workers compensation, unemployment insurance and withholding, and payment of federal and state income taxes, social security taxes and sales, use and property taxes.

Intravenous therapy and hydration services are heavily regulated. Most states have specific regulations on these services and the business providing these services. It will be your duty to investigate, know, understand, and adhere to all local and state IV administration and medical practice regulations. You are

responsible to make sure that you do not violate any federal and state laws and regulations related to the practice of medicine, including state board of medicine rules. Generally, this means that all intravenous therapies and hydration services be rendered by currently licensed registered nurses or similar medical professionals. All procedures must follow state and federal laws and regulations and rules, requirements, and recommendations of national, state, and local associations, boards, and other appropriate regulation entities that address the following subjects areas, among others:

- Practice of medicine and the operation of medical services;
- Treatment controls and monitoring;
- Fraud and abuse statutes;
- OSHA laws;
- Physician self-referral, including the federal “Stark Law”, patient-brokering, and anti-kickback laws and restrictions;
- Payment systems for medical benefits to individuals through insurance and government resources (including Medicare and Medicaid) and state billing limitations, opt-out rules, and participation conditions;
- Restrictions or prohibitions on the corporate practice of medicine, captain-of-the-ship requirements, and fee splitting;
- Privacy of patient records, including the Health Insurance Portability and Accountability Act (“HIPPA”) and related regulations;
- Use of medical devices;
- Hazardous waste handling and disposal;
- Health and sanitation;
- Access by persons with disabilities;
- Safety, and zoning;
- Advertising of medical services.

You will operate and maintain the Franchise so as to obtain the highest classification possible from the governmental authorities that inspect businesses similar to your franchise business in your area. If you are not able to obtain such classification or if you fail to operate in accordance with the standards of quality, maintenance, repair and sanitation required for the highest rating, then within **30** days after you first receive notice of your failure to obtain the highest classification you will comply with all requirements to receive the highest rating. You will maintain the highest rating thereafter. At our option, we may cause trained personnel to operate the Franchise as we deem necessary to work with and train your employees until the Franchise obtains the highest classification. You will reimburse us for all costs of providing our personnel, including costs of transportation, meals, lodging, salary, wages or other compensation, plus the cost of fringe benefits (which will be deemed to be **15%** of the salary and wages).

C. Authorized Services and Products. You will not offer, sell or dispense any programs, products or services, or activities other than those we specifically recognize and approve in writing.

D. Communication. We may provide regular consultation and advice to you in reference to issues we determine may be important to your franchise operations or in response to your inquiries about specific administrative and operating issues you bring to our attention. We will have sole discretion to determine the method for communicating this consultation and advice, which may differ from the methods we use for others of our franchisees. For example, consultation and advice may be provided by telephone, in writing (including electronically), on-site in person, or by other means.

E. Employees. You are responsible for making sure your employees meet the standards, specifications and procedures outlined in the Operations Manual. You will ensure that your employees present

a neat and clean appearance and render friendly, efficient, sober and courteous service to your patrons in accordance with the grooming and training requirements of the Operations Manual. You are responsible for any employee wages and compensation, payroll taxes and other required withholding, worker's compensation and benefits. You will in no way obligate us for expenses incurred in the operation of your Franchise including labor costs. You are required to hire and maintain sufficient staff in order to handle customer volume at all times. You are required to pay your employees and staff the wage prevailing (or in some areas a wage high than the then prevailing wage) in your market area for employees with similar labor skills, people skills and similar job responsibilities.

5.5 **Attendance at Conventions.** We may hold conventions for the franchisees that make up our franchise system. These conventions may be held at a different location each time. They include programs on sales and marketing techniques, performance specifications, advertising programs, training suggestions, and committee elections, among other things. Your attendance at each convention is required. We may charge a an "Annual Convention Fee" each year, up to **\$500**. We may charge to you this Annual Convention Fee even if you do not attend. This fee is intended to help pay for training materials, handouts, videos, recording and similar materials for the annual conventions. In addition, you will bear all expenses of attending, including travel, lodging, meals and entertainment.

5.6 **Advertising Standards.** We may use all contributions and any earnings from the Marketing Fees we receive from you in local, regional, national, Internet, or international advertising as we deem proper and using such media or channels as we determine in our sole and absolute discretion. We may use your Marketing Fee to place advertising in geographic areas, in media, at times and using products and services we deem to be in the best interest of our franchisees and our franchise system. Our internal artwork, advertising, promotion and newsletter production costs and associated administrative costs may be paid from the Marketing Fees. We may also use the Marketing Fees for marketing research and development, public relations activities, press releases, Internet or e-commerce programs, marketing and promotional materials, advertising services, artwork, training, customer services, sales augmentations, production and distribution of periodic newsletters, and reasonable fees or salaries, accounting, collection, legal and other costs related to all of the above.

In national or regional advertising programs, we may include "suggested retail prices" for the goods or services sold by you and our other franchisees. We may include within all our advertising the phrase "available at participating locations only" or other cautionary language to advise the consumer that the suggested retail prices may not be adhered to by all our franchisees. We may compel you to charge "suggested retail prices" to the extent permitted by state and federal laws and regulations.

To the extent permitted by relevant law, we may establish price ceilings or minimum or maximum allowable prices on the products and services you offer and sell. Except as so specified by us or as otherwise required in this Agreement and in the Operations Manual, you may determine the prices at which you sell products and services, as well as the terms and conditions of sale.

A. **You Will Not Advertise Outside Territory.** Except with our prior written permission, you will not place under any circumstances advertisements using the Marks in or originating from any area other than the Franchise Territory.

B. **Local Advertising Expenditures.** In addition to your obligation to pay Marketing Fees to us, we recommend that each month you expend in your local market at least **1%** of your Gross Sales to advertise and promote the Franchise.

C. Promotional Materials. From time to time, we may supply to you an advertising component to the Operations Manual which will contain samples of local advertisements, press releases, television and radio content and scripts, signage and promotional materials that we approve (the “Advertising Materials”). You may use the Advertising Materials contained in the Operations Manual to place any advertisement as long as the advertisement materially complies with the form, content, and distribution standards, guidelines and requirements outlined in the Operations Manual. However, it is your responsibility to ensure that Advertising Materials comply with local ordinances, regulations, and laws. You will apply only decals and logos approved by us on your vehicles, signs and equipment. You shall submit to us all other advertising copy and other advertising and promotional materials before you use them in your local advertising program. You shall not use any other advertising copy or other promotional material until we approve it.

You authorize and permit us and our other franchisees to use advertising and promotional materials and programs that you develop without compensation to you.

You will advertise your franchise in a dignified manner to enhance our franchise system's reputation for quality and integrity. At any time and from time to time, we may require you to submit to us advertising copy, promotional materials, public relations programs and press releases you use in your local advertising programs. If, after review of any material, we, in good faith, believe that it is not in keeping with our franchise system's reputation of quality and integrity, or degrades or debases the good will or reputation of the franchise system, we will promptly notify you. You will immediately cease using any such material.

All advertising and promotional materials must include the wording “franchises available.”

D. Internet, Website and Social Media. You specifically acknowledge and agree that placing any information related to the Franchise on the Internet, on a web site, or in social media will be deemed “advertising” under this Agreement and will be subject to, among other things, our approval, restrictions, and requirements outlined in the Operations Manual. (As used in this Agreement, the term “web site” means an interactive electronic document, contained in a network of computers linked by communications software that you operate or authorize others to operate and that refers to the franchise, the Marks, us or the Licensed Methods. The term web site includes, but is not limited to, Internet and World Wide Web home pages. For the purposes of this Agreement, “Internet” means any of one or more local or global interactive communications media, that is now available, or that may become available, and successor technology to the internet and or wireless communication, and includes web sites and domain names and social media, and the successor technology to internet, web sites, web page or wireless communication and social media. Unless the context otherwise indicates, Internet includes, but is not limited to, online document completion and purchasing systems, and methods of accessing limited access electronic networks, such as Intranets, Extranets, and WANs.)

All advertising and promotional materials must include the wording “franchises available.”

All Internet and social media marketing is part of our marketing programs described in the Operations Manual and defined below, and must be coordinated through us and approved by us. You may not market independently on the Internet or acquire an independent Internet domain name or web site. You may not independently market using any digital, electronic or computerized form or any form of media now or in the future developed (e.g. materials to be made available through the internet, interactive electronic transmissions, etc.).

In connection to any web site and social media, you agree to the following:

1. You will not establish or use any other web site or web page or social media without our prior written approval. If we permit you to establish any web site, web page, social media account or Internet presence, you will turn ownership and control of the web site, web page, and social media over to us upon our request and upon expiration or termination of this Agreement, regardless of the reason for the expiration or termination.
2. Before establishing the web page or any other web site or social media, you will submit to us a sample of the content, format and information in the form and manner we may reasonably require.
3. In addition to any other applicable requirements, you will comply with our standards and specifications for web sites and social media as prescribed by us from time to time in the Operations Manual or otherwise in writing or on a franchisee forum intranet system. By “Intranet” we mean all communications systems utilized by us to communicate with you and our other franchisees, or by which you report data or information to us, or receive data, information or other materials from us. This includes, as applicable, as many different systems or processes as may in fact be used from time to time, including any Facebook group, banking remote or Internet access system.
4. If you propose any material revision to the web page or site or social media or any of the information contained in the web site or social media, you will submit the revision to us for our prior written approval.
5. You will use only approved key words, meta tags and titles pertaining to our industry. We will e-mail or respond via facsimile approved key words, meta tags and titles upon your request by e-mail or facsimile.
6. You may only offer approved products or services on your web page or site or social media. Any web site or social media changes made without our approval will put you in default of this Franchise Agreement.
7. We retain the sole right to market on the Internet and social media, including all use of web sites, domain names, URL's, linking, meta-tags, advertising, auction sites, e-commerce, and arrangements. You will provide us content for our Internet marketing, and follow our Intranet and Internet usage requirements. We also retain the sole right to use the Marks on the Internet, including on web sites, as domain names, directory addresses, meta-tags, and in connection with linking, advertising, and other arrangements. We retain the right to approve any linking or other use of our web site. You may not establish a presence on or market using the Internet or social media except as we may specify, and only with our prior written consent.
8. Subject to the terms of use on our web site and social media, we may gather, develop and use in any lawful manner information about any visitor to the web site or social media, including but not limited to your customers, franchisees or prospective franchisees regardless of whether they were referred to you via the web site or were otherwise in contact with you.
9. We have established or may establish in the future an intranet or comparable on-line facility. You must use it in the manner we require. You understand and agree that we may elect to provide certain assistance, deliver information and materials or otherwise communicate with you via the Internet or the intranet. At your sole expense, you will maintain and update as needed all computer system requirements and services necessary to access the Internet and

the intranet in the manner we require. You are required to have high speed Internet service to your business or home office where you will be able to access downloads from us of advertising materials, operations manual revisions, training materials and corporate news.

E. Discount Programs. From time to time we may develop and market special discount or free coupon programs. You will have the right, but not the obligation, to participate in these programs. We will notify you of the creation and provisions of a discount or coupon program. Within **5** days after receipt of the notice, you will advise us whether or not you wish to participate in that program. If you notify us that you wish to participate, you will adhere to all provisions of the program. If you elect to be excluded from a program, we will have the right to advise consumers, by advertising, sales solicitation or otherwise, that you are not a participant. You will not be entitled to the benefits of that program. We will establish the discount or coupon programs in our sole discretion, and will not have any obligation to consult or confer with you or any other of our franchisees with respect to the nature, content or amount of any discount or coupon established pursuant to any program.

F. Directory Listings. You will advertise the Franchise in the telephone, online, and/or social media directories that related to the area immediately surrounding the Franchise, as we reasonably direct. This advertisement will be in the form and have the content specified from time to time in the Operations Manual. When more than one Advanced Mobile IV franchisee serves a metropolitan area, we may direct that advertisements and listings will list all Advanced Mobile IV units operating within the distribution area of the directory, and you will contribute your equal share in the cost of the advertisement.

G. Establishment of Advertising Programs. At any time and from time to time, we may designate local, regional, or national advertising coverage areas for the development of cooperative local or regional advertising and promotional programs. An “advertising coverage area” is defined as the area covered by a particular advertising medium such as television, radio, or other medium, as recognized in the media industry. We will designate the geographic boundaries of cooperative advertising and promotional programs and the respective advertising coverage areas of these programs. We have the power to require cooperatives to be formed, changed, dissolved, or merged. In the event of a disagreement, our determination of the coverage area will be final.

We will promptly notify you and our other franchisees of the establishment, modification, and geographical boundaries of regional advertising regions. We may require all franchisees located within each advertising region to meet periodically for the purpose of creating and establishing regional advertising programs. Each franchise and each operation we or our affiliates own and operate will be entitled to one vote at these meetings. For the purpose of this subsection, each operation we own will be deemed to be a franchise.

If at any meeting of the franchisees in an advertising region, **65** percent of the franchisees vote to contribute to a regional advertising program, all franchisees within that region will be obligated to make a contribution to a regional advertising fund in the amount established by the vote (the “Regional Advertising Fund”). No advertising region may require any franchisee in that region to make a contribution to a Regional Advertising Fund in excess of **1** percent of that franchisee’s Gross Sales. We will have the right to approve or disapprove the content of all advertising and no advertising or promotional plans or materials may be used or furnished without first obtaining our approval.

If advertising region members are unable or fail to resolve any issue affecting establishment or effective functioning, upon the written request of any member franchisee, that issue will have been submitted to us for consideration and our resolution of that issue will final and binding on all advertising region members.

We will administer each Regional Advertising Fund in the same manner and upon the same terms and conditions as the Marketing Fees outlined above.

H. Trademark and Copyright Notices. You will use the Marks in strict conformity to the Operations Manual, and will include in any advertisement, or promotional materials which use the Marks, trademark notices as are required by the Operations Manual. All copyrighted materials we supply to you or otherwise used by you in connection with the Franchise will contain copyright notices as required by the Operations Manual.

5.7 Marks, Operations Manual, and Licensed Methods Are Our Exclusive Property. You agree that the Marks, Operations Manual, and Licensed Methods are our sole and exclusive property. Except for the Franchise granted to you by this Agreement, nothing in this Agreement or any other agreement will give you or others any right, title, or interest whatsoever in or to the Marks, Operations Manual, or Licensed Methods. Your license to use the Marks is non-exclusive. We, in our sole discretion, may operate under the marks and may grant licenses to others to use the Marks on any terms and conditions we deem appropriate. In those states and nations where applicable, you agree to execute on request all documents necessary to record you as a registered user of the Marks. You will not use the Marks as part of any electronic mail address or in any electronic mail message except in accordance with the Operations Manual and only for purposes of the Franchise.

You will immediately notify us of any infringement of, or challenge to, your use of the Marks or any marks identical to or confusingly similar to the Marks, including any claims of infringement or unfair competition. While we will make reasonable efforts to protect your rights to use the Marks, we will have sole discretion to take or not to take action, as we deem appropriate. If we undertake the defense or prosecution of any litigation or administrative action involving you or any litigation or administrative action involving the Marks or the Licensed Methods, you agree to execute any and all documents and to do all acts and things that in the opinion of our counsel are necessary or advisable to carry out the defense or prosecution. This may be done either in our name or in your name, as we will elect. We will not be required to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the Marks or if the proceeding is resolved unfavorably to you. Instead, at any time, you will modify or discontinue use of any franchise names or Marks, or will use one or more substitute names or marks, if we so direct in writing at any time. Our sole obligation in this event will be to reimburse you for your tangible costs in complying with our direction (i.e., cost of changing signs, stationery, etc.). Under no circumstances will we be liable to you for any other damages, costs, losses, rights, or detriments related to any modification, discontinuance, or substitution. All obligations or requirements imposed upon you relating to the Marks will apply with equal force to any modified or substituted names or marks.

You will not contest, directly or indirectly: our ownership, title, right, or interest in the Marks, the Operations Manual, or the Licensed Methods; or our exclusive right to register, use, or license others to use the Marks, Operations Manual, and Licensed Methods. You will not advertise or use the Marks without following our then current guidelines and requirements. These may include, but will not be limited to, the placement of appropriate © or ® copyright and registration marks, or the designations TM or SM, where applicable.

Any and all goodwill associated with the Marks, including any goodwill that might be deemed to have arisen through your activities, will accrue directly and exclusively to our benefit, except as otherwise provided by applicable law. You appoint us as your agent and attorney-in-fact to amend or cancel any registered user or business name filings obtained by you or on your behalf that involve or pertain to the Marks.

You will not use the Marks on products or services that come from any source other than us or sources we approve in writing except for products you prepare or produce pursuant to the Operations Manual and the Licensed Methods.

We make no representation or warranty, express or implied, as to the use, exclusive ownership, validity or enforceability of the Marks.

We and you will use reasonable best efforts to continuously improve the products, processes and services used in the Licensed Methods and to develop new products, processes and services for use as part of the Licensed Methods. All the improvements, inventions and developments you make, develop or create for use in the Licensed Methods will be our property and we alone will hold any patent, trademark registration or other form of protection for those improvements, inventions, developments, processes, methods and practices.

5.8 **You Will Not Use Names or Marks in Combination.** Except as provided in this Agreement, you will not use or give others permission to use the Marks, or any colorable imitation of them, combined with any other words or phrases. You and your owners, officers, and agents will not form or participate in the formation of any company, firm, corporation, or other entity having a name containing the words of the Marks. You may not combine or associate any name or symbol of the Marks with any other name or word in any advertising or sign. You may not use the Marks in naming or labeling any account with any vendor, service provider or bank. The Marks must be used in exact conformity with specifications we set in the Operations Manual.

5.9 **Marks, Operations Manual, and Licensed Methods May Be Changed.** You acknowledge that the Marks, Operations Manual, and Licensed Methods, including any future amendments or modifications to them, have substantial value, and that the conditions, restrictions, covenants not to compete, and other limitations imposed by this Agreement are necessary, equitable, and reasonable for the general benefit of you, us, and others enjoying any lawful economic interest in the Marks, Operations Manual, and Licensed Methods.

You understand and agree that the Licensed Methods must not remain static if it is to meet presently unforeseen future changes in technology, competitive circumstances, demographics, consumer trends, social trends and other marketplace variables and to best serve the interests of you, us and our other franchisees. We may add to, subtract from, change or modify any part of the Marks, Operations Manual, or Licensed Methods from time to time at our sole discretion. This may include changes to the products, equipment, signage, trade dress, décor, design, appearance, operations, programs, services, methods, standards, forms, policies and procedures of the Licensed Methods or abandoning the Licensed Methods altogether in favor of another system in connection with a merger, acquisition, or other business reason. You will accept, use, and protect, for the purposes of this Agreement, all additions, subtractions, changes and modifications as if they were a part of the Marks, Operations Manual, and Licensed Methods at the time this Agreement is executed. You will bear all costs and expenses which may be reasonably necessary as a result of such changes or modifications. Except as otherwise provided in this Agreement, under no circumstances will we be liable to you for any damages, costs, losses, or detriments relating to or directly or indirectly resulting from these changes or modifications.

Complete and detailed uniformity of the Marks, Operations Manual, and Licensed Methods under the varying conditions to be experienced by our franchisees may not be possible or practicable. Therefore we reserve the right, at our discretion, to accommodate your special needs, or those of any other of our franchisees. These needs may result from the peculiarities of density of population, population demographics, business potential, population of trade area, existing business practices, requirements of local law or local customers, or any other condition which we deem to be important to the successful operation of the franchisee's business. From time

to time, we may allow certain franchisees to depart from normal system standards and routines to experiment with or test new products, equipment, designs, and procedures. In no event will any variance or testing be deemed a waiver of any of our rights, or an excuse for you to not perform any of your duties under this Agreement. We may require you at any time to commence full compliance with the Operations Manual and the Licensed Methods. We will not be required to grant any variance to you under any circumstances. You will not require us to disclose or grant to you a like or similar variation.

Any improvements, modifications or additions which we make to Licensed Methods or to the Marks, or which become associated with Licensed Methods, including ideas suggested or initiated by you, will inure to our benefit, and become our exclusive property. You assign to us or our designee all intellectual property rights, including all copyrights, in and to any improvements or works which you may create, acquire or obtain in operating your franchise business. You agree that we may use, and authorize others to use, improvements which you suggest, initiate or originate without compensation to you and without your permission. You understand and agree that nothing in this Agreement constitutes or will be construed as our consent or permission to you to modify the Licensed Methods or the Marks. Any modification which you desire to propose or make will require our prior written consent.

5.3 **Computer Systems.** You will purchase, lease, or otherwise acquire, from sources of your choice and at your expense, computer hardware and software that are totally compatible with and strictly conform to all requirements, standards, and specifications we may set from time to time, including coordination with consolidated systems used. You must comply with any separate software or other license agreement that we or our designee uses in connection with providing these services to you.

We currently require that you have a subscription to utilize QuickBooks online and our franchise website for all bookkeeping, accounting, and reporting. You are required to have high speed Internet service to your business so that you can access downloads from us of advertising materials, operations manual revisions, training materials, product access and preparation; communication; email; web site access; and corporate news. Your computers and access must also accommodate our remote access to your computer systems, software and records. You will comply with all our requirements regarding Internet, Intranet and computer use contained in the Operations Manual.

You will, at your sole expense, continuously maintain (i) an active e-mail account and e-mail address with an established internet service provider, keep us informed of your current e-mail address and manage your e-mail account so that it does not become full or otherwise incapable of accepting new messages, and (ii) an electronic data exchange service designated by us to enable us to remotely retrieve sales, inventory and other operating data for the Franchise as frequently as we deem necessary. You, on behalf of yourself and, as applicable, your directors, officers, managers, employees, consultants, representatives and agents, waive any claim that our retrieval of data from your electronic records violates any person's rights of privacy.

At our request, you will use reasonable efforts to secure the names, addresses and other information we reasonably require of your customers and will allow us to use the information. You will not divulge your customer names, addresses or other information, with or without remuneration, to any third party. You will respond promptly to each customer inquiry or complaint and resolve all reasonable complaints to the customer's satisfaction.

You will abide by all applicable laws pertaining to privacy of information you collect or maintain regarding your customers and other individuals ("Privacy"), and will comply with our standards and policies pertaining to Privacy. If there is a conflict between our standards and policies pertaining to Privacy and applicable law, you will:

- (a) comply with the requirements of applicable law;

- (b) immediately give us written notice of the conflict; and
- (c) promptly and fully cooperate with us and our counsel as we may request to assist us in our determination regarding the most effective way, if any, to meet our standards and policies pertaining to Privacy within the bounds of applicable law.

E-PROBLEM DISCLAIMER: Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, and similar date-related problems, and attacks by hackers and other unauthorized intruders (“E-Problems”). We do not guarantee that information or communication systems that we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify that your suppliers, customers, and governmental agencies on which you rely, have reasonable protection from E-problems. This may include taking reasonable steps to secure your systems (including firewalls, password protection, and anti-virus systems), and to provide backup systems.

5.4 **Working Capital Requirements.** At all times during the term of this Agreement, you will maintain and employ as much working capital as may be required to enable you to properly and fully perform all your duties, obligations, and responsibilities.

5.5 **Confidentiality; Confidential Information.** The Licensed Methods and Operations Manual include valuable proprietary and confidential information. The Licensed Methods is a technologically advanced program of accounting, identification procedures, management systems, techniques and business operations and systems that would, if used by other persons, firms or entities, give a substantial competitive advantage which we presently enjoy. You agree that these contents and information are confidential. They include information that is our exclusive property, and you may only use them in the Franchise subject to the provisions and duration of this Agreement. You agree to fully and strictly adhere to all security procedures we prescribe for maintaining the confidentiality of the information.

You specifically acknowledge that you will receive valuable specialized and confidential or proprietary “Confidential Information” in the course of your relationship with us and our franchise system. “Confidential Information” includes, knowledge and information that we designate as propriety or confidential or which you know, or should reasonably know, we regard as confidential, including without limitation information concerning: (i) the Licensed Methods, the Operations Manual, standards, specifications, systems, procedures, techniques, processes, practices; (ii) our supply relationships, inventory requirements and control procedures, customer data, and cost data; (iii) promotional and marketing methods and techniques, sales techniques and strategies, pricing, sales, profit performance or other results of operations of any franchise, including your Franchise, or group of franchises or our entire chain; (iv) financial information, accounts, customer lists, demographic data; (v) the results of customer surveys and promotional programs; and (vi) in general, manuals, business methods, trade secrets, specifications, procedures, information systems, know-how and knowledge about the Licensed Methods, whether it is now known or exists or is acquired or created in the future, and whether or not the information is included in the Operations Manual or we expressly designate the information as confidential. Confidential Information does not include (x) information which you can demonstrate came to your attention independent of entering into this Agreement; and (y) information that we agree is, or has become, generally known in the public domain, except where public knowledge is the result of your wrongful disclosure (whether or not deliberate or inadvertent).

The Confidential Information shall include information in any form in which such information exists, whether oral, written, electronic, digital, or other form of media. You acknowledge and agree that our Licensed Methods and all Confidential Information is and shall continue to be our sole and exclusive property, whether or not disclosed or entrusted to you in connection with your relationship with us. Nothing in this Agreement will give you or others any right, title, or interest whatsoever in or to them. The Confidential

Information shall be considered our trade secrets and shall be entitled to all protections provided by applicable law to trade secrets.

You agree to exercise the highest degree of care in safeguarding Confidential Information against loss, theft, or other inadvertent disclosure. You agree to accord to the Confidential Information the same degree of care and use the same confidentiality protection practices as you exercise or employ with respect to your confidential or proprietary information. This includes obligating employees and consultants who receive Confidential Information to covenants of confidentiality and non-use.

You agree not to disclose Confidential Information to any third party and to limit disclosure within your association to designated employees approved by us. Disclosures to designated employees will be done on a “need to know” basis to the extent necessary for them to perform the duties of their employment with you. Unless required by court order or applicable law, you agree not to copy, download, send, or divulge any Confidential Information directly or indirectly to any other person or enterprise outside of our system. During the term of this Agreement and after it expires or is terminated, you will never communicate, divulge, or use in any manner, either for your benefit or the benefit of any other person, persons, partnerships, associations, companies or corporations any Confidential Information or proprietary information, knowledge or know-how concerning the Licensed Methods or any information we have communicated to you in written, verbal or electronic form, including intranet passwords, for the operation of your business.

You will assure that all communications and media connections with us and with your customers and access to Confidential Information (especially financial information and especially bank account and credit card information) are at all times kept secure. This includes wireless, cable, internet, broadband or other communications and media connections. Your security measures must be in compliance with all legal requirements and, particularly, with all security requirements of the relevant banks and issuing credit card companies.

You will not reverse engineer, decompile or disassemble any items embodying the Licensed Methods or our Confidential Information.

The Operations Manual may contain guidelines to protect Confidential Information and trade secrets, including limited access to the information on a need to know basis, locking of offices and computer files, placement of appropriate legends on materials, limited access for copying and scanning, pass-word protection, and encryption. You will conduct periodic meetings with your managers and employees to instruct them on their responsibilities to maintain the confidentiality of our information, including severance interviews with terminated employees in which they acknowledge in writing their post-employment confidentiality obligations.

You will assure that you and all your agents, employees, consultants, partners, owners, members, officers, directors, and shareholders and other persons in your control, to whom any information is communicated, will keep, preserve, and protect all confidential information. You will require as a condition of the employment of your employees and anyone else providing services to you that they maintain and protect Confidential Information, including the signing of a confidentiality agreement. You must follow our security procedures, which may include the execution of approved nondisclosure agreements, and Intranet and Internet usage agreements. You will be responsible to enforce these covenants and agreements by your employees. These covenants are for the benefit of us and the Advanced Mobile IV franchise system and are enforceable by us. If you become aware of any actual or threatened violations of these covenants by any of your employees and anyone else providing services to you, you will promptly and fully advise us in writing of all related facts known to you. You will cooperate with us in all ways we reasonably request to prevent or stop any violation. This may include institution or permitting to be instituted in your name any demand, suit or action that we

determine is advisable. The demand, suit or action may be maintained and prosecuted by us and you at your expense.

This section contains prohibitions based upon an understanding that you, your key employees, your officers, your partners, your employees, members and stockholders (as applicable) will possess knowledge of business and operating methods and confidential information, disclosure of which would prejudice our interests and our other franchisees.

5.6 **Conflicting or Competing Interests.** You will diligently, faithfully, and honestly perform your obligations pursuant to this Agreement. You will use your best efforts to develop, promote, and enhance your franchise. You will not engage in any activity or business enterprise that conflicts with these obligations.

At all times the Franchise must be under your direct supervision. You will devote a substantial enough amount of time and energy to properly operate the Franchise. What constitutes proper operation will be in our sole reasonable discretion. In your absence, the Franchise must be under the direct supervision of a manager who has successfully completed the required training programs and who devotes the necessary time during business hours to the management of the Franchise.

In express consideration for and during the term of this Agreement, neither you nor your owners, shareholders, members, partners, directors, officers, employees, consultants, distributors, or agents, nor the members of your or their immediate families or households (who have access to or knowledge of the Operations Manual or Licensed Methods), will directly or indirectly participate as an owner, shareholder, member, partner, director, officer, employee, consultant, franchisor, franchisee, distributor, advisor or agent, or serve in any other capacity in any business (including business in formation) engaged or to be engaged in the sale or rental at wholesale or retail or on the Internet of intravenous therapies and hydration services and products or similar products or services of any kind or any business that offers products or services that are essentially the same as, or substantially similar to, the products and services that are part of the Licensed Methods. We may waive this covenant only in writing.

You will assure that you and your owners, directors, officers, partners, shareholders, members, employees, consultants, and agents, during the term of this Agreement and for a period of 2 years after expiration or termination of this Agreement do not:

- A. divert or directly or indirectly attempt to divert any of our business or any of our customers to any competing establishment;
- B. employ or seek to employ any person we employ or any other person who is at that time operating or employed by or at any of our franchises or otherwise directly or indirectly induce these persons to leave their employment; nor
- C. do or perform, directly or indirectly, any other act injurious or prejudicial to our goodwill associated with the Marks and Licensed Methods

The running of the periods of time specified by this Section will be tolled and suspended for any period of time during which a court or arbitrator determines you to have been in violation of this Section.

If, for any reason, any provision set forth in this Subsection is determined to exceed any lawful scope or limit as to duration, geographic coverage, or otherwise, it is agreed that the provision will nevertheless be binding to the full scope or limit allowed by law or by a court of law. The duration, geographic coverage and scope allowable by law or court of law will apply to this Agreement.

The provisions relating to interests in any other business will not apply to your ownership of outstanding securities of any corporation whose securities are publicly held and traded. Provided that you hold these securities for investment purposes only and that your total holdings do not constitute more than **5%** of the outstanding securities of the corporation.

You will obtain written covenants from your owners, shareholders, members, partners, directors, officers, employees, consultants, distributors, and agents in a form satisfactory to us that these persons will comply with the provisions of this Section.

You and we stipulate that, in light of all of the facts and circumstances of the relationship between you and us, the covenants, restrictions and agreements referred to in this Section (including without limitation their scope, duration and geographic extent) are fair and reasonably necessary for the protection of our confidential information, goodwill and other protectable interests. If a court of competent jurisdiction should decline to enforce any of those covenants and agreements, you and we request the court to reform these provisions to restrict your use of confidential information, non-solicitation, ability to compete with us, and any other covered topics to the maximum extent, in time, scope of activities, and geography, the court finds enforceable under applicable law.

5.7 Notice of Court Action and Complaints. You will notify us in writing within **5** days of the commencement of any action, suit or proceeding, or of the issuance of any order, writ, injunction, award or decree of any court, agency or government instrumentality, which may adversely affect your operation of or the financial condition of the Franchise.

You will promptly report to us any incidents involving personal injury to your customers or sustained related to the Franchise. You will submit to us promptly upon receipt copies of all customer complaints and notices and communications received from any person or government agency relating to alleged violations of applicable laws and you authorize that person or government agency to provide the same information directly to us upon our request. Additionally, you will promptly notify us of any written threat, or the actual commencement, of any action, suit or proceeding against you or involving the Franchise or your business assets which might adversely affect the operation or financial condition of the Franchise, and provide to us copies of all relevant documents.

6 RENEWAL, TERMINATION AND STEP-IN RIGHTS

6.1 Renewal of Franchise.

A. If you are not in breach, you may renew the Franchise for periods of **5** years under the terms of our then-current Franchise Agreement forms. “Then-current” as used in this Agreement and applied to our Franchise Disclosure Document and Area Development Agreement will mean the form then currently provided to prospective franchisees or area developers, or if not then being provided, then the form we select in our sole discretion which previously has been delivered to and executed by a franchisee of ours. You will exercise your renewal option by giving written notice to us. The notice must be given at least three months, but no earlier than six months, before the end of the franchise term established by this Agreement.

The renewed agreement will be evidenced by you signing the franchise agreement forms we then are using (with appropriate modifications to reflect the fact that the agreement relates to the grant of a renewal franchise). These forms may vary materially from this Agreement. Royalty Fees, Marketing Fees and other fees will be set at the then prevailing rates and terms. Your failure or refusal to execute the renewal franchise agreement forms within **30** days after delivery to you may be regarded as an election by you not to renew.

Upon renewal, the Franchise Territory may be modified and its geographic area may be reduced or expanded to meet our then current franchise market penetration and demographic standards and requirements.

You will pay to us the then-current renewal fee, currently **\$5,000** for Tiers 1 & 2 and **\$10,000** for Tiers 3 & 4, plus applicable taxes.

You will refurbish or replace the Franchise equipment to conform to the then current Operations Manual and Licensed Methods. There will be no limitation on the amount that we may require you to spend on refurbishing or replacement.

You must execute a general release, in a form we prescribe, following applicable law, to release us from any claims you may have against us.

Before renewal, you or your designated manager will attend and successfully complete any retraining program we prescribe in writing. This will be done at your expense, including travel, meals, lodging, and our then current training fee.

B. We may refuse to renew this Agreement if you fail to satisfactorily comply with this Agreement. The determination of satisfactory compliance will be within our exclusive discretion and business judgment in good faith. If we refuse to renew, you must continue to perform under this Agreement until its expiration. We also may refuse to renew this Agreement if we make a good faith determination in our normal course of business that renewal of the franchise relationship is likely to be uneconomical to us or our franchise system despite any reasonable changes or additions to the agreements between be parties, which may be acceptable to you. We will not be obligated to renew this Agreement if we have determined in good faith to cease carrying on business your market area and if we have given you at least 180 days-notice of our intent not to renew and have otherwise complied with applicable law concerning the renewal of franchises.

Even though we decline the renewal of your Franchise, it is possible that we can be required to renew it under a law, rule, regulation, statute, ordinance, or legal order that is applicable at the time. If that happens, to the extent it is allowed by the concerned law, rule, regulation, statute, ordinance or order, your renewal term will be subject to the conditions of the franchise agreement we are using for new franchisees at the time the renewal period begins. If we are not then offering new franchises, your renewal period will be subject to the terms in the franchise agreement that we indicate. If for any reason that is not allowed, the renewal term will be governed by the terms of this Agreement.

C. Continuation. You have no automatic right to continue operation of the Franchise following expiration or termination of this Agreement. If you continue to operate the Franchise with our express or implied consent, following the expiration or termination of this Agreement, the continuation will be a month-to-month extension of this Agreement. This Agreement will then be terminable by either party upon **30** days written notice. Otherwise, all provisions of this Agreement will apply while operations continue. Upon termination of this Agreement under this section, all post-termination covenants and obligations in this Agreement will apply.

6.2 **Termination by You.** You may terminate this Agreement if you comply with the terms of this Agreement and if we substantially breach any material provision of this Agreement and fail to cure or reasonably to begin to cure that breach within **30** days after receipt of written notice specifying the breach. Termination will be effective **10** days after you deliver to us written notice of termination for our failure to cure within the allowed period.

6.3 Termination by Us.

A. The following provisions are in addition to all other remedies available to us at law or in equity. We will have the option to cure your breaches at your expense.

If you breach or default in any of the terms of this Agreement, we have the right to appoint a receiver to take possession, manage and control assets, collect profits, and pay the net income for the operation of the Franchise as ordered by a court of jurisdiction. The right to appoint a receiver will be available regardless of whether waste or danger of loss or destruction of the assets exists, and without the necessity of notice to you.

1. You irrevocably nominate, constitute and appoint the person serving from time to time as our President to be your attorney-in-fact so to act in your name and on your behalf.
2. At our election and without waiving any claims for default or breach and without prior notice to you or resort to legal process, we may enter your Franchise business offices and vehicles using the reasonable force as is necessary in the circumstances, without being guilty of trespass or liable to you or the property owner for the entry, for the purposes of securing the return of our property, the performance of your obligations of discontinuance and the protection of our rights upon expiration or termination of this Agreement.
3. We may claim and recover damages from you for any material breach, including ongoing Royalty Fees, Marketing Fees and other payments required by this Agreement. The Royalty Fees payable will be computed as an average of the Royalty Fees payable by you for the last six months that you conducted the Franchise. If the Franchise has been operating and paying Royalty Fees for less than six months, the average will be of the monthly Royalty Fees payable by you during the period of operation. The calculated Royalty Fees will be due for the balance of the term of this Agreement, or until we establish a new Advanced Mobile IV franchisee in the Territory and that new franchisee pays Royalty Fees for a month equal to or greater than the calculated monthly Royalty Fees due from you.

You agree that it will be a default constituting a substantial breach of a material provision of this Agreement pursuant to relevant law, thus establishing good cause for termination of this Agreement and any other franchise and related agreements between the parties if you (or your owners, officers, or key employees) breach any term or provision of this Agreement and do not cure the breach (or reasonably begin to cure and diligently pursue the cure until the breach is remedied) within **30** days after receipt of our written "Notice to Cure." Termination will occur immediately upon delivery to you of our written declaration of termination for failure to cure within the allowed time frame.

You further acknowledge and agree that we may limit or completely shut down your access to forms, software, web sites, Internet or Intranet, or limit your continued operation of the Franchise if you fail to make timely payment of Royalty Fees, Marketing Fees, or other fees or otherwise breach this Agreement.

B. You agree that it will be a default constituting a substantial breach of a material provision of this Agreement pursuant to relevant law, thus establishing good cause for us to immediately terminate this Agreement and any other franchise and related agreements between the parties without other cause, and without giving you an opportunity to cure, if you (or your owners, officers, or key employees):]

1. Become insolvent, make a general assignment for the benefit of creditors, have a receiver appointed to administer or take possession of any part of the franchise or your assets, or admit

to not being able to meet your obligations as they become due or become bankrupt, or become subject to any chapter of the United States Bankruptcy Code, unless you:

- (i) timely undertake to reaffirm the obligations under this Agreement;
- (ii) timely comply with all conditions as legally may be imposed by us upon such an undertaking to reaffirm this Agreement; and
- (iii) timely comply with such other conditions and provide such assurances as may be required in relevant provisions of the United States Bankruptcy Code;

provided, however, that we and you acknowledge that this Agreement constitutes a personal service contract and that we have relied to a degree and in a manner material to this Agreement upon the personal promises of you and/or your directors, officers, shareholders or partners, as the case may be, to participate personally on a full-time basis in the management and operation of the franchise, and, consequently, we and you agree that any attempt by any other party, including the trustee in bankruptcy or any third party, to assume or to accept an assignment of this Agreement will be void.

2. Fail to operate the Franchise continuously and actively for **5** consecutive days or for any shorter period after which it is reasonable under the facts and circumstances to conclude that you do not intend to continue the Franchise or maintain a suitable Franchise operation.
3. Fail to comply with any requirement of this Agreement or of any related agreement between the parties within twelve months after having received the most recent of two or more **30**-day or **5**-day Notices to Cure deficiencies in performance of the same or any other requirement pursuant to Subsection (A) above or this Subsection (B), whether or not you had corrected your earlier failures to comply after we delivered notice to you.
4. On more than two occasions fail to report monthly Revenue on time, understate monthly Revenue by more than **2%**, or distort other material information.
5. Make or have made any material misrepresentation or misstatement on the franchise application or with respect to ownership of the Franchise. If you misrepresented yourself and are a competitor of ours or a competitor of an affiliate of ours, we may keep your entire initial franchise fee, cancel training and terminate this Agreement.
6. Allow the Franchise or its assets to be seized, taken over, or foreclosed by a creditor, lien holder, or lessor; let a final judgment against you to remain unsatisfied for **30** days (unless a supersedeas or other appeal bond is filed); or allow a levy of execution upon the Franchise or upon any property used in the Franchise, that is not discharged by means other than levy within **5** days of the levy.
7. Are convicted of a felony or a sex crime, are required to register as a sex offender, have been convicted of a crime of moral turpitude, are on probation or parole, or are convicted of any criminal misconduct relevant to the operation of the Franchise.
8. Within a period of **10** days after notification of noncompliance, fail to comply with any federal, state or local law or regulation applicable to the operation of the Franchise.
9. Fail to pay any Royalty Fee, Marketing Fee or other amounts owed pursuant to this Agreement within **5** days after receipt of written notice that the fees or amounts are overdue.

10. Fail to administer the minimum number of IV's or to produce the minimum Gross Sales in excess of the amount listed for any given period as outlined in the "Performance Benchmarks" found in Schedule 4 attached to this Agreement.
11. Fail to operate as required by relevant local licensing, practice, or layperson-influence rules or fail to operate the Franchise in a manner that creates an imminent danger to public health or safety.
12. Do not keep Confidential Information related to the Franchise confidential except to employees or persons authorized to know.
13. Fail to obtain agreements from your employees to keep confidential any Confidential Information
14. Attempt to unilaterally repudiate this Agreement or the performance or observance of any of its terms, conditions, covenants, provisions or obligations by any conduct evidencing your intention to no longer comply with or be bound by this Agreement.

6.4 **Time Frames Subject to Applicable Laws.** The provisions of this Agreement may state periods of notice less than those required by applicable law. They may provide for termination, cancellation, non-renewal or the like other than according to applicable law. They will be extended or modified to comply with applicable law. We will not, however, be precluded from contesting the validity, enforceability or application of such laws or regulations in any mediation, action, arbitration, hearing or dispute relating to this Agreement or the termination of it.

6.5 **You Will Discontinue Use of Marks, Operations Manual, and Licensed Methods on Termination of Agreement.** Substantial damages that are difficult to determine at the date of execution of this Agreement will accrue to us if you do not comply with any of the following requirements upon expiration or termination of this Agreement. Upon expiration or termination of this Agreement, you will:

A. Immediately cease using the Marks (or any names or marks deceptively similar to them), the Operations Manual and the Licensed Methods.

B. Return to us all copies of the Operations Manual. Return to us all records, files, instructions, correspondence, and materials in your possession or control related to the Licensed Methods. You will give us a complete and accurate summary of your advertisers, customers and leads, including their names, addresses, telephone numbers and related file records. You will assist us in every way possible to bring about a complete and effective transfer of your franchise business to us or to our designated franchisee.

C. Relinquish any right or claim of right to telephone numbers and directory listings and Internet addresses, domain names and locators to us or our designated franchisees. If necessary, you will authorize telephone, Internet, email, electronic network, directory and listing entities to transfer all numbers, addresses, domain names, locators, directories and listings to us or our designee and notify them of the termination of your right to use the Franchise names and Marks. You appoint us as your agent and attorney-in-fact to effect the transfer of these telephone numbers and directory listings and domain names and Internet directory listings to us. You agree that we will be treated as the subscriber for the telephone numbers and directory listings. We will have full authority to instruct the applicable telephone, directory and listing companies on the use and disposition of the telephone listings and numbers. You release and indemnify these companies from any damage or loss because they follow our instructions.

D. Make reasonable modifications to any retained business to reduce your identification as a part of our franchise system. These modifications will include but will not be limited to removal of vehicle wraps and other reasonable alterations to eliminate any possibility of confusion between the Franchise and any other Advanced Mobile IV business.

E. Pay to us within **seven** days all Royalty Fees, Marketing Fees, and other sums you owe. These sums will include all damages, costs and expenses, including reasonable attorneys fees and collection costs, we incur because of your breach. These sums will include all costs and expenses, including reasonable attorney fees, we incur in obtaining injunctive, appellate, or other relief to enforce the provisions of this Agreement.

Termination or expiration of this Agreement will not prejudice to any other rights or remedies that we have in law or in equity, including, without limitation, the right to recover benefit of the bargain damages, including lost revenue for the duration of the term of this Agreement.

F. Abide by all provisions of the restriction upon communication of Confidential Information set forth above and the post-termination Covenant Not to Compete set forth below. You will immediately return to us all of our Confidential Information you have received, including any items that embody the Confidential Information. You acknowledge that you have no continuing ownership interest in the Confidential Information.

G. At our option, do some or all of the following:

1. Remove all Franchise-related equipment and inventory from the Franchise;
2. Sell the equipment and inventory to us, at fair market value for equipment and furnishings and at your invoice cost for inventory less a **10%** restocking charge. We will not be liable for payment to you for intangibles, including, without limitation, goodwill;
3. Assign to us ownership and control of any web site you own or control;
4. Sell to us the Franchise equipment and assets. Unless we state in writing that we do not intend to exercise this right, the parties must agree upon a purchase price and terms within **5** business days after termination of this Agreement. If not, a fair value and fair terms will be determined in the county in which our headquarters is then located (currently Washington County, Utah), by three appraisers. Each party must select one appraiser. The two appraisers chosen must then select a third appraiser. Each party will pay for its own appraiser and each party will pay half for the third appraiser. The parties may then present evidence of the value of the Franchise and fair terms for the purchase. The appraisers must exclude from their decision any amount or factor for the "goodwill" or "going concern" value of the Franchise. The decision of the majority of the appraisers will be conclusive. Any time within **30** days after receiving the appraisers' decision, at our option we may purchase the Franchise equipment and assets at the price and upon the terms determined by the appraisers.

H. Upon termination for any reason, you will return to us all proprietary and confidential materials, including client lists, codes, signage, advertising and marketing materials, uniforms, service agreements and other forms, printed files, clients lists and account information, and the like as described in the Operations Manual. If you fail to return or cease use of any of these items, we may enter your business premises and vehicles without being guilty of trespass or any other tort to remove and retain the items. You will pay to us, on demand, any expenses we incur in trying to remove or collect such items or in attempting to have you cease use of them.

You agree that upon termination or expiration of this Agreement for any reason, any and all of our obligations to you under this Agreement will immediately cease and terminate and any and all of your rights under this Agreement will also immediately cease and terminate.

6.6 **We May Assign Territory Upon Termination.** Upon expiration or termination of this Agreement, we may immediately license or franchise the Franchise Territory to another person or may operate Advanced Mobile IV businesses within the Franchise Territory.

6.7 **Our Step-In Rights.** The parties want to prevent any operation or interruption of the Franchise that would cause harm to the Franchise and to our franchise system and lessen their value. Therefore, you authorize us to step in to operate the Franchise for as long as we believe necessary and practical in our exclusive judgment (“Step-In Rights”). We may do so without waiving any other rights or remedies that we may have. Cause for stepping-in may include our reasonable determination that: you are incapable of operating the Franchise; you are absent or incapacitated because of illness or death; you have failed to pay when due any equipment lease payments, suppliers, or inventory payments; you have failed to pay to us when due any franchise, royalty, advertising, or other fee; you have failed to pay when due any taxes or assessments against the Franchise or property used in the Franchise; you have failed to pay when due any liens or encumbrances placed upon or against your business property; your business activities are having a negative impact upon the value of our franchise system or we decide that significant operational problems require us to operate the Franchise for a time. 30 days after exercising our step-in rights, we will re-evaluate your then-current status. At our discretion, we will either operate the Franchise for an additional 30-day period or turn the Franchise back over to you. In turning the Franchise back over to you, we do not waive our rights to step back in the future.

All Gross Sales from our operation of the Franchise will be for your exclusive account. We will pay from that Gross Sales all expenses, debts and liabilities we incur during our operation of the Franchise. This will include our personnel and administrative and travel costs, plus **15%** to cover our overhead expenses. In addition, we will have the option, but not the obligation, to pay on your behalf any claims owed by you to any creditor or employee of the Franchise. You will reimburse us upon demand, including at the rate set forth above for overdue amounts.

We will keep in a separate account all Gross Sales generated by the operation of the Franchise, less the expenses of operation.

We will have no obligation to retain any employee of the Franchise, or to honor any contractual employment commitments you previously made. If we elect to retain any employee, employment will be pursuant to a new employment relationship or agreement between us and the employee. Employment will commence on the first business day on which we carry on business through the Franchise. Any claim by an employee for unpaid salary, vacation pay, or other benefits remains your responsibility.

Upon our exercise of these Step-In Rights, you agree to hold us harmless for all of your acts, omissions, damages, or liabilities arising during our operation of the Franchise.

Our operation of the Franchise will not operate as an assignment to us of any lease or sublease of franchise property. We will have no responsibility for payment of any rent or other charges owing on any lease for franchise property, except as the charges relate to the period of our operation of the Franchise.

You agree to pay our reasonable legal and accounting fees and costs we incur because of our exercise of these Step-In Rights.

6.8 **You and Your Owners Not to Compete on Expiration, Termination or Transfer of Agreement.** This covenant will apply for **720** days after termination, expiration or transfer of this Agreement. In express consideration for this Agreement, you will assure that you and your owners, shareholders, partners, directors, officers, employees, and agents, and the members of their immediate families or households (who have actual knowledge of or access to the Operations Manual or Licensed Methods), will not directly or indirectly participate as an owner, shareholder, director, partner, officer, employee, consultant, franchisor, franchisee, distributor, advisor or agent, or serve in any other capacity in any business engaged directly or indirectly in the offer, sale, rental, Internet dissemination, or promotion of intravenous therapies and hydration services or products of any kind or any business that offers products or services that are essentially the same as, or substantially similar to, the products and services that are part of the Licensed Methods. This covenant applies within the Franchise Territory, within **25**-miles of the Franchise Territory, within **25** miles of any market area where we operate or have granted the franchise to operate an Advanced Mobile IV business, and within the United States of America.

You acknowledge and confirm that the time, content and geographical restrictions contained in this Section are fair and reasonable. They are not the result of overreaching, duress, or coercion of any kind by us. You further acknowledge and confirm that your observance of the covenants contained in this Agreement will not cause you any undue hardship, financial or otherwise, and that enforcement of each of the covenants contained in this Agreement will not impair your ability to obtain employment commensurate with your abilities and on terms fully acceptable to you, or otherwise to obtain income required for the comfortable support of your family and the satisfaction of your creditors. Your knowledge of the Licensed Methods would cause our franchise system serious injury and loss if you use the knowledge to the benefit of a competitor or to compete with us or our franchisees. You agree that because you are the owner of the Franchise that you are not just an employee or manager, but in fact the covenants contained in this Agreement are the result of arm's length negotiations by you as a business owner and entrepreneur which materially affected the price you paid for the Franchise and the other terms of this Agreement.

The running of the periods of time specified by this Section will be tolled and suspended for any period of time during which a court or arbitrator determines you to have been in violation of this Section.

If, for any reason, any provision set forth in this Subsection exceeds any lawful scope or limit as to duration, geographic coverage, or otherwise, it is agreed that the provision will nevertheless be binding to the full scope or limit allowed by law or by a court of law. The duration, geographic coverage and scope allowable by law or court of law will apply to this Agreement.

TRANSFER**7.1 Sale or Assignment.**

A. Your rights and obligations under this Agreement are exclusive to you. Whether voluntarily or involuntarily, neither you, your owners, partners nor others claiming an interest in the Franchise will sell, transfer, assign, encumber, give, lease, or sublease, or allow any other person to conduct business in or through (collectively called "transfer") the whole or any part of: this Agreement, the Franchise, substantial assets of the Franchise business, or ownership or control of you or to fractionalize any of the rights granted to you pursuant to this Agreement. Any attempted transfer without our prior written consent will be a breach of this Agreement. Our consent will not be unreasonably withheld. We will not be obligated to consent to any transfer before the date the Franchise opens for business. We will not be obligated to consent to any transfer to a competitor to the Advanced Mobile IV system.

Because we will have a strong and vested interest in the financial viability and ongoing management abilities of the transferee, we need not consent to any transfer if we reasonably believe the purchase price is excessive or if we believe based upon a review of the transferee's operational and business plans that the transferee's business operations might not be beneficial on a cash flow or financial basis.

We enter this Agreement, in part, in reliance upon the individual or collective character, skill, attitude, business ability and financial capacity of you (or your shareholders, members or partners, if you are a corporation, limited liability company, partnership or other entity).

You recognize that there are many subjective factors that comprise the process by which we select a suitable franchise owner. Our consent to a transfer by you will remain a subjective determination and will include, but not be limited to the following conditions which we must approve before the effective date of a transfer:

1. The transferee must assume your Franchise obligations. You will remain bound by your covenants in this Agreement to not disclose confidential information and to not compete with us or our franchisees.
2. You will pay all ascertained or liquidated debts concerning the Franchise. You may not be in breach of this Agreement or any other agreement between the parties. Our consent to the transfer will not constitute a waiver of any claims we may have against you.
3. The transferee will pay for and complete to our exclusive satisfaction the training programs we then require of new franchisees or otherwise show to our satisfaction sufficient ability to successfully operate the Franchise.
4. Pay to us the then-current Transfer Fee, currently **\$5,000** plus applicable taxes, to reimburse us for our reasonable legal, accounting, credit check, and investigation expenses that result from the transfer.
5. You will pay us a **10%** commission on the gross transfer price, if we obtain the transferee for you.
6. The transferee will execute all documents we then require of new franchisees. This includes a new franchise agreement in the form we then are using. The new franchise agreement may contain economic and general terms that are materially different from those contained in this Agreement. The term of the new agreement will be for the unexpired term of this Agreement

or for a new full term as we will elect. You must ask us to provide the prospective purchaser with our current form of disclosure document required by the applicable federal or state registration and disclosure laws, and a receipt for this document will be delivered to us; provided however, we will not be liable for any representations you make apart from those contained in our disclosure document.

7. The transferee will meet our standards for quality of character, financial capacity, and experience required of a new or renewing franchisee. You will provide information we require to prove the transferee meets our standards
8. If permitted by applicable law, you and your owners, members, partners, officers, and directors will execute a general release in our favor. The release must be in a form we prescribe, following applicable law, to release, any claims you may have against us and our representatives, subsidiaries and affiliates and our officers, directors, attorneys, shareholders and employees in their corporate and individual capacities. This will include claims arising under federal, state and local laws, rules and ordinances arising out of, or connected with, the offer, sale and performance of this Agreement or any other agreement between the parties
9. If the Initial Franchise Fee has not yet been paid in full, it must be paid in full despite the due date for payment established by this Agreement.
10. You will enter into an agreement to subordinate, to the transferee's obligations to us (including the payment of all franchise fees), any obligations of the transferee to make installment payments of the purchase price to you. The form of this subordination is subject to our approval.
11. The transferee will refurbish or replace Franchise equipment and vehicles to conform to the current Operations Manual and Licensed Methods within 90 days of transfer.
12. Upon our granting of approval for the transfer, you will:
 - a) ensure that the transfer is effected in compliance with the requirements of all federal, state, and local laws, including applicable tax and bulk sales legislation
 - b) deliver to the purchaser the Operations Manual and all other manuals and materials we provided to you for use in the Franchise, including all materials bearing the Marks and our advertising, promotional and training materials, order books and bookkeeping and reporting forms.
13. We have the right, but not the obligation and without any liability to you, to make available for inspection by any proposed transferee identified by you of all or any part of this Agreement and of our records related to our relationship with you and to your activities and performance under this Agreement. You specifically consent to such disclosure and agree to hold us harmless from any claim, loss or injury that might result from inspection of our records by your intended transferees.

B. With our prior written consent, you may transfer your rights and obligations under this Agreement to a corporation or other entity in which you continuously own a majority of the issued and outstanding shares of each class of stock or other evidence of ownership. The entity must be newly organized with its activities confined exclusively to act as the franchisee under this Agreement. The entity must

contemporaneously agree in writing to be bound by the terms of this Agreement. You must contemporaneously agree in writing to guarantee the obligations of the entity and to remain personally liable as a named principal party in all respects under this Agreement. (You and all other owners will personally and unconditionally guarantee the obligations of the new entity and you will remain personally subject to and bound by all terms, conditions, restrictions and prohibitions contained in this Agreement. You as an owner of the entity agree to separately and personally, for you and for your successors, heirs and personal representatives will act as surety for the full and faithful performance of all of the obligations, commitments and payments required of the entity. In that capacity, you agree that we do not have to pursue any remedies we may have against the entity, but rather, may proceed directly and primarily against you with or without joining the entity as principal or as a named party in any proceeding.)

You will be in breach of this Agreement if you at any time dispose of any interest sufficient to reduce your ownership in the entity to less than a majority of any class of stock or other evidence of ownership. From time to time, at our request, you will provide to us a current list of all your owners, shareholders, members, directors, officers, partners, and employees, with a summary of their respective interests in you.

C. We may transfer this Agreement. If we do, it will be binding upon and inure to the benefit of our successors and assigns. Specifically, you agree that we may sell our assets, the Marks, or the Licensed Methods outright to a third party, may go public, may engage in a placement of some or all of our securities, may merge, acquire other entities or be acquired by other entities, or may undertake a refinancing, recapitalization, re-organization, leveraged buy out or other economic or financial restructuring. As for any or all of these sales, assignments and dispositions, you waive any claims, demands or damages arising from or related to the loss of the Marks (or any variation of them) or the loss of association with or identification as part of our franchise system.

We will not be required to remain in any particular form of business or to offer to you products, whether or not bearing our Marks.

D. You may offer your securities or partnership interests to the public, by private offering, or otherwise, only with our prior written consent. Consent may not be unreasonably withheld. All materials required for the offering by federal or state law will be submitted to us for review before filing with any government agency. Any materials to be used in any exempt offering will be submitted to us for review prior to their use. No offering by you will imply (by use of the Service Marks or otherwise) that we are participating in an underwriting, issuance, or offering of your securities. You and all other participants in the offering must fully indemnify us concerning the offering. For each proposed offering, you will pay to us the amount necessary to reimburse us for our reasonable costs and expenses associated with reviewing the proposed offering, including, legal and accounting fees. You will give us at least **60** days written notice before the effective date of any offering or other transaction covered by this subsection.

E. You may not grant a sub-franchise or transfer less than all of your rights under this Agreement.

F. Our consent to a proposed transfer will not be a waiver of any claims we may have against you (or your owners), nor will it be a waiver of our right to demand exact compliance with this Agreement. Our consent to a transfer will not constitute or be interpreted as consent for any future or other transfer.

G. You will comply with and help us to comply with any laws that apply to the transfer, including state and federal laws governing the offer and sale of franchises.

7.2 **Your Death or Disability.**

A. Besides the Step-In Rights described above, the following will apply in case of your death or incapacity if you are an individual, or of any general partner of you if you are a partnership, or of any member or shareholder owning **50%** or more of you if you are a limited liability company or corporation or other entity. Within **180** days of the event, the heirs, beneficiaries, devisees or legal representatives of that individual, partner, member or shareholder will:

1. Apply to us for the right to continue to operate the Franchise for the duration of the term of this Agreement. The right to continue will be granted upon the fulfillment of all of the conditions set forth in Subsection (A) of the section entitled "Sale or Assignment," above (except that no transfer fee will be required). Or, Transfer your interest according to the provisions of that Subsection. If a proper and timely application for the right to continue to operate has been made and rejected, the 180 days within which to transfer will be computed from the date of rejection. For purposes of this Subsection, on an application for the right to continue to operate, our silence through the **180** days following the event of death or incapacity will be deemed an acceptance made on the last day of the period.
2. If a suitable transferee purchaser is not found within **180** days from the date of death or permanent incapacity, we may at our sole option enter into a contract to purchase the Franchise. Unless we state in writing that we do not intend to exercise this right, the parties must agree upon a purchase price and terms within twenty business days after notice from us. If not, a fair value and fair terms will be determined in the county in which our headquarters is then located (currently Washington County, Utah), by three appraisers. Each party must select one appraiser. The two appraisers chosen must then select a third appraiser. Each party will pay for its own appraiser and each party will pay half for the third appraiser. The parties may then present evidence of the value of the Franchise and fair terms for the purchase. The appraisers may include in their decision a factor for the "goodwill" or "going concern" value of the Franchise but not the related values of our franchise system or of us or of any entity affiliated with us. The decision of the majority of the appraisers will be conclusive. Any time within **30** days after receiving the appraisers' decision, at our option, we may purchase the Franchise and your assets at the price and upon the terms determined by the appraisers. Terms of payment will be **10%** of the purchase price payable upon contract signing, the balance payable in **60** equal monthly payments of principal payments with interest calculated at the prime rate, published by your principal bank at time of each monthly principal payment.

B. If the provisions of this Subsection have not been fulfilled within the time provided, at our option, all rights licensed to you under this Agreement will immediately terminate and revert to us.

7.4 **First Right of Purchase.** You will give us the right of first purchase before soliciting offers from a third party if you choose to sell your franchise business. You agree to notify us in writing if you desire to sell or transfer any interest in you or in your franchise. You will give us sufficient information and documentation to allow us to analyze the status and value of your business. We will elect to exercise our option to purchase within **30** days after our receipt of your written notification and due diligence information. If we offer you an amount that you do not agree to, you may try to sell to a third party but on no better terms for the purchaser than we offered to you. If you later receive an offer from a third party purchaser on better terms in favor of the purchaser than we offered to you, you are obligated to re-offer to us pursuant to the subsection entitled "First Right of Refusal". You are obligated before any transfer to a third party to comply with all criteria set forth in the subsection[s] entitled "Sale or Assignment" and "First Right of Refusal." If

you do not complete a transaction with a third party within six months, you agree we will again have the right of first purchase before any subsequent contemplated transaction.

We may elect to purchase all of the franchise business regardless of your intent to sell, assign or transfer a lesser interest. We can pay the purchase price in cash up front or 120 equal monthly payments that amortize the principal amount with interest calculated at prime plus 1% as of the date of purchase. The choice of payment type is in our sole discretion.

We may assign our rights under this Section to any other person or entity.

7.5 **First Right of Refusal.** If you receive a bona fide offer from a third party acting at arm's length to purchase the Franchise, a majority interest in ownership of you, or substantially all of the assets of the Franchise, which offer is acceptable to you or to your owners, we will have the right to purchase at the bona fide price on the same terms and conditions as offered to you. We may substitute cash for any other form of consideration contained in the offer. Our credit will be deemed to be equal to the credit of any proposed purchaser. At our option, we may pay the entire purchase price at closing. Within **6** days after receipt by you of an acceptable bona fide offer, you will notify us in writing of the terms and conditions of the offer. You will give us sufficient information and documentation to allow us to analyze the status and value of your business. We may exercise this right to purchase within **30** days after receipt of notice from you and due diligence information. If the interest which is the subject of the offer involves less than all of the ownership interest, then in our sole option, our right of first refusal will apply to the entire ownership interest. In such case, the consideration to be received, as set forth in the offer will be divided by the percentage interest subject to the offer and the resulting quotient will be the price to be paid for the entire ownership interest. Terms and conditions for the purchase of the entire ownership interest will be as similar to the terms and conditions set forth in the offer as practicable, except for the substitute provisions noted above in this section.

If we do not exercise our right to purchase within the **30** days, you may make the proposed transfer to a third party. The transfer will not be at a lower price or on more favorable terms than disclosed to us. Any transfer will be subject to our prior written permission described in the section entitled "Sale or Assignment," above. If the Franchise is not transferred by you within **6** months from the date it is offered to us, or if any material change is made in the terms of the proposed sale, then you must re-offer to transfer to us before a transfer to a third party.

We may assign our rights under this Section to any other person or entity.

8 **INDEMNITY AND INSURANCE**

8.1 **Indemnity.** You will indemnify and hold us harmless from all fines, suits, proceedings, claims, demands, actions, losses, attorney fees and damages arising out of or connected with the Franchise and the business activities, acts or omissions of you and your employees and agents, including those brought against you and us jointly alleging that you and we were negligent or otherwise liable. We will not be liable to you or to any other person because of your act, omission, neglect, or breach. If it is established that both you and we were negligent or otherwise liable, you and we will contribute to the relevant award, and the obligation to indemnify and hold harmless will be determined, based upon the adjudicated and assigned respective degree of fault. In the event of a settlement prior to adjudication, you and we will agree to degrees of fault. You and we will contribute to the relevant settlement, and the obligation to indemnify and hold harmless will be determined, based upon the agreed degree of fault. All provisions of this Section will be subject to these contribution and allocation of indemnification provisions.

You will indemnify us for any loss, cost or expense, including attorneys' fees, that may be sustained by us because of the acts or omissions of your vendors or suppliers or arising out of the Franchise.

This indemnification will include use, condition, or construction, equipping, decorating, maintenance or operation of the Franchise. Any loss, claims, costs, expenses, damages and liabilities will include, without limitation, those arising from latent or other defects in the Franchise, whether or not discoverable by us, and those arising from the death or injury to any person or arising from damage to the property of you or us, and our respective agents or employees, or any third person, firm or legal entity.

You will defend us at your own expense in any legal or administrative proceeding subject to this Subsection. The defense will be conducted by attorneys we approve. Our approval will not be unreasonably withheld. You will immediately pay and discharge any liability rendered against us in any proceeding, including any settlement that we approve in writing. You will not settle any claim against us without our prior written approval. In our sole discretion and upon prior written notice to you, we may settle or defend any claims against us at your expense, including attorney fees that we pay or incur in settling or defending. Promptly upon demand, you will reimburse us for any and all legal and other expenses we reasonably incur in investigating, preparing, defending, settling, compromising or paying any settlement or claim, including monies that we pay or incur in settling or defending such proceeding.

All references in this Agreement that provide that you will indemnify or defend us or that you will name us under any insurance policy will also mean that our affiliates, directors, officers, and employees will be also and equally indemnified, defended or named.

8.2 **Insurance.** Upon commencement of franchise operations, and during the term of this Agreement, you will obtain and keep in force by advance payment of premium appropriate fire and extended coverage, vandalism, malicious mischief, general liability, and products liability insurance. This insurance will be in an amount sufficient to replace the Franchise equipment, files and records and your personal property upon loss or damage. This insurance will be written by a financially responsible insurance company satisfactory to us in accordance with our standards and specifications in the Operations Manual. The insurance will include, at a minimum, the following:

A. Medical Malpractice coverage, (Professional liability, Errors and Omissions) with a limit of not less than **\$1,000,000**, listing us as an additionally insured. This policy must name the Medical Director within the policy.

B. Comprehensive general liability insurance, including products liability, completed operations, property damage, contractual liability, independent contractors liability, owned and non-owned and hired automobile coverage, and personal injury coverage with a combined single limit of at least **\$1,000,000** per occurrence and **\$2,000,000** aggregate, including umbrella coverage.

C. Worker's compensation and employer's liability insurance, and other insurance required by statute or rule of the state in which the franchise is located and operated.

The insurance will insure us, you, and our respective subsidiaries, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death or property damage that may accrue due to your operation of the Franchise. Your policies of insurance will contain a separate endorsement naming us as an additional named insured. The insurance will not be limited in any way because of any insurance we maintain. The insurance will not be subject to cancellation except upon **20** days' written notice to us. Certificates of your insurance policies will be kept on deposit with us. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained

in this Agreement. The policy or policies will insure against our vicarious liability for actual and (unless prohibited by applicable law) punitive damages assessed against you.

All insurance policies you obtain will contain a blanket waiver of the insurer's rights of subrogation in respect of or against us and our officers, agents, employees and representatives; and will not contain any insured vs. insured exclusion clause, but will contain a severability clause providing that each the policy will be treated as though a separate insurance policy had been issued to each named insured.

We may require you to increase the minimum limits of and types of coverage to keep pace with regular business practice and prudent insurance custom.

If you fail to comply with any of the requirements of this Subsection, we may, but are not obligated to, purchase insurance at your expense to protect our interests. This insurance may, but need not, also protect your interest. The coverage we obtain might not pay any claim you make or any claim made against you. You may later cancel the insurance we obtain by providing evidence that you have obtained proper coverage elsewhere. You are responsible for the cost of any insurance purchased by us pursuant to this paragraph. This coverage may be considerably more expensive than insurance you can obtain on your own and might not satisfy your needs. You will pay us upon demand the premium cost of this insurance with a late payment charge on the unpaid balance at the rate established in this Agreement.

You will promptly report all claims or potential claims against you, the Franchise or us in writing when you become aware of them. You will give immediate written notice to us of any claims or potential claims you make to your insurers.

We may, at our sole discretion, upon not less than 90 days prior written notice to you, secure a policy of insurance which will provide defined insurance coverage to all or any part of the Advanced Mobile IV system. This policy may replace or supplement the insurance coverage you are required to maintain. You will pay the relevant insurance premium to us or the designated insurance provider, as we direct.

Nothing contained in this Agreement will be construed as a representation or warranty by us that the insurance coverage we specify will insure you against all insurable risks or amounts of loss which may or can arise out of or in connection with the operation of your franchise business. It is your sole responsibility to ensure that adequate insurance coverage is obtained for your business.

Your procurement and maintenance of the insurance specified above will not relieve you of any liability to us under any indemnity requirement of this Agreement.

The proceeds from any business interruption insurance or eminent domain recovery you receive will be included in Gross Sales.

9 **NOTICE AND MISCELLANEOUS**

9.1 **Notices.** All notices required by this Agreement will be in writing. They may be sent by certified or registered mail, postage prepaid and return receipt requested. They may be delivered by Federal Express, or other reputable air courier service, requesting delivery with receipt on the most expedited basis available. They may be sent by prepaid facsimile or electronic mail (provided that the sender confirms the facsimile or electronic mail by sending an original confirmation copy by expedited delivery service or certified or registered mail within **3** business days after transmission). Notices will be delivered to you at your Franchise business address, to us at our headquarters or to other locations specified in writing.

Notices may be delivered and receipted to you personally at any location. Notices sent by certified or registered mail will be deemed to have been delivered and received **3** business days following the date of mailing. Notices sent by Federal Express, or other reputable air courier service will be deemed to have been received **one** business day after placement requesting delivery on the most expedited basis available. Notices sent by facsimile or electronic mail will be deemed to have been delivered upon transmission (provided confirmation is sent by expedited delivery service or registered or certified mail as provided above).

9.2 **Business Name.** You will execute any documents we may from time to time direct, to be retained by us until this Agreement ends, to evidence that you abandon, relinquish, and terminate your right or interest you may claim in or to the Marks and the name “Advanced Mobile IV.”

9.3 **We and You Are Not Joint Venturers, Partners, or Agents.** You are and will remain an independent contractor. You and we are not and will never be considered joint venturers, partners, employees, or agents one for the other. Neither will have the power to bind nor obligate the other except as otherwise outlined in this Agreement. No representation will be made by either party to anyone that would create any apparent agency, employment, or partnership. Each will hold the other safe and harmless from each other's debts, acts, omissions, liabilities, and representations. You acknowledge that you are not in a fiduciary relationship with us.

In all public and private records, documents, relationships, and dealings, you will show that you are an independent owner of the Franchise. You will prominently indicate on your letterheads and business forms that you are our licensed franchisee by using language saying that you operate an independently owned Franchise. You will prominently display, by posting of a sign within public view, on Franchise vehicles that you use, a statement that clearly indicates that your franchise business is independently owned and operated by you as a franchisee and not as our agent.

You will maintain employee records to show clearly that you and your employees are not our employees. All employees and independent sub-contractors you employ must meet our character, quality and performance standards. All state and federal, workers compensation and insurance requirements must be met for all employees and sub-contractors, including requirements we express in the Operations Manual.

The liability of you and your owners, shareholders, members or partners will be both joint and several. A breach of this Agreement by you or by any shareholder, member or partner will be a breach by all of the shareholders, members or partners and also by you.

9.4 **Waiver.** A waiver of any breach of any provision, term, covenant, or condition of this Agreement will not be a waiver of any subsequent breach of the same or any other provision, term, covenant, or condition.

Any waiver of any provision of this Agreement must be set forth in writing and signed by the party granting the waiver. Any waiver we grant will not prejudice any other rights we may have, and will be subject to our continuing review. We may revoke any waiver, in our sole discretion, at any time and for any reason, effective upon delivery to you of **10** days prior written notice of revocation. Customs or practices of the parties in variance with the terms of this Agreement will not constitute a waiver of our right to demand exact compliance with the terms of this Agreement. Our delay, waiver, forbearance, or omission to exercise any power or rights arising out of any breach or default by you of any of the terms, provisions, or covenants of this Agreement, will not affect or impair our rights and will not constitute a waiver by us of any right or of the right to declare any subsequent breach or default. Our subsequent acceptance of any payment due to us will not be deemed to be a waiver by us of any preceding breach by you of any terms, covenants or conditions of this Agreement.

By written notice, we unilaterally may waive any obligation of you, your owners, or the “Guarantors,” if any.

Our consent, whenever required, may be arbitrarily withheld if you are in breach of this Agreement. Unless otherwise expressly provided to the contrary, our consent, acceptance, approval or authorization you may be required to obtain may be given or withheld by us in our sole discretion, and on any occasion where we are required or permitted to make any judgment, determination or use our discretion, including any decision as to whether any condition or circumstance meets our standards or satisfaction, we may do so in our sole subjective judgment and discretion

9.5 **Time Is of the Essence.** Time and strict performance are of the essence of this Agreement. (“Time is of the essence” is a legal term that emphasizes the strictness of time limits. In this Agreement, it means it will be a material breach of this Agreement to fail to perform any obligation within the time required or permitted by this Agreement.)

9.6 **Documents.** You and your partners, shareholders, members, officers, and owners agree to execute and deliver any documents that may be necessary or appropriate during the term and upon expiration or termination of this Agreement to carry out the purposes and intent of this Agreement. Upon the expiration, termination or transfer of this Agreement, if you do not execute any document necessary in our judgment to comply with the requirements of this Agreement, then by this Agreement, you irrevocably nominate, constitute and appoint the person then serving as our President as your attorney-in-fact to so execute that document in your name and on your behalf.

Any material violation or breach of any of these documents or of any other Franchise or related agreement between the parties will be a material violation of this Agreement and of all the other documents and agreements. The non-breaching party may enforce or terminate this Agreement and any or all of the other documents and agreements as provided for enforcement or termination of this Agreement.

If you are a partnership all general partners will sign the documents. If you are a corporation or limited liability company or other entity, all shareholders or members and all officers will personally guarantee your faithful performance.

You will assure that each of your owners, shareholders, general partners, members, directors, officers, managers, employees, consultants, distributors and agents will not compete with us; will not attempt to divert customers to competing businesses; will not induce the employees of us or of our franchisees to leave their employment; and will keep, preserve, and protect confidential information as required by this Agreement.

9.7 **Construction.**

A. **Entire Agreement.** This document, including any schedules and exhibits attached to this Agreement and the documents referred to in this Agreement, will be construed together and constitute the entire agreement between the parties. It supersedes all prior or contemporaneous agreements, understandings, communications and negotiations, whether written or oral, with respect to the subject matter of this Agreement. There are no other oral or implied understandings between the parties with respect to the subject matter of this Agreement. Nothing in this Agreement is intended to disclaim the representations we made in the franchise disclosure document that we delivered to you. Except as expressly and otherwise provided in this Agreement, this Agreement may not be modified, nor may any rights be waived or abridged, orally or by course of dealing, but only by a written instrument signed by the parties. The words “this Agreement” include any future modifications unless otherwise suggested by the context. No salesperson, representative, or other person has the authority to bind or obligate us in any way, except our president at our headquarters by an instrument in writing.

No previous communications, negotiations, course of dealing or usage in the trade not specifically set forth in this Agreement will be admissible to explain, modify, or contradict this Agreement. The parties intend to confer no benefit or right on any person or entity not a party to this Agreement and no third party will have the right to claim the benefit of any provision of this Agreement as a third party beneficiary of that provision.

Nothing in this Agreement or any related agreement is intended to disclaim the representations we made to you in our franchise disclosure document.

B. Format. All words in this Agreement include any number or gender as the context or sense of this Agreement requires. The words "will" and "must" used in this Agreement indicate a mandatory obligation. All references in this Agreement to "Section" or "Sections" without additional identification refer to the Section or Sections of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Whenever the words *include* or *including* are used in this Agreement, they will be deemed to be followed by the words *without limitation*.

This Agreement has been prepared in the "you/we" format to simplify it and to facilitate our compliance with state and federal franchise disclosure laws. The rule of construction that a written agreement is construed against the party preparing or drafting such agreement will specifically not be applicable to the interpretation of this Agreement.

If there is any typographical, word processing, printing or copying error in this Agreement, the error will be interpreted and corrected consistent with the following order of interpretation:

The content and expressed intent and exhibits of our franchise disclosure document(s) previously delivered to you.

The content and expressed intent of franchise agreements we have executed with our other franchises reasonably contemporaneous to this Agreement.

Neither this Agreement nor any uncertainty or ambiguity will be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all the parties. We and you intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

C. Captions and Headings. All captions and headings are for reference purposes only and are not part of this Agreement. The recitals set forth in this Agreement are specifically incorporated into and constitute a part of the terms of this Agreement.

D. Severability. If any part of this Agreement is declared invalid that declaration will not affect the validity of the remaining portion which will remain in full force and affect as if this Agreement had been executed with the invalid portion omitted. The parties declare their intention that they would have executed the remaining portion of this Agreement without including any part, parts, or portions which may be declared invalid in the future. Provided, however, that if we determine that the finding of invalidity materially and adversely affects the basic consideration of this Agreement, we may, at our option, terminate this Agreement.

E. Implied Covenants. If this Agreement or applicable law implies a covenant of reasonableness, good faith or fair dealing, the parties agree that covenant will not imply any rights or obligations that are

inconsistent with a fair construction of the terms of this Agreement. If this Agreement or applicable law implies such a covenant, the parties acknowledge and agree that:

1. This Agreement (and the relationship of the parties which is inherent from this Agreement) grants us the discretion to make decisions, take actions or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests;
2. We will use our business judgment in exercising our discretion based on our assessment of our own interests and balancing those interests against the interests of the owners of other Advanced Mobile IV businesses generally (including us, our franchisees and parties related to us) and specifically without considering the individual interests of you or any other particular franchisee;
3. We will have no liability to you for the exercise of our discretion in this manner, so long as our discretion is exercised in bad faith toward you; and
4. In the absence of bad faith, no trier of fact in any judicial or arbitration proceeding will substitute its judgment for the business judgment we exercise.

F. **Joint and Several.** If, at any time during the term of this Agreement, you consist of two or more persons or entities (whether acting in partnership or otherwise and whether or not all have signed this Agreement), the rights, privileges and benefits granted to you in this Agreement may only be exercised and enjoyed jointly; and your obligations, liabilities and responsibilities under this Agreement will be joint and several obligations of each such person and entity.

9.8 **Enforcement.** From time to time there may be controversy about this Agreement, its interpretation, or performance or breach by the parties.

A. **Mediation.** If a dispute arises between the parties, before taking any other legal action, the parties agree to participate in at least **8** hours of mediation in accordance with the mediation procedures of the American Arbitration Association or of any similar organization that specializes in the mediation of commercial franchise business disputes. The parties agree to equally share the costs of mediation.

B. **Arbitration.** If the parties are unable to resolve a dispute by mediation as provided above, then any and all disputes, claims or matters involving you (or your current or former officers, directors, shareholders, members, partners or other owners) and us (or our current or former officers, directors, shareholders, members, partners or other owners) are subject to binding arbitration except for disputes, claims or matters based on the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051, et seq.), collection of delinquent payments, or the seeking of provisional remedies or injunctive relief as described below . Examples of disputes, claims or matters subject to this provision are those related to:

1. this Agreement (including its execution, delivery, existence, interpretation, construction, legality, validity, binding effect, enforceability, discharge, performance, non-performance or breach by the parties and including a claim that this Agreement, or any portion of it, is indefinite, invalid, illegal, or otherwise void, voidable or unenforceable);
2. issues relating to the offer or sale of the franchise; and
3. issues relating to the franchise relationship or its expiration, non-renewal, and termination.

Arbitration will be before an arbitrator selected by and mutually agreed upon by the parties under the process and rules of the American Arbitration Association or its successor. The arbitrator will be required to have at least five years of experience in franchise law. The arbitrator will have power and jurisdiction to decide the controversy or dispute solely according to the express provisions of this Agreement. The arbitrator may not alter, amend, delete, or add to the provisions of this Agreement by implication or otherwise. In any arbitration the parties will be entitled to injunctive relief or specific performance of the obligations of the other. The arbitrator will determine the prevailing party for purposes of this Section and may make a percentage award of reimbursable fees and expenses. The decision of the arbitrator made within its power or jurisdiction will be final and binding. The decision may be entered as a judgment in any court of law having jurisdiction.

The provisions of this Section will be construed as independent of any other covenant or provision of this Agreement; provided that if a court of competent jurisdiction determines that any of the provisions are unlawful in any way, the court will modify or interpret the provisions to the minimum extent necessary to have them comply with the law. Notwithstanding any provision of this Agreement relating to the laws under which this Agreement will be governed by and construed under, all issues relating to its appropriateness for arbitration or the enforcement of the agreement to arbitrate contained in this Agreement will be governed by the Federal Arbitration Act (9 U.S.C. §_1 et seq.) and the federal common law of arbitration. The provisions of this Section will not limit your or our right to seek and obtain any provisional or final remedy as outlined in the “Injunctive Relieve and Specific Performance” Section, below, to protect against actual or threatened conduct that on balance would cause or be likely to cause loss or damage if allowed to continue pending completion of an arbitration proceeding.

This arbitration provision is self-executing, and in the event that any party fails without good cause (i) to appear at any properly noticed arbitration proceeding or (ii) to make payment in full of its share of the required arbitration fees and costs within 10 days after notice and demand, absent a previously issued court order to the contrary, then a final award may be entered against such party notwithstanding the failure to appear or to make the required payment.

Regardless of the commercial dispute process and the rules of the American Arbitration Association, there will be no arbitration on a class or consolidated basis.

B. Injunctive Relief and Specific Performance. Anything to in this Agreement to the contrary notwithstanding, either party may obtain in any court of competent jurisdiction any form of specific performance or interim or injunctive relief, such as requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its sole discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo or to restrain a violation by the other party of any term or covenant of this Agreement. Nothing contained in this Agreement will bar us or you to obtain specific performance of the provisions of this Agreement and injunctive relief against threatened conduct that will cause you or us loss or damages under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions.

C. Governing Law and Venue. You acknowledge that we have appointed and intend to appoint many franchisees on terms and conditions similar to those set forth in this Agreement. It mutually benefits those franchisees, you and us if the terms and conditions of these license agreements are uniformly interpreted. This Agreement is accepted by us in the State of Utah. This Agreement and the relationship between the parties will be interpreted under the laws of the State of Utah. Any dispute between you (or your current or former officers, directors, shareholders, members, partners or other owners) and us (or our current or former officers, directors, shareholders, members, partners or other owners), whether arising under this Agreement or from any other aspect of the parties’ relationship, will be governed by and determined in accordance with

the substantive laws of the State of Utah, without regard to Utah choice of law provisions. Provided, however, that any law of the State of Utah that regulates the sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section. Utah laws will prevail in the event of any conflict of law, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051, et seq.) and except in those states whose franchise laws require exclusive application of those laws. This choice of laws will not include and does not extend the scope of application of any Utah franchise or business opportunity laws except as they may otherwise apply pursuant to their terms and definitions. No franchise or business opportunity, antitrust, "implied covenant" unfair competition, fiduciary or any other doctrine of law statute, law or regulation of Utah or any other state is intended to be made applicable to this Agreement unless it would otherwise apply absent this paragraph. The foregoing will not be construed as a waiver of any of your rights under any applicable franchise registration, disclosure or relationship law of another territory, state or commonwealth. Any portion of this Agreement that requires enforcement in any other state, and is enforceable under the laws of that state but not of Utah, will be construed and enforced according to the laws of that state.

The parties have negotiated regarding a forum in which to resolve any disputes arising between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding involving you (or your current or former officers, directors, shareholders, members, partners or other owners) and us (or our current or former officers, directors, shareholders, members, partners or other owners), the parties agree that all issues or disagreements between them will be mediated, arbitrated, tried, heard, and decided in the county in which our headquarters is then located (currently Washington county, Utah), which you agree is the most convenient venue for these purposes. You acknowledge and agree that this location for venue is reasonable and the most beneficial to the needs of and best meets the interest of, all of the members of the Advanced Mobile IV franchise system.

D. Remedies. You recognize the unique value and secondary meaning attached to the Licensed Methods, the Marks and our standards of operation and trade practices. You agree that any noncompliance with the terms of this Agreement or any unauthorized or improper use of the Licensed Methods or the Marks will cause irreparable damage to us and our franchisees. You agree that if you engage in any unauthorized or improper use, during or after the period of this Agreement, we will be entitled to both permanent and temporary injunctive relief from any court of competent jurisdiction in addition to any other remedies prescribed by law.

We will not be liable to you for any expenses, losses or damages sustained by you as a result of any modifications to the Licensed Methods contemplated by this Agreement. You covenant not to commence or join in any arbitration or litigation or other proceeding against us or any third party complaining of any modifications or seeking expenses, losses or damages caused thereby. You expressly waive any claims, demands or damages arising from or related to the foregoing including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

Our and your rights under this Agreement are cumulative, and the exercise or enforcement of any right or remedy under this Agreement will not preclude exercise or enforcement of any other right or remedy which a party to this Agreement is entitled by law to enforce.

We may employ legal counsel or incur other expense to collect or enforce your obligations or to defend against any claim, demand, action or proceeding because of your failure to perform your obligations. Legal action may be filed by or against us and that action or the settlement of it may establish your breach of this Agreement. If any such event occurs, we may recover from you the amount of our reasonable attorney fees

and all other expenses we incur in collecting or enforcing that obligation or in defending against that claim, demand, action or proceeding.

You agree that the existence of any claims you may have will not constitute a defense to the enforcement by us of any of the confidentiality requirements and covenants not to compete described in this Agreement. You acknowledge that any violation of the confidentiality requirements and covenants not to compete would result in irreparable injury to us for which no adequate remedy at law may be available and you accordingly consent to the issuance of an injunction prohibiting any conduct by you in violation of the terms of the covenants not to compete.

You agree that each of the confidentiality requirements and covenants not to compete described in this Agreement will be constructed as independent of any other covenant or provision. If all, parts or any portion of any covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of that covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in this Agreement. Each of the covenants described in this Agreement is a separate and independent covenant in each of the separate counties and states in the United States in which we transact business. To the extent that any covenant may be determined to be judicially unenforceable in any county or state, that covenant will not be affected with respect to any other county or state. You understand and acknowledge that we will have the right, in our sole discretion, to reduce the scope of any covenants, confidentiality requirements or covenants not to compete set forth in this Agreement that apply to you or to any other of our franchisees. We may do so without your consent, effective immediately upon your receipt of written notice. You agree that you will comply with any covenant that pertains to you as we so modify it.

You acknowledge we will suffer immediate and irreparable harm that will not be compensable by damages alone if you repudiate or breach any of the provisions of any part of this Agreement that relates to the confidentiality or protection of confidential information and trade secrets or your covenants to not compete against us or our franchise system or your threats or attempts to do so. For this reason, under those circumstances, we, in addition to and without limitation of any other rights, remedies or damages available to us at law or in equity, will be entitled to obtain temporary, preliminary and permanent injunctions in order to prevent or restrain the breach, and we will not be required to post a bond as a condition for the granting of this relief. You also agree that a violation of any of your confidentiality or non-competition covenants will entitle us, in addition to all other remedies available at law or equity, to recover from you any and all funds, including, without limitation, wages, salary, and profits, which will be held by you in constructive trust for us, received by you in connection with such violation.

You specifically acknowledge the receipt of adequate consideration for the confidentiality and non-competition covenants contained in this Agreement and that we are entitled to require you to comply with these covenants. Those covenants will survive termination or expiration of this Agreement. You represent that if this Agreement expires or is terminated, whether voluntarily or involuntarily, you have experience and capabilities sufficient to enable you to find employment or otherwise earn a livelihood in areas which do not violate this Agreement and that our enforcement of a remedy by way of injunction will not prevent you from earning a livelihood.

Limitations: Any arbitration or judicial proceeding between two or more of the parties will be governed by the following limitations:

1. Such judicial proceeding will be considered unique as to its facts and may not be brought as a class action or on a consolidated basis. You and each of your owners waive any right to proceed against us by way of class action. The court will not be precluded from making its own independent

determination of the issues in question, notwithstanding the similarity of issues in any other judicial or arbitration proceeding involving any other franchisee. Each party waives the right to claim that a prior disposition of the same or similar issues preclude such independent determination.

2. The parties agree that any judicial proceeding will be tried before the court sitting without a jury, notwithstanding any state or federal constitutional or statutory rights. Each party waives any right to have any action tried by jury.
3. Except with respect to obligations regarding use of the Marks, the Operations Manual and Confidential Information, the parties waive, to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against any other party and agree that the party making any claim directly or indirectly arising from or relating to this Agreement will be limited to recovery of actual and consequential damages sustained.

E. Attorneys Fees. The prevailing party in any arbitration, insolvency proceeding, bankruptcy proceeding, suit, or action to enforce this Agreement will recover its arbitration, proceeding, and court costs and reasonable attorney fees. These will be set by the arbitration, proceeding or court, including costs and attorney fees on appeal or review from the arbitration, proceeding, suit, or action. “Prevailing party” means the party who recovers the greater relief in the proceeding as determined by the trier of fact based upon an assessment of which party’s major arguments or positions taken in the proceedings could fairly be said to have prevailed over the other party’s major arguments or positions on major disputed issues.

9.9 Other Agreements. If you or any of your shareholders, partners, or officers violate any material provision of any other franchise or similar agreement with us, that breach will be considered a breach of this Agreement and of the other agreements. We then may terminate or otherwise enforce this Agreement and the other agreements.

Whenever this Agreement requires that you [and we] enter into a release, such as for a transfer, renewal or purchase of an additional franchise, the release will be in substantially the following form:

You (and your current and former owners, members, partners, officers, and directors) [and we will] agree to the following [mutual] general release, subject to and following laws applicable in your jurisdiction, to release [you from any claims we may have against you and] us from any claims you may have against us:

In consideration of the mutual covenants and understandings set forth in this release agreement, you [and we will] release and discharge us [the other] and our respective current and former owners, partners, directors, officers, employees and agents from all obligations, duties, covenants and responsibilities to be performed under the franchise agreement with us related to the Franchise (“your Prior Franchise Agreement”).

You [and we will] release and forever discharge us [the other] and our respective current and former owners, partners, directors, officers, members, employees and agents from any and all claims, demands, actions or causes of action of every name, nature, kind and description whatsoever, whether in tort, in contract or under statute, arising directly or indirectly out of the offer of, negotiation of, execution of, performance of, nonperformance, or breach of your Prior Franchise Agreement and any related agreements between you and us and out of any other action or relationship between you and us arising prior to the date of the release agreement.

You and we will represent that this release has been read and that it is fully understood and voluntarily accepted. The purpose of this release is to make a full, final and complete settlement of all claims [against us], known or unknown, arising directly or indirectly out of your Prior Franchise Agreement and the relationship between you and us prior to the date of the transfer [renewal] agreement including, but not limited to, economic loss.

It is expressly understood and agreed that this release is intended to cover and does cover not only all known losses and damages but any further losses and damages not now known or anticipated but which may later develop or be discovered, which arise under your Prior Franchise Agreement prior to the date of the transfer [renewal] agreement, including all effects and consequences.

These releases are intended to waive, release and discharge all claims [against us], other than these expressly reserved:

any future claims we may have against you for: your past, present and future violations of the post-termination covenants contained in the Prior Franchise Agreement and [fill in blank as appropriate]

[any future claims you may have against us for:] [fill in blank as appropriate] [and relating in any way to your prior franchise agreement, any transfer agreement, or our acts prior to the execution of this release.]

with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

You [and we] will waive the benefit of both statute and any other legal doctrine or principle of similar effect in any jurisdiction, recognizing that while there may be new or different facts of which we are unaware at the time that this release is executed, we have nevertheless weighed the advantages and disadvantages of entering into this Release, and while we may be unaware of relevant facts, we are also aware that not every eventuality or condition can be anticipated and that we prefer the current certainty of this Release to the possibility of discovering new or different facts in the future

9.10 **Agreement Binding on Successors and Assigns.** This Agreement benefits and binds the respective heirs, executors, administrators, successors, and assigns of the parties.

9.11 **Execution in Counterparts and Our Acceptance.** This Agreement will be binding upon you at the time you sign it and deliver it to us. This Agreement will not be binding upon us until we accept it in writing by one of our principal officers at our home office. If we do not accept it within **60** days, this Agreement will no longer be binding upon you. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, will constitute an original. Delivery of executed signature pages of this Agreement by facsimile or digital transmission will constitute effective and binding execution and delivery of this Agreement.

9.12 **Approval by Shareholders, Members or Partners.** If you are a corporation, limited liability company, partnership or other entity, we will not be bound until your shareholders, members or partners read and approve this Agreement, agree to the restrictions on them (including restrictions on the transfer of their interest in the Franchise and the restrictions and limitations on their ability to compete with us), and jointly and severally guarantee your performance under this Agreement. We may request a copy of the Resolution approved by your partners, members, shareholders, owners or directors as confirmation of your fulfillment of this requirement and authorizing your execution of this Agreement.

Your ownership certificates will have conspicuously endorsed upon them a statement that they are subject to, and that further assignment or transfer of them is subject to, the restrictions imposed upon assignments by this Agreement.

The following applies both to this Agreement and to any other franchise agreement between you and us:

If You are an entity with more than one owner, the partnership agreement, shareholders agreement, limited liability operating agreement or other similar agreement for the entity ("Owners Agreement") will be subject to the following provisions which will supersede any contrary provisions in that agreement:

1. Your owners ("Owners") agree to submit any dispute they cannot resolve relating to the operation and management of the franchise business to arbitration by our president or his designee. If the arbitration submission is accepted by our president, it must be held at our headquarters or at another location the Owners and the arbitrator agree. The decision of the arbitrator will be final and subject to enforcement by the courts of competent jurisdiction. If the submission to arbitration is not accepted by our president, the Owners must resolve their disputes in accordance with the other provisions of this Agreement.
2. The term "operations and management" includes, but is not limited to, questions relating to:
 - A. Allocations of management responsibilities between the Owners;
 - B. Contributions to capital for purposes of business operations, repairs and remodeling;
 - C. The reasonable salaries of the Owners;
 - D. Marketing efforts;
 - E. The termination of the employment of an Owner;
 - F. Procedures for making and implementing management decisions;
 - G. Whether an Owner has performed duties with respect to the operation or management of the franchise business.
3. Unless the Owners and the arbitrator agree in writing otherwise, "operation and management" does not include questions relating to:
 - a) Allocations, computations or distributions of profit or loss;
 - b) Accounting issues;
 - c) Elections of officers of the entity;
 - d) Investments of cash not necessary for the operation of the business;
 - e) Determining whether an Owner is disabled or incompetent within the meaning of the Owners Agreement;
 - f) The fair market value of the Owners' interests in the entity;

- g) Whether an event has occurred, which gives rise to a right to buy the interest of an Owner other than a right resulting from an Owner's default determined to exist under 2, above;
 - h) Whether an Owner has met his obligations to purchase the interest of any current or former Owner;
 - i) Matters relating to the winding up of the entity after a dissolution;
 - j) Matters relating to the legal validity of the Owners Agreement.
4. The Owner or Owners who are to be responsible for operation of the Franchise business must own 50% or more of the capital interests in the entity and that the Owners of the entity must have voting rights proportionate to their interests in capital.
5. The Owners agree to notify us in writing of their intent to enter into, modify or amend any Owners Agreement. Notice must be given at least 10 business days before they enter into that agreement, modification or amendment. The purpose of this notice is to enable us to review it for compliance with this section.
6. Application of these provisions in the Owner's Agreement will be a condition to our consent to the transfer of the franchise to an entity.

9.13 **Personal Guarantee.** If designated as such, the undersigned “Guarantors” are all of your partners, members, shareholders or owners. They jointly, severally, irrevocably, and unconditionally guarantee to us the due and punctual observance and performance by you of all of your obligations under this Agreement and any other agreement to which we and you are parties. Each Guarantor agrees to guarantee us against all liability, loss, harm, damage, costs, and expenses (including attorney fees) that we may incur because of your failure to observe your obligations. The liabilities and obligations of each Guarantor will not be released, discharged, or affected by our release or discharge of or dealing with you under any of these agreements; or by anything we do, suffer, or allow to be done in relation to you; or by change, alteration, or modification of any of the agreements; or by any compromise, arrangement, or plan of reorganization affecting you; or by your bankruptcy or insolvency; or by any other act or proceeding in relation to you or any of the agreements by which any Guarantor might otherwise be released. The liabilities and obligations of each Guarantor pursuant to this Guarantee will be continuing in nature and will terminate only on the satisfaction of your obligations under this Agreement. A fresh cause of action will arise in respect of each breach by you producing a liability of any Guarantor.

The Guarantors agree that it will not be necessary for us or our assigns to institute suit or exhaust our legal remedies against you in order to enforce this guaranty. Guarantors agree that we may from time to time extend the time for performance or otherwise modify, alter, or change this Agreement, may extend the time for payment of all sums guaranteed, and may receive and accept notes, checks, and other instruments for the payment of money made by you and extensions or renewals without in any way releasing or discharging Guarantors from their obligations. This guaranty will not be released, extinguished, modified, or in any way affected by our failure to enforce all the rights or remedies available to it under this Agreement. Our release of one or more Guarantor will not operate as a release of the other Guarantors.

9.14 **Representations and Acknowledgements.**

A. **Receipt of Disclosure Documents.** You acknowledge that you have received our “Franchise Disclosure Document” at the earlier of (1) the first personal meeting with us (in Iowa and New York); or (2) 14 calendar days before signing any franchise or related agreement or making any payment with

the franchisor or an affiliate in connection with the franchise sale (10 business days in Michigan and New York). In addition, you acknowledge either:

1. receipt of this Agreement containing all substantive terms at the time of delivery of the Franchise Disclosure Document; or
2. if we unilaterally or materially altered the terms and conditions of our standard franchise agreement or any related agreements attached to the Franchise Disclosure Document, you acknowledge that you received a complete and final copy of this Agreement and its schedules and exhibits not less than 7 calendar days before you signed this Agreement.

B. **You Have Read and Understand this Agreement.** You acknowledge that you have had ample time to read and have read this Agreement and our Franchise Disclosure Document. You understand and accept the terms, conditions and covenants contained in this Agreement. They are necessary to maintain our high standards of quality, service and uniformity at all franchises. They protect and preserve the goodwill of the Service Marks and the confidentiality and value of the Licensed Methods. You have received advice from advisors of your own choosing regarding all pertinent aspects of this Franchise and the franchise relationship created by this Agreement. You also acknowledge that you believe you have made a good decision for yourself or your partners or your corporation based upon what you believe is your ability to run and control a business of your own.

C. **Varying Forms of Agreement.** You are aware that some present and future Advanced Mobile IV franchisees may operate under different forms of agreement and, consequently, that our obligations and rights in respect to our various present and future franchisees may differ materially in certain circumstances.

D. **Speculative Success.** The success of your franchise is speculative and depends, to a large extent, upon your ability as an independent businessperson. You recognize that the business venture contemplated by this Agreement involves business risks. We do not make any representation or warranty, express or implied, as to the potential success of the Franchise.

E. **Independent Investigation, No Projections or Representations.** You acknowledge that you have entered this Agreement after conducting an independent investigation of us and of the Franchise. You have not relied upon any representation as to gross revenues, volume, cost savings, potential earnings or profits which you in particular might realize.

Except as outlined in Item 19 of our Franchise Disclosure Document, we expressly disclaim the making of, and you acknowledge that you have not received or relied upon, any representation, warranty, or guarantee, express or implied, concerning the potential revenues, cost savings, volume, profits, or success of the business venture contemplated by this Agreement. You acknowledge that neither we, nor any of our officers, directors, shareholders, employees, agents or servants, made any other representation about the business contemplated by this Agreement or that are not expressly set forth in this Agreement or our Franchise Disclosure Document to induce you to accept this Franchise and execute this Agreement. Any oral representations made by our representatives to you, whether or not set forth in earlier versions of our standard form franchise agreement, have either been ratified by us by including the representations in this document or have been disavowed by excluding them from this Agreement.

F. **Your Location and Market Area.** You acknowledge that we will not provide or designate locations for you. You have investigated the potential of the market area in which you are to establish and operate your franchise business and the laws and applicable regulations. You agree and represent

that that market area is reasonable, the Franchise Territory will be suitable for the operation of a Advanced Mobile IV franchise, and the Initial Franchise Fee represents fair consideration for the opportunity to establish and operate a Advanced Mobile IV franchise.

G. **Health and Full-Time Participation.** You acknowledge that an Advanced Mobile IV™ business involves hard work and sometimes long hours, similar to most small businesses that are owner operated. We have not represented that this business is going to be easy for you, your partners, officers or directors. You or your majority owner if you are a corporation, limited liability company or partnership, must actively participate in the daily affairs of the business. You represent that you or your majority owner are in good health and able to devote your full time and best efforts in the day to day operations of your Franchise or that you have the business management skills necessary to successfully hire a general manager to run the day to day operations of your Franchise.

H. **Terrorism, Convictions, Immigration Status.** You represent and warrant to us, unconditionally and without reservation, that:

- a. Neither you, nor your spouse, nor your children, nor your parents, nor any employee or prospective employee of the Franchise, nor anyone who has an interest in or who will manage the Franchise, nor any of your partners or affiliates:
 1. supports terrorism, provides money or financial services to terrorists, including but not limited to those individuals and organizations on the current U.S. government lists of persons and organizations that support terrorism as provided for by law, such as the list of “Specially Designated Nationals” and “Blocked Persons” under the “USA Patriot Act” 18 USC Section 1900 et seq, or Executive Order 13224 issued by the President of the United States of America;
 2. obtains money or financial services from terrorists or institutions that support terrorists, including but not limited to those individuals and organizations on the current U.S. government lists of persons and organizations that support terrorism as provided for by law, such as the list of “Specially Designated Nationals” and “Blocked Persons” under the “USA Patriot Act” 18 USC Section 1900 et seq. or Executive Order 13224 issued by the President of the United States of America;
 3. is engaged in terrorism, or in any activity, organization or plan with or of any person or organization, including but not limited to those individuals and organizations on the current U.S. government lists of persons and organizations that support terrorism as provided for by law, such as the list of “Specially Designated Nationals” and “Blocked Persons” under the “USA Patriot Act” 18 USC Section 1900 et seq. or Executive Order 13224 issued by the President of the United States of America;
 4. is on the current U.S. government lists of persons and organizations that support terrorism as provided for by law, such as the list of “Specially Designated Nationals” and “Blocked Persons” under the “USA Patriot Act” 18 USC Section 1900, et seq. or Executive Order 13224 issued by the President of the United States of America.

Neither you nor any of these persons has engaged in or been convicted of fraud, corruption, bribery, money laundering, narcotics trafficking or other crimes, and each is eligible under applicable U.S. immigration laws to communicate with and travel to the United States to fulfill your obligations under your agreements with us.

- ii. Neither you, nor your spouse, nor your children, nor your parents, nor anyone who has an interest in or who will manage the franchise, nor any employee or prospective employee of the franchise business, nor any of your partners or affiliates has engaged in or been convicted of fraud, corruption, bribery, money laundering, narcotics trafficking or other crimes, and each is eligible under applicable U.S. immigration laws to communicate with, lawfully reside in, and travel to the United States to fulfill your obligations under your agreements with us.
- iii. You, your spouse, your children, your parents, and anyone who has an interest in or who will manage the franchise, and all employees or prospective employees of the franchise business, and all of your partners or affiliates are in the United States lawfully, have legal residence in the United States, and are lawfully permitted to work in the United States.

You represent and warrant that to your actual and constructive knowledge: (i) neither you (including your directors, officers and managers), nor any of your affiliates, or any funding source for your franchise, are identified on the list at the United States Treasury's Office of Foreign Assets Control (OFAC); (ii) neither you nor any of your affiliates are directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States government; (iii) neither you nor any of your affiliates are acting on behalf of the government of, or is involved in business arrangements or other transactions with, any country that is subject to such an embargo; (iv) neither you nor any of your affiliates are on the U.S. Department of Commerce Denied Persons, Entities and Unverified Lists, the U.S. Department of State's Debarred Lists, or on the U.S. Department of Treasury's Lists of Specialty Designated Nationals, Specialty Designated Narcotics Traffickers or Specialty Designated Terrorists, as such lists may be amended from time to time (collectively, the Lists); (v) neither you nor any of your affiliates, during the term of this Agreement, will be on any of the Lists; and (vi) during the term of this Agreement, neither you nor any of your affiliates will sell products, goods or services to, or otherwise enter into a business arrangement with, any person or entity on any of the Lists. You agree to notify us in writing immediately upon the occurrence of any act or event that would render any of these representations incorrect.

You understand and have been advised by legal counsel on the requirements of the applicable laws referred to above, including the United States Foreign Corrupt Practices Act (currently located at: [Error! H
yperlink reference not valid.e.gov/criminal-fraud/foreign-corrupt-practices-act](https://www.e.gov/criminal-fraud/foreign-corrupt-practices-act)), any local foreign corrupt practices laws and the Patriot Act (currently located at: www.justice.gov/archive/ll/highlights.htm), and you acknowledge the importance to us, the Licensed Methods and the parties' relationship of their respective compliance with any applicable auditing requirements and any requirement to report or provide access to information to us or any government, that is made part of any applicable law or regulation. You will take all reasonable steps to require your consultants, agents and employees to comply with such laws prior to engaging or employing any such persons.

I. **We May Investigate.** We may conduct investigations and make inquiries of any person or persons we, in our reasonable judgment, believe appropriate concerning the credit standing, character, and professional and personal qualifications of you and your owners, shareholders, members and partners. You authorize us to conduct these investigations and to make these inquiries. We agree to comply with the requirements of laws that apply to these investigations and inquiries.

J. **Supplier Approval.** You acknowledge that while you may propose alternate suppliers for products and services, the proposed suppliers may not qualify. You further acknowledge that our approved suppliers may be the only source of supply for products and services required in the Franchise.

K. **Operations Manual.** You acknowledge that the Operations Manual is loaned to you by us and at all times the Operations Manual and any updated or amended pages remain our property and that the copyright in the Operations Manual and all associated materials is vested in us. You agree to return to us the Operations Manual and any updated or amended pages immediately upon written demand.

L. **Data Protection Laws; Personal Information.** You will: (i) comply with all applicable data protection laws; (ii) comply with all of our requirements regarding the data protection laws contained in the Operations Manual or otherwise; (iii) refrain from any action or inaction that could cause us or our affiliates to breach any applicable data protection law; (iv) do and execute, or arrange to be done and executed, each act, document and thing necessary or desirable to keep us and our affiliates in compliance with any applicable data protection law; (v) reimburse us and our affiliates for any and all costs incurred in connection with your breach of any data protection laws; and (vi) permit us and our affiliates to use any data or other information each of them gathers concerning you in connection with the establishment and operation of franchised and company owned locations by us or our affiliates.

Without limiting the foregoing, you consent to the disclosure by us of certain personal information concerning you and the Franchise, namely your identity, including your name, address and telephone number, in our franchise disclosure documents, whether or not such disclosure is required by law, and in our other documents relating to the sale of franchises.

Further, you consent to the additional disclosure by us of certain personal information concerning you, the Franchise, including historical performance of the Franchise, sales, revenues, expenses, costs, results of operations, and similar financial information and operating information, and any information regarding the expiration or termination of this Agreement, to a prospective transferee of your Franchise or any other purchaser of any other franchise from us.

M. **State Law Addendum.** Attached as a schedule or exhibit to this Agreement and incorporated by reference, as applicable, are additional terms and conditions applicable to franchisees and their principals based in certain states within the United States of America (the “State Law Addendum”). Each provision of the State Law Addendum will be effective only to the extent that the jurisdictional requirements of the applicable state law are applicable to the provisions of this Agreement are met independent of the State Law Addendum. If the State Law Addendum is deemed to be inconsistent with any terms or conditions of this Agreement (including its exhibits or attachments other than the applicable State Law Addenda), the terms of the State Law Addendum will control.

N. **NO REPRESENTATIONS, PROJECTIONS, OR WARRANTIES.** WE HAVE NOT MADE ANY REPRESENTATIONS, PROMISES, GUARANTEES, PROJECTIONS, OR WARRANTIES OF ANY KIND TO YOU, YOUR OWNERS, OR THE GUARANTORS TO INDUCE THE EXECUTION OF THIS AGREEMENT OR CONCERNING THIS AGREEMENT EXCEPT AS SPECIFICALLY SET FORTH IN WRITING IN THIS AGREEMENT AND IN OUR FRANCHISE DISCLOSURE DOCUMENT THAT WE DELIVERED TO YOU. YOU ACKNOWLEDGE THAT NEITHER WE NOR ANY OTHER PARTY HAS GUARANTEED YOUR SUCCESS IN THE BUSINESS CONTEMPLATED BY THIS AGREEMENT.

[Signature Page Immediately Follows]

10 **SIGNATURES.** IN WITNESS, the parties have executed this Agreement on the day and year first above written.

("we/us"): **ADVANCED MOBILE IV, LLC**

(jointly and severally "you"):

By: _____
Print Name: _____
Title: _____

By: _____
_____, an individual

By: _____
Print Name: _____
Title: _____

IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY OR OTHER ENTITY: THIS AGREEMENT MUST BE SIGNED BY A COMPANY OFFICER, DIRECTOR OR OWNER AUTHORIZED TO SIGN ON BEHALF OF THE COMPANY. ADDITIONALLY, THE AGREEMENT MUST BE SIGNED BY ALL OWNERS OF THE COMPANY AS INDIVIDUALS

SCHEDULE 1– FRANCHISE TERRITORY AND INITIAL FRANCHISE FEE

The provisions of this Schedule 1 are agreed to by the parties with respect to the “Franchise Agreement” to which this Schedule 1 is attached. In the event of conflict, the provisions of this Schedule 1 supersede the corresponding provisions of the Franchise Agreement.

1. Franchise Territory Designation

The Franchise Territory is defined as:

The Franchise Territory estimated population is: _____.

2. Initial Franchise Fee

The amount of the Initial Franchise Fee is:

[Mark as appropriate based on Franchise Territory estimated population]

Check One	Tier	Population Size	Initial Franchise Fee
<input type="checkbox"/>	Tier 1	Up to 150,000 persons	\$35,000
<input type="checkbox"/>	Tier 2	150,001 to 300,000 persons	\$55,000
<input type="checkbox"/>	Tier 3	300,001 to 450,000 persons	\$70,000
<input type="checkbox"/>	Tier 4	450,000 to 600,000 persons	\$85,000

DATED this _____.

("we/us"): **ADVANCED MOBILE IV, LLC**

By: _____

Print Name: _____

Title: _____

(jointly and severally "you"):

By: _____

_____, an individual

By: _____

Print Name: _____

Title: _____

SCHEDULE 2– FRANCHISE OWNER INFORMATION
Effective Date: This Schedule 2 is current and complete
as of _____

FRANCHISEE and Its Owners

1. **Form of FRANCHISEE.** [Check (a), (b) or (c).]

(a) **Proprietorship.** The Owner(s) of FRANCHISEE (is) (are) as follows:

(b) **Corporation, Limited Liability Company or Partnership.** FRANCHISEE was incorporated or formed on _____ under the laws of the State of _____. It has not conducted, business under any name other than its corporate, limited liability company or partnership name and _____. The following is a list of FRANCHISEE’s directors, if applicable, and officers as of the effective date shown above:

<u>Name of Each Director/Officer</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(c) **Trust.** FRANCHISEE is a revocable trust formed under the laws of the State of _____ on _____, _____. The grantor, trustee and primary income beneficiary of FRANCHISEE is _____, a resident of the State of _____. The governing trust instrument of FRANCHISEE consists of a trust agreement dated _____, _____ and the following amendments, if any:

The trustee has full power and authority to bind the trust estate and to execute, deliver and perform, or cause the execution, delivery and performance, of all of FRANCHISEE’s obligations. In the event of the trustee’s resignation, death or inability to act, the following are named to act as successor trustee, in this order:

- (a) _____
- (b) _____
- (c) _____

Please include current and contingent beneficiaries under the trust, and their respective interests therein:

Current beneficiaries:

- (a) _____
- (b) _____
- (c) _____

Contingent beneficiaries:

- (a) _____
- (b) _____

2. **Owners.** The following list includes the full name and mailing address of each person who is an Owner (as defined in the Franchise Agreement), and fully describes the nature of each Owner's interest.

Owner's Name and Address

Description and Percentage of Interest

3. **Signatures**

("we/us"): **ADVANCED MOBILE IV, LLC**

By: _____
Print Name: _____
Title: _____

(jointly and severally "you"):

By: _____
_____, an individual

By: _____
Print Name: _____
Title: _____

SCHEDULE 3 OWNER'S GUARANTY

THIS OWNER'S GUARANTY ("Guaranty") is made as of the _____, by _____ (each and if more than one, "Guarantor"), who have an interest in _____, a _____ ("Franchisee") in connection with that certain Advanced Mobile IV Franchise Agreement dated as of _____ (the "Franchise Agreement") between Franchisee and **ADVANCED MOBILE IV, LLC**, a Utah limited liability company ("Franchisor"). This Guaranty is hereby incorporated in and made a part of the Franchise Agreement and shall be annexed thereto. All terms not defined herein shall have the meaning provided in the Franchise Agreement.

1. Acknowledgments. Guarantor acknowledges and agrees that Franchisor has entered into the Franchise Agreement with Franchisee solely on the condition that, and each Guarantor hereby agrees that, each Guarantor is personally obligated and jointly and severally liable with Franchisee (and with each other Guarantor) for the performance of each and every obligation, agreement, undertaking, covenant, liability and debt of Franchisee and the Guarantors, whether direct or indirect, absolute or contingent, now existing or hereafter arising (collectively, the "Obligations") under the Franchise Agreement, any amendments or modifications to the Franchise Agreement, any extensions of the Franchise Agreement, and under each and every agreement related thereto that has been or hereafter may be entered into by Franchisee with Franchisor (all such agreements are collectively referred to herein as the "Franchise Agreements").

2. Guaranty. In consideration of Franchisor's granting of a franchise, and as an inducement to Franchisor to grant a franchise, to Franchisee, Guarantor hereby personally, unconditionally, absolutely and irrevocably guarantees to Franchisor and its successors and assigns the prompt payment in full in cash and the prompt performance in full of the Obligations.

3. Representations, Warranties and Agreements.

a. Guarantor expressly agrees that the liability of the Guarantor for the payment and performance of the Obligations guaranteed hereby shall be primary and not secondary.

b. Guarantor represents and warrants to Franchisor that all equity interests in the Franchisee are held of record and beneficially by Guarantor;

c. Guarantor agrees to promptly notify Franchisor of any change in the ownership of any equity interests in Franchisee;

d. Guarantor agrees to be personally bound by, and personally liable for the breach of each and every provision in the Franchise Agreement and each and every provision in the other Franchise Agreements, as if Guarantor was the Franchisee thereunder; and

e. Guarantor represents and warrants that, if no signature appears below for such Guarantor's spouse, such Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

4. Waivers by Guarantor. Guarantor hereby waives:

a. acceptance and notice of acceptance by Franchisee of the foregoing guaranties;

b. notice of demand for payment of any indebtedness or nonperformance by Franchisee of any obligations guaranteed by Guarantor;

c. protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations of Franchisee guaranteed by Guarantor;

d. any right Guarantor may have to require that an action be brought against Franchisee or any other person as a condition of liability;

e. any right Guarantor may have to assert the bankruptcy or insolvency of Franchisee or any other person as a defense hereunder or as the basis for rescission hereof and any defense arising because of Franchisor's election, in any proceeding instituted under the Federal Bankruptcy Code, of the application of Section 1111(b)(2) of the Federal Bankruptcy Code;

f. any defense based on an election of remedies by Franchisor which destroys or otherwise impairs the subrogation rights of Guarantor, the right of Guarantor to proceed against Franchisee or another person for reimbursement or both;

g. any and all other notices and legal or equitable defenses to which Guarantor may be entitled to the extent such notices and defenses may be waived pursuant to applicable law; and

h. if Guarantor is a resident of California, in accordance with Section 2856 of the California Civil Code, Guarantor waives any and all rights and defenses available to Guarantor by reason of Sections 2787 to 2855, inclusive, 2899 and 3433 of the California Civil Code.

5. Further Agreements and Understandings. Guarantor hereby consents and agrees that:

a. Guarantor's direct and immediate liability under this Guaranty is joint and several with Franchisee and each other Guarantor;

b. Guarantor agrees to render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses punctually to do so;

c. Guarantor's liability hereunder is not contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person;

d. this Guaranty will continue in full force and effect for and as to any extension of or modification or amendment to the Franchise Agreement or any Franchise Agreements and notwithstanding the transfer of any interest in the Franchise Agreement or Franchisee, and Guarantor waives notice of any and all such extensions, modifications, amendments, or transfers;

e. Guarantor's liability hereunder is not diminished, relieved or otherwise affected by any extension of time, credit or other indulgence, or any waiver 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 (including the release of other Guarantors), or the taking of any action by Franchisor which may have the effect of increasing the obligations of Guarantor, none of which in any way modifies or amends this Guaranty, which will be absolute, unconditional, continuing and irrevocable during the term of the Franchise Agreements and so long as any performance is or may be owed under any of the Franchise Agreements by Franchisee or its Guarantors and so long as Franchisor may have any cause of action against Franchisee or its Guarantors;

f. Guarantor agrees that no invalidity, irregularity or unenforceability of the Obligations or invalidity, irregularity, unenforceability or non-perfection of any collateral therefor, will affect, impair or be a defense to this Guaranty, which is a primary obligation of Guarantor;

g. Guarantor expressly waives any claim or other right which Guarantor (or any of them) may now have or hereafter acquire against Franchisee, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, indemnification or any right to participate in any claim or remedy of Franchisor against Franchisee, whether or not such claim, right or remedy arises in equity or under contract, statute or common law;

h. The obligations of Guarantor under this Guaranty will not be altered, limited or affected by any proceeding, voluntary or involuntary, involving the bankruptcy, reorganization, insolvency, receivership or liquidation of Franchisee or any affiliate, or by any defense which Guarantor may have by reason of any order, decree or decision of any court or administrative body resulting from any such proceeding; and

i. Guarantor agrees that this Guaranty and the obligations of Guarantor hereunder will continue to be effective or automatically reinstated, as the case may be, if and to the extent that for any reason any payment by or on behalf of Guarantor in respect of the Obligations is rescinded or otherwise restored to the Guarantor or Franchisee, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, all as if such payment had not been made, and Guarantor agrees to indemnify Franchisor on demand for all costs and expenses (including fees of counsel) incurred by Franchisor in connection with any such rescission or restoration.

j. Guarantor represents to Franchisor that each Guarantor has had the opportunity to review the matters discussed and contemplated by the Franchise Agreement and any Franchise Agreements, including the remedies Franchisor may pursue against Franchisee in the event of a default under the Franchise Agreement and any Franchise Agreements and Franchisee's financial condition and ability to perform under the Franchise Agreement and any Franchise Agreements. Guarantors further agree to keep themselves fully informed on all aspects of Franchisee's financial condition and the performance of Franchisee's obligations to Franchisor and that Franchisor has no duty to disclose to Guarantors any information pertaining to Franchisee. If provided in the Franchise Agreement and any Franchise Agreements, Guarantors agree that their bankruptcy, insolvency and other actions set forth therein may be events of default under the Franchise Agreement and any Franchise Agreements.

k. Each of the Guarantors agrees to be personally bound by any and all non-competition provisions under Section 13 of the Franchise Agreement and the provisions relating to intellectual property and Confidential Information under Sections 8, 10 and 12 of the Franchise Agreement.

l. The prevailing party in any dispute resulting in arbitration, litigation or other proceedings between Guarantors and Franchisor shall be entitled to its costs and expenses for such proceedings, including reasonable attorneys' fees and costs.

m. Guarantors agree to take all actions necessary to enable Franchisee to observe and perform, and to refrain from taking any action which would prevent Franchisee from performing the Obligations.

n. Franchisor may assign this Guaranty with the Franchise Agreement or one or more of the Franchise Agreements, without in any way affecting Guarantors' liability under it or them. This Guaranty shall inure to the benefit of Franchisor and its successors and assigns and shall bind Guarantors and their respective heirs, executors, administrators, successors and assigns.

o. In the event of the death of any or all of the Guarantors hereunder, the obligation of Guarantors under this Guaranty shall continue in full force and effect against said deceased Guarantor's estate as to all of such obligations which shall have been created or incurred by Franchisee prior to the time when Franchisor shall have received written notice of such death.

p. Guarantors shall hold harmless, defend, protect and indemnify Franchisor from any actions, causes of action, liabilities, damages, losses and fees (including attorneys' fees and costs) and all other claims of every nature which may arise as a result of any dispute between or among Guarantors and any other persons or entities.

q. All notices, requests and demands to be made hereunder shall be in writing at the address set forth below by any of the following means: (i) personal service (including service by overnight courier service); (ii) electronic communication, whether by email or other means (if confirmed in writing sent by

personal service or by registered or certified, first class mail, return receipt requested); or (iii) shall be deemed received five (5) days following deposit in the mail.

r. Guarantor acknowledges and agrees that Guarantor has had adequate opportunity to have this Guaranty reviewed by counsel of its own choosing and that Guarantor has not relied on Franchisor or any of its counsel in any respect.

s. GUARANTOR HEREBY WAIVES THE RIGHT TO TRIAL BY JURY.

t. This is a continuing Guaranty and all obligations to which it applies or may apply under the terms hereof shall be conclusively presumed to have been created in reliance hereon. In the event that, notwithstanding the provisions of this paragraph, this Guaranty shall be deemed revocable in accordance with applicable law, then any such revocation shall become effective only upon receipt by Franchisor of written notice of revocation signed by Guarantor. To the extent permitted by applicable law, no revocation or termination hereof shall affect, in any manner, rights arising under this Guaranty with respect to Obligations arising prior to receipt by Franchisor of written notice of such revocation or termination.

u. No terms or provisions of this Guaranty may be changed, waived, revoked or amended without Franchisor's prior written consent. Should any provision of this Guaranty be determined by a court of competent jurisdiction to be unenforceable, all of the other provisions shall remain effective.

v. This Guaranty shall be enforced and interpreted according to the laws of the State of Utah, irrespective of its conflicts of laws rules.

IN WITNESS WHEREOF, each Guarantor hereby executes this Guaranty on the day and year first above written.

GUARANTORS:

Print Name: _____

Address:

Print Name: _____

Address:

**SCHEDULE 4
MINIMUM PERFORMANCE BENCHMARKS**

Franchisee shall dedicate the necessary time and attention to reach the following minimum performance benchmarks (the “Performance Benchmarks”). During each relevant time period, Franchisee shall have administered at least the minimum number of IV’s and shall have achieved at least the minimum Gross Sales as indicated below:

Months	IVs	Gross Sales
1-3	15	\$2,250
4-6	30	\$4,500
7-12	60	\$9,000
13-24	200	\$30,000
25-36	400	\$60,000
37-48	500	\$75,000
After 48 Months: Annual Minimum	600	\$90,000

IN THE EVENT FRANCHISEE FAILS TO REACH THE PERFORMANCE BENCHMARKS FOR ANY GIVEN PERIOD AS SET FORTH ABOVE, FRANCHISOR RESERVES THE RIGHT TO TERMINATE THE FRANCHISE AGREEMENT ENTIRELY OR TO REDUCE THE SIZE OR SCOPE OF PROTECTED OF THE FRANCHISE TERRITORY AWARDED TO FRANCHISEE UNDER THE FRANCHISE AGREEMENT.

("Franchisor"): **ADVANCED MOBILE IV, LLC**

By: _____
 Print Name: _____
 Title: _____

(jointly and severally "Franchisee"):

By: _____
 _____, an individual

By: _____
 Print Name: _____
 Title: _____

SCHEDULE 5
OWNER PERSONAL COVENANTS REGARDING
CONFIDENTIALITY & COMPETITION

In conjunction with your ownership in _____ (“Franchisee”) a _____ [limited liability company, etc.], you (“Owner” or “you”), acknowledge and agree as follows for the benefit of **ADVANCED MOBILE IV , LLC**, a Utah limited liability company (the “Franchisor”):

Franchisee owns and operates, or is developing, an Advanced Mobile IV™ franchise located in, or to be located in, _____ pursuant to a franchise agreement dated _____ (“Franchise Agreement”) with the Franchisor, which Franchise Agreement requires persons with legal or beneficial ownership interests in Franchisee under certain circumstances to be personally bound by the confidentiality and non-competition covenants contained in the Franchise Agreement. All capitalized terms contained in this Agreement shall have the same meaning set forth in the Franchise Agreement.

The Franchisor is the franchisor of the Advanced Mobile IV™ franchise system and owns proprietary ideas and other Confidential Information related to the ownership and operation of “Advanced Mobile IV” businesses that promote, advertise, and provide real estate buying and contract assignment services and transactions the Advanced Mobile IV™ Marks and System.

If you are a corporation, partnership, limited liability company or other entity, all persons who have a legal or beneficial interest in you (“Owners”) must also sign this Agreement. You own or intend to own the percentage legal or beneficial ownership interest in Franchisee, set forth beneath your signature below, and acknowledge and agree that your signing of this Agreement is a condition to this ownership interest and that you have received good and valuable consideration for signing this Agreement. Franchisor may enforce this Agreement directly against you and your Owners.

THEREFORE, in consideration of the mutual promises and covenants, the parties agree as follows:

1 PROTECTION OF CONFIDENTIALITY

1.1 **The Franchisor’s Exclusive Property.** You acknowledge and agree that all Confidential Information is and shall continue to be the Franchisor’s sole and exclusive property, whether or not disclosed or entrusted to you in connection with your relationship with Franchisee or the Franchisor. Nothing in this Agreement will give you or others any right, title, or interest whatsoever in or to them. The Confidential Information shall be considered the Franchisor’s trade secrets and shall be entitled to all protections provided by applicable law to trade secrets. The Confidential Information shall include information in any form in which such information exists, whether oral, written, digital, or other form of media.

1.2 **Safeguard of Confidential Information.** You agree to exercise the highest degree of care in safeguarding Confidential Information against loss, theft, or other inadvertent disclosure. You agree to accord to the Confidential Information the same degree of care and use the same confidentiality protection practices as you exercise or employ with respect to your confidential or proprietary information. This includes obligating employees and consultants who receive Confidential Information to covenants of confidentiality and non-use.

1.3 **Notice.** You agree that if you or your Owners, employees and agents are served with any subpoena

or other compulsory judicial or administrative process calling for production of Confidential Information, you will immediately notify Franchisee and the Franchisor in order that the Franchisor may take such action as it deems necessary to protect its interests. You agree to execute any and all documents and to do all acts and things in the opinion of the Franchisor's legal counsel are necessary or advisable to protect its interests.

1.4 **Competition and Non-Circumvention.** During the term of the Franchise Agreement and during the time that you and your Owners, if any, have any legal or beneficial ownership interest in Franchisee, neither you nor your Owners, directors, officers, employees, consultants, distributors, or agents, nor the members of your or their immediate families or households (who have access to or knowledge of the Confidential Information), will directly or indirectly participate as an owner, shareholder, member, partner, director, officer, employee, consultant, franchisor, franchisee, distributor, advisor or agent, or serve in any other capacity in any business (including business in formation) or endeavor engaged or to be engaged in any activities related to or in direct or indirect competition with the concepts and activities of the System.

You agree to promptly and fully disclose to Franchisee and the Franchisor's chief officer any opportunity coming to your attention, or conceived or developed in whole or in part by you, which relates to or competes with the System. You will assure that you and your owners, directors, officers, partners, shareholders, members, employees, consultants, and agents, do not do or perform, directly or indirectly, any other act injurious or prejudicial to the System or the Confidential Information.

For a period of 730 days, starting on the earlier to occur of the date you or Owners cease to have any legal or beneficial ownership interest in Franchisee and the effective date of termination or expiration (without renewal) of the Franchise Agreement, neither you nor your Owners, directors, or officers, nor the members of your or their immediate families or households (who have access to or knowledge of the Confidential Information), will directly or indirectly participate as an owner, shareholder, member, partner, director, officer, employee, consultant, franchisor, franchisee, distributor, advisor or agent, or serve in any other capacity in any business (including business in formation) or endeavor engaged or to be engaged in any activities related to or in direct or indirect competition with the concepts and activities of the System within a radius of 25 miles of any Advanced Mobile IV™ outlet or territory then in operation or under construction without obtaining the Franchisor's consent, which consent may be withheld for any reason. If you or any of your Owners fail to or refuse to abide by any of the foregoing covenants and Franchisor obtains enforcement in a judicial proceeding, the obligations under the breached covenant will continue in effect for a period of time ending two years after the date of the order enforcing the covenant.

You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity to exploit these skills in other ways, so that enforcement of the covenants contained in this Agreement will not deprive any of you of your personal goodwill or ability to earn a living.

The duration, geographic coverage and scope allowable by law or court of law will apply to this Agreement. If, for any reason, any provision set forth in this Agreement is determined to exceed any lawful scope or limit as to duration, geographic coverage, or otherwise, but could be rendered enforceable by reducing any part or all of it, it is agreed that the provision will nevertheless be binding and enforceable to the fullest extent permissible by applicable and public policy. If a court of competent jurisdiction should decline to enforce any of those covenants and agreements, the parties request the court to reform these provisions to restrict your use of confidential information, non-solicitation, ability to compete with the Franchisor or circumvent the Franchisor in respect to the System, and any other covered topics to the maximum extent, in time, scope of activities, and geography, the court finds enforceable under applicable law.

2. **COVENANT OF NON-DISCLOSURE** You specifically acknowledge that as a result of owning or investing in Franchisee, you will receive or gain access to valuable and specialized Confidential

Information, including information regarding the Franchisor's operational, sales, promotional and marketing methods and techniques and the System. You agree not to disclose Confidential Information to any third party and to limit disclosure within your association to designated employees approved by the Franchisor. Disclosures to designated employees will be done on a "need to know" basis to the extent necessary for them to perform the duties of their employment with you. Unless required by court order or applicable law, you agree not to copy, download, send, or divulge any Confidential Information directly or indirectly to any other person or enterprise outside of the Franchisor's system. You will never communicate, divulge, or use in any manner, either for your benefit or the benefit of any other person, persons, partnerships, associations, companies or corporations any Confidential Information or proprietary information, knowledge or know-how or any information the Franchisor has communicated to Franchisee or to you in written, verbal or electronic form, including intranet passwords, for the operation of your business.

3 **COVENANT OF NON-USE** You and your Owners agree not to use Confidential Information, except as authorized by the Franchisor. You will obligate your Owners, board of directors, your employees, and your agents to the same non-use covenant. The Franchisor must approve in writing any use of Confidential Information by you or your owners or your directors or employees.

4 **RETURN OF CONFIDENTIAL INFORMATION.** You agree that all originals and copies of materials related to or containing any Confidential Information, in whatever form they exist, whether written, digital, or other form of media, shall be the Franchisor's sole and exclusive property. If you or your Owners cease to have an interest in Franchisee or upon request by the Franchisor, you will promptly return to the Franchisor or its designated representatives all documents or other tangible property that contains Confidential Information that is in your or your Owners' possession or control.

5 **REMEDIES: INJUNCTION AND DAMAGES.** You acknowledge that any disclosure of Confidential Information will cause irreparable harm to the Franchisor and the System. You agree that it may be difficult to measure damage to the Franchisor or the System from any breach by you or your employees and agents of this Agreement. You agree that monetary damages may be an inadequate remedy for any such breach. Accordingly, you agree that if you breach or take steps preliminary to breaching this Agreement, the Franchisor shall be entitled, in addition to all other remedies the Franchisor may have at law or in equity, to a restraining order, temporary and permanent injunctive relief, specific performance, or other appropriate equitable relief, without showing or proving that the Franchisor actually sustained any damage. If the Franchisor files a claim to enforce this Agreement and prevails in this proceeding, you must reimburse the Franchisor for all its costs and expenses, including reasonable attorneys' fees.

6 **MISCELLANEOUS**

6.1 **Duration.** The obligations set forth in this Agreement will continue during and beyond the term of your relationship with Franchisee and the Franchisor and for as long as you possess Confidential Information.

6.2 **Construction.** This Agreement does not supersede or cancel any prior understandings and agreements you and your Owner had with respect to these matters, including any provision of the Franchise Agreement previously entered into pertaining to confidentiality. This Agreement benefits and binds the respective heirs, executors, administrators, successors, and assigns of the parties.

6.3 **Acknowledgments.** No person has made any other representation that is not expressly set forth in this Agreement to induce you to accept and execute this Agreement. You recognize that the business venture contemplated by the Franchise Agreement involves business risks. This Agreement creates

no obligation to purchase, sell, develop, research, or disclose anything. It grants no license. It creates no agency or partnership.

7. SIGNATURES

IN WITNESS WHEREOF, the undersigned have signed this Agreement on the date first above written.

OWNERS

If an individual

If a corporation, partnership, limited liability company or other legal entity

(Name of corporation, partnership, limited liability company or other legal entity)

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

% Ownership of Franchisee: _____

% Ownership of Franchisee: _____

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Franchise Disclosure Document Exhibit C

PHONE NUMBER ACKNOWLEDGMENT AND CONDITIONAL ASSIGNMENT

_____ ("you") operate your franchise business in _____.
You acknowledge and agree that **ADVANCED MOBILE IV, LLC DBA AMIV**, a Utah limited liability company ("we/us") owns and controls the following telephone number: _____ (the "Franchise Telephone Number"). The Franchise Telephone Number relates to the AMIV™ franchise agreement between us and you dated _____.

In consideration of the granting of a franchise to you and other valuable consideration given by you, you assign to us all right, title, and interest in and to the Franchise Telephone Number and any other telephone numbers and listings you use in the operation of the franchise. We assume the performance of all of the terms, covenants and conditions of your agreement with the telephone company concerning the telephone numbers and telephone listings with the full force and effect as if we had been originally issued the telephone numbers and telephone listings.

DATED this _____.

("we/us"): **ADVANCED MOBILE IV, LLC**

By: _____
Name: _____
Title: _____

(jointly and severally "you"):

By: _____
Name: _____
Title: _____

PHONE NUMBER ACKNOWLEDGEMENT

**Franchise Disclosure Document Exhibit D
AUTHORIZATION FOR ELECTRONIC FUNDS TRANSFER**

ADVANCED MOBILE IV, LLC DBA AMIV

1971 S. 2660 E.
St. George, UT 84790
(435) 559-2911

I (we) hereby authorize ADVANCED MOBILE IV, LLC dba AMIV (the "Company") to initiate Electronic Funds Transfer charges to my (our) bank account (indicated below) for payment of my (our) monthly Royalty, Marketing Fees and other fees owed by me (us) to the Company on or near the 5th day of each month. This Authorization will remain in full force and effect until Company receives written confirmation of termination of this Authorization via certified letter.

Financial Institution Name: _____

Account Number: _____

Routing Number: _____

Branch Name: _____

Address: _____

City: _____ State: _____ ZIP: _____

I further certify that I have received a copy of the Authorization for my files.

Individual Name: _____

Corporate Name: _____

AMIV Franchise Territory: _____

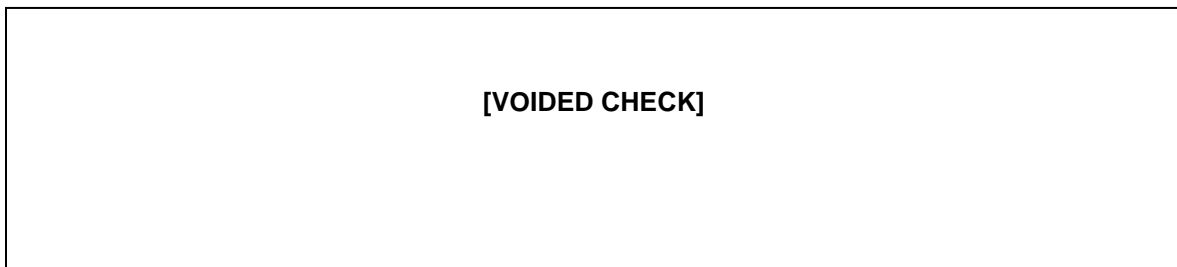
By: _____

Print Name: _____

Title: _____

Effective Date: _____

Please attach a voided blank check for verification purposes.



Franchise Disclosure Document Exhibit E

MULTI-STATE ADDENDUM TO THE FDD AND FRANCHISE AGREEMENT

The following modifications and additions are part of the AMIV Franchise Disclosure Document ("FDD") and Franchise Agreement ("FA") as required by relevant state laws.

California

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

WE MAINTAIN A WEB SITE AT THE FOLLOWING ADDRESS: www.AMIV.com

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION **Error! Hyperlink reference not valid.** dfpi.ca.gov.

FDD Item 17; FA Sections 5, 6, 7, and 9.8

1) California Law Regarding Termination, Transfer, and Nonrenewal. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

2) Bankruptcy. The Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.), but we will enforce it if enforceable.

3) Post-Termination Noncompetition Covenants. The Franchise Agreement contains covenants not to compete that extend beyond the termination of the franchise. This provision may not be enforceable under California law.

4) Arbitration. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedures Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

5) Applicable Law. The Franchise Agreement requires application of the laws of the State of Utah. This provision may not be enforceable under California law.

Disclosure Document. Section 31125 of the Franchise Investment Law requires us to

give to you a disclosure document, in a form and containing such information as the Commissioner of Business Oversight may by rule or order require, before a solicitation of a proposed material modification of an existing franchi

6) se.

Georgia

DISCLOSURES REQUIRED BY GEORGIA LAW

The State of Georgia has not reviewed and does not approve, recommend, endorse, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

Idaho

FDD Item 17, FA Section 9

Any condition in a franchise agreement executed by a resident of Idaho or a business entity organized under the laws of Idaho is void to the extent it purports to waive venue or jurisdiction of the Idaho court system. Venue and jurisdiction will be in Idaho if the franchisee is an Idaho resident or a business entity organized under the laws of Idaho.

Maryland

FDD Items 5 and 7; FA Section 2.1

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all the initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement and the outlet is opened.

This Maryland addendum amends the franchise agreement.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability 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.

FDD Item 17, FA

The franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

FDD Item 17, FA

The general release required as a condition of renewal, sale, assignment or transfer of the franchise will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

FDD Item 17, FA

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

FDD Item 17, FA

Any provision that provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

FDD Item 17, FA

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

FDD Item 17, FA

Franchise Agreement Sections 9.14(A), (B), (D), (E), (F), and (N) are deleted in their entirety.

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

See the last page of this Exhibit for your required signature.

Minnesota

FDD Specific Risks Sheet

Corporate Practice of Medicine. Minnesota has adopted the corporate practice of medicine doctrine, which prohibits corporations other than professional associations and non-profit corporations from practicing medicine. This franchise may be at risk of violation of the corporate practice of medicine doctrine in Minnesota, which could result in the loss of franchisee's investment and possible civil and criminal sanctions. Prospective franchisees should consult an attorney experienced in this area of Minnesota law prior to signing a franchise agreement to ensure that the franchise relationships and operations do not violate Minnesota law.

Minnesota law prohibits requiring a franchisee to waive his or her rights to a trial or to consent to

liquidated damages, termination penalties, or judgment notes. (Minn. Rules 2860.4400(J)). Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contractor rule, whether written or oral, any standard of conduct that is unreasonable

FDD Item 17; FA Sections 15(b), 15c), 3(b), 14(b) and 14(c)

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subds. 3, 4, and 5, which require (except in certain specified cases) that a franchisee be given **90** days notice of termination (with **60** days to cure) and **180** days notice for non-renewal of the Franchise Agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

FDD Item 17; FA Section 20

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) 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.

FDD Item 13; FA Section 8

Minnesota Statutes Section 80C.20, Subdivision 1(g) allows the Minnesota Commissioner of the Department of Commerce to issue a cease and dismiss order or issue an order denying, suspending or revoking any registration, amendment or exception on finding any of the following . . . that the method of sale or proposed method of sale of franchises or the operation of the business of the franchisor or any term or condition of the franchise agreement or any practice of the franchisor is or would be unfair or inequitable to franchisees. Pursuant to this section, the Commissioner requires all franchisors registering in the state of Minnesota to state that the franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logo types or other commercial symbols or indemnify the franchisee from any loss, cost or expenses arising out of any claim, suit or demand regarding the use of the name. We intend to comply with the Minnesota statute and to protect the franchisee's rights and indemnify the franchisee for any losses to the full extent required by relevant state law.

FDD Item 17, FA Sections FA Sections 3, 14 and 15

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release. The general release provisions in the Franchise Agreement are void and unenforceable in the state of Minnesota.

FA Section 2.5

NSF checks and related interest and attorneys' fees are governed by Minnesota Statute §604.113, which puts a cap of \$30 on initial service charges and requires notice and opportunity to cure prior to assessing interest and attorneys' fees.

FA Section 9.8

The Limitations of Claims section must comply with Minnesota Stat. § 80C.17, subd. 5.

FA Section 20

Pursuant to Minnesota Statutes Section 80.C.21, this section will not in any way abrogate or reduce any rights of the franchisee as provided for in Minnesota Statutes, Chapter 80.C, including, but not limited to, the right to submit matters to the jurisdiction of the courts in Minnesota.

The franchisee cannot be required to consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400(J). Also, a court will determine if a bond is required.

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

Washington

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor,

franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that the applicable foregoing state law addendum for the state of _____, if any, supersedes any inconsistent portion of the Franchise Agreement (to which this addendum is attached) of this same date, and of the Franchise Disclosure Document. All terms of the Franchise Agreement, including these Multi-State Law Addendum provisions for the relevant state, have been agreed to at the time the Franchise Agreement was signed, to the extent that they are valid requirements of an applicable, effective, and enforceable state law. However, this addendum will have effect only if the Franchise Agreement or our relationship with you satisfies all of the jurisdictional requirements of the relevant state's franchise laws, without considering this addendum.

DATED this _____.

("we/us"): **ADVANCED MOBILE IV, LLC DBA AMIV**

By: _____
Print Name: _____
Title: _____

(jointly and severally "you"):

By: _____
_____, an individual

By: _____
Print Name: _____
Title: _____

FRANCHISOR REPRESENTS THAT THIS PROSPECTUS DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

Franchise Disclosure Document Exhibit F

The Following Table Reflects Our Agents for Service of Process and the Relevant State Franchise Authorities:

**NAMES AND ADDRESSES OF STATE REGULATORY AUTHORITIES
AND REGISTERED AGENTS IN STATES**

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
CALIFORNIA	California Commissioner of Financial Protection and Innovation Los Angeles: 320 We st 4 th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505 Sacramento: 1515 K Street, Suite 200 Sacramento, CA 95814-4052 (916) 445-7205 San Diego: 1350 Front Street San Diego, CA 92101-3697 (619) 525-4233 San Francisco: One Sansome Street, Suite 600 San Francisco, CA 94104	Commissioner Department of Financial Protection and Innovation 320 We st 4 th Street, Suite 750 Los Angeles, CA 90013-1105 (213) 576-7505
CONNECTICUT	The Banking Commissioner Department of Banking Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299	The Department of Banking Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299
FLORIDA	[Not Applicable]	Senior Consumer Complaint Analyst Department of Agriculture and Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, Florida 32399-0800 (850) 922-2770

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
HAWAII	Commissioner of Securities of the Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813-2921 (808) 586-2722	Commissioner of Securities of the Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813-2921 (808) 586-2722
ILLINOIS	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465
INDIANA	Secretary of State Administrative Offices of the Secretary of State 201 State House Indianapolis, IN 46204 (317) 232-6681	Securities Commissioner Securities Division Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
IOWA	[Not Applicable]	Director of Regulated Industries Unit Iowa Securities Bureau 340 East Maple Des Moines, Iowa 50319-0066 (515) 281-4441
MARYLAND	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Commerce, Corporations and Securities Bureau 525 W. Ottawa 670 Law Building Lansing, MI 48913 (517) 373-7117	Franchise Administrator Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 670 Law Building Lansing, MI 48913 (517) 373-7117
MINNESOTA	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101 (651) 239-1600	Deputy Commissioner Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101 (651) 239-1600

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
NEBRASKA	[Not Applicable]	Staff Attorney Department of Banking and Finance 1200 N Street Suite 311 P.O. Box 95006 Lincoln, Nebraska 68509 (402) 471-3445
NEW YORK	Secretary of State 99 Washington Avenue Albany, NY 12231	New York State Department of Law Bureau of Investor Protection and Securities 28 Liberty St. New York, NY 10271 (212) 416-8211
NORTH DAKOTA	North Dakota Securities Commissioner 600 East Boulevard State Capital – 5 th Floor, Dept. 414 Bismarck, ND 58505-0510 (701)328-4712	North Dakota Securities Department 600 East Boulevard State Capital – 5 th Floor, Dept. 414 Bismarck, ND 58505-0510 (701)328-4712
OREGON	Director of Oregon Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387	Department of Consumer and Franchise Services Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310 (503) 378-4387
RHODE ISLAND	Director of Rhode Island Department of Franchise Regulation Division of Securities Suite 232 Providence, RI 02903 (401) 222-3048	Associate Director and Superintendent of Securities Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903-4232 (401) 222-3048
SOUTH DAKOTA	Department of Labor and Regulation Division of Securities 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823	Department of Labor and Regulation Division of Securities 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-4013
TEXAS	[Not Applicable]	Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
UTAH	[Not Applicable]	Division of Consumer Protection Utah Department of Commerce 160 East Three Hundred South P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street, 1 st Floor Richmond, VA 23219 (804) 371-9733	Chief Examiner/Investigator State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9 th Floor Richmond, VA 23219 (804) 371-9051
WASHINGTON	Securities Administrator Washington State Dept. of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760	Washington State Dept. of Financial Institutions, Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities P.O. Box 1768 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555	Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555
FEDERAL TRADE COMMISSION		Franchise Rule Coordinator Division of Marketing Practices Bureau of Consumer Protection Pennsylvania Avenue at 6 th Street, NW Washington, D.C. 20580 (202) 326-3128

Franchise Disclosure Document Exhibit G
SBA ADDENDUM



ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM ("Addendum") is made and entered into on _____, 20____, by and between _____ ("Franchisor"), located at _____, and _____ ("Franchisee"), located at _____.

Franchisor and Franchisee entered into a Franchise Agreement on _____, 20____, (such Agreement, together with any amendments, the "Franchise Agreement"). Franchisee is applying for a loan ("Loan") from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining the SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree that notwithstanding any other terms in the Franchise Agreement:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

COVENANTS

- If the Franchisee owns the real estate where the franchise location is operating, Franchisor may not record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions.

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee’s employees.

This Addendum automatically terminates on the earlier to occur of the following: (i) the Loan is paid in full; or (ii) SBA no longer has any interest in the Loan.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

FRANCHISOR:

FRANCHISEE:

By: _____

By: _____

Print Name: _____

Print Name: _____

Note to Parties: This Addendum only addresses “affiliation” between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the franchise system must meet all SBA eligibility requirements.

**Franchise Disclosure Document Exhibit H
LIST OF CURRENT AND FORMER FRANCHISEES**

Franchisees – Units Opened as of December 31, 2022

<u>Territory</u>	<u>Name</u>	<u>Business Address</u>	<u>Phone</u>
Phoenix, AZ	Justin Manning/Jason Schallenberger	35540 N Belgian Blue Ct SanTan Valley, AZ 85143	505-206-6206
Phoenix North, AZ	Elizabeth Yun	2233 E Soft Wind Dr Phoenix, AZ 85024	310-350-5669
Florida Panhandle, FL	Richard Murphy	4452 Raptor Circle Panama City, FL 32403	530-249-4594
Boise, ID	Jen Wilson	2976 E State St. Suite 120 #307 Eagle, ID 83616-6394	303-956-0846
Bluegrass, KY	Christina Stevens	256 Zoe Dr Glasgow, KY 42141	803-528-1233
Twin Cities, MN	Joy Worley-Davis	14013 Yukon St NW Andover, MN 55304	612-281-2951
Norfolk, NE	Mandy Polak	2300 Skyline Dr Norfolk, NE 68701	402-429-0774
Las Vegas, NV	Kristy Bell	3484 Arcata Point Ave Las Vegas, NV 89141	702-937-1100
Mesquite, NV	Ryan Yardley	988 S 990 W Hurricane, UT 84737	435-922-1295
Sumerlin, NV	Ryan Yardley	988 S 990 W Hurricane, UT 84737	435-922-1295
Houston, TX	Jason Perez	15515 Bowsprit Lane Houston, TX 77062	832-788-7571
Cedar City, UT	Whitney Stone	222 N Donlee Dr St George, UT 84770	801-361-8240
Central Utah, UT	Ryan Yardley	988 S 990 W Hurricane, UT 84737	435-922-1295
Hurricane & Zion, UT	Casey & Jayce Pettus	2150 Balboa Way Unit 25 St George, UT 84770	435-669-4133
Lehi, UT	Weston Yardley	130 S Desert Sage Ln Washington, UT 84780	435-215-6588
Provo, UT	Tangi Perry & Cassie Anderson	903 S 770 E Spanish Fork, UT 84660	801-592-2539
Spanish Fork, UT	Tangi Perry & Cassie Anderson	903 S 770 E Spanish Fork, UT 84660	801-592-2539

Franchisees – Signed but not yet Opened as of December 31, 2022

Territory	Name	Business Address	Phone
Baltimore, MD	Erica Dimick	2332 Holly Neck Road Essex, MD 21221	443-797-2086
Spokane, WA	Michele Zager	12627 E Nelson Rd Elk, WA 99009	509-514-6504

Franchisees – Opened after January 1, 2023 as of July 31, 2023

Territory	Name	Business Address	Phone
South Jordan & Herriman, UT	Wes Hancock and Braden Bangerter	525 E. 5300 S Salt Lake City, UT 84107	435-216-6873

Franchisees that had an Outlet Terminated, Canceled, Not Renewed, or Otherwise Left the System – Between January 1, 2022 and December 31, 2022

<u>Territory</u>	<u>Name</u>	<u>Address</u>	<u>Phone Number</u>
Washington	Jason May Christina Holowaty	7527 Pioneer Way, Suite 101 Gig Harbor, WA 98335	235-392-7272 (Christina) 236-549-9331 (Jason)

Franchisees that had an Outlet Terminated, Canceled, Not Renewed, or Otherwise Left the System – Between January 1, 2023 and July 31, 2023

<u>Territory</u>	<u>Name</u>	<u>Address</u>	<u>Phone Number</u>
Boise, ID	Jen Wilson	2976 E State St. Suite 120 #307 Eagle, ID 83616-6394	303-956-0846
Twin Cities, MN	Joy Worley-Davis	14013 Yukon St NW Andover, MN 55304	612-281-2951
Spokane, WA	Michele Zager	12627 E Nelson Rd Elk, WA 99009	509-514-6504

* The Washington franchise was terminated but the outlet never opened.

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

**Franchise Disclosure Document Exhibit I
Medical Director Agreements**

MANAGEMENT SERVICES AGREEMENT

This **MANAGEMENT SERVICES AGREEMENT** (the "*Agreement*") is made by and between _____, LLC, a Texas limited liability company located at _____ ("*MSO*") and _____, PA, a Texas Professional Association, who may be reached via notice at _____ ("*Provider*"). For purposes of this Agreement, Provider and MSO are each a "*Party*" and collectively are "*Parties*." This Agreement is executed upon the last signature of the Parties, below.

RECITALS

WHEREAS, Provider is a licensed healthcare practice providing medical spa healthcare services; and

WHEREAS, MSO is a company specializing in providing management, administrative, and technology services to healthcare professionals; and

WHEREAS, the Parties desire that MSO provide such services on the terms and conditions contained in this Agreement.

NOW, THEREFORE, the Parties to this Agreement do hereby agree as follows:

1. **RELATIONSHIP OF PROVIDER AND MSO.** "*Provider Site*" in this Agreement shall mean any location where the practice of medicine is performed by Provider and the Professional Services hereunder may be performed by MSO and supervised by Provider.

A. **Appointment of MSO.** During the Term of this Agreement, Provider hereby appoints MSO as the sole and exclusive provider of certain services set forth hereunder with respect to Provider's provision of professional services ("*Professional Services*") at the Provider Site, and MSO hereby agrees to furnish Provider with such services, in accordance with the terms and conditions set forth in this Agreement. MSO shall provide, or arrange for the provision of, such services by or through employees, affiliates, or independent contractors, in whatever manner it deems reasonably appropriate to meet the requirements of Provider, and may expend such time as MSO determines is necessary or advisable in its reasonable discretion.

B. **Retention of Authority and Control by Provider of Professional Services.** Notwithstanding the authority granted to MSO in this Agreement, MSO and Provider agree that Provider shall at all times exercise overall control of the operations of the Provider conducted by Provider, and shall retain legal responsibility for the Professional Services. MSO's duties for Provider under this Agreement shall be purely non-clinical and administrative in nature. Provider shall be solely responsible for and have complete authority, supervision, and control over the provision of professional healthcare services performed by Provider as Provider, in its sole discretion, deems appropriate and in

accordance with all applicable laws and regulations. This Agreement shall in no way be construed to mean or suggest that MSO is engaged, or permitted to engage, in the Provider of medicine, mental health, or any licensed healthcare activity.

C. **Provider Services and Obligations.** Provider shall provide patients with Professional Services during the Term of this Agreement. Provider shall solely determine the manner and means to provide the Professional Services; provided, however, all Professional Services shall be performed in a competent, professional, and ethical manner, in accordance with prevailing standards of medical Provider, and all applicable laws, regulations, rules, orders, and directives of all applicable governmental and accrediting bodies having jurisdiction.

D. **Name, Logos, Marks.** During the Term of this Agreement, neither Party shall use the name, logos, trademarks or service marks of the other (the "Marks") without the other's prior written consent, except that each Party shall have the non-exclusive right to utilize the Marks identifying the other, solely for the purpose of identifying MSO as administrator of the Provider of Provider at the Provider Site. Nothing contained in the Agreement shall give either Party any right, title, or interest in any of the other's Marks other than pursuant to the terms of this Agreement.

E. **Cooperation in Connection with Audits.** Provider shall cooperate with any auditor who performs any financial reviews of MSO, and provide any information and documentation reasonably requested in connection with such financial reviews.

2. **MSO'S SERVICES.**

A. **Management and Administrative Services.** MSO shall provide management and administrative services (collectively, "*Management and Administrative Services*") with respect to the Provider conducted by Provider at the Provider Site, including:

(1) **Operational Management.** MSO shall provide operational services for Provider's services at the Provider Site.

(2) **Quality Assurance, Risk Management, Peer Review, and Utilization Review.** MSO may assist Provider in developing and implementing quality assurance, risk management, peer review, and utilization review programs, at the Provider Site as MSO deems necessary.

(3) **Information Technology Equipment and Services.** MSO shall assist Provider in acquiring and maintaining such information technology equipment and services ("*IT Equipment and Services*") as MSO determines necessary in consultation with Provider.

(4) **Education.** MSO, in consultation with Provider, shall educate physicians, nurse practitioners, registered nurses and staff regarding the capabilities of equipment at the Provider Site in order for Provider to compete effectively.

(5) **Provider Rates.** MSO and Provider recognize the importance of maintaining charge rates which enable Provider to meet its obligations and provide quality healthcare at a reasonable cost. From time to time, MSO may recommend charge rate structures for Provider which take into account the financial obligations of Provider and the rates charged by comparable facilities. Notwithstanding the foregoing, all such charges shall be solely determined by Provider.

(6) **Compliance Programs.** MSO shall assist Provider in the maintenance of compliance programs, including as applicable compliance with HIPAA and/or other applicable federal and state laws and regulations.

(7) **Licenses, Permits, Supplier Numbers, Accreditations.** MSO shall apply for, on behalf of Provider, and use commercially reasonable efforts to obtain and maintain, all licenses, permits, supplier/provider numbers, and accreditations established by independent accreditation organizations (collectively, “*Licenses & Permits*”), that are required in connection with the operation at the Provider Site. Provider shall reasonably cooperate. The Parties agree to work cooperatively with each other to implement changes, correct deficiencies, and/or establish policies required and/or recommended by the inspecting agencies, as applicable.

(8) **Financial Records.** MSO shall maintain financial records on behalf of Provider in accordance with applicable standards or as the Parties otherwise mutually agree, and, shall send Provider regular reports.

(9) **Translation, Cultural Education, and Travel Arrangement Services.** MSO shall provide language translation services with respect to communications between Provider, on the one hand, and prospective or current patients of Provider, on the other hand. MSO shall provide cultural education to Provider’s personnel with respect to the culture of Provider’s patients who do not reside in the United States. MSO shall assist Provider’s patients with arranging their travel to the Provider Site; provided, however, the costs of all such travel shall be the responsibility of Provider’s patients.

(10) **Franchise Model.** MSO possesses and shall facilitate Provider in carrying out a franchised business model. This model includes suggested medical protocols and procedures for franchisees in other States, however, the franchisor entity recognizes the importance of the CPOM laws in the State of Texas and therefore acknowledges that in the State of Texas the Franchisee is not specifically bound by any medical protocols and procedures and does not influence the Provider’s medical decisions.

B. **Billing and Collection Services.** “*Collections*” shall mean, for any applicable period, all cash or cash equivalents received during such period for Professional Services rendered by or on behalf of Provider—whether globally or separately billed, whether received by Provider or by MSO on behalf of Provider pursuant to this Agreement, and whether received in cash from patients, private or prepaid insurance, other third-Party payors or any other source, including any amounts received after expiration or termination of this

Agreement for Professional Services rendered during the Term of this Agreement. In the event Provider or MSO, as the case may be, contracts with a collection agency to collect any such amounts, Collections shall include the net amount received by Provider after deducting the fees of the collection agency. Accordingly, MSO shall provide Provider with billing and collections services (the “*Billing and Collections Services*”) and shall have rights and obligations with regard to such services are as follows.

(1) **Preparing Bills.** Provider hereby appoints MSO as Provider’s exclusive billing agent to perform the following Billing and Collection Services. With respect to all Professional Services furnished throughout the Term of this Agreement, MSO shall prepare and distribute/process, as agent for Provider and based on information pertinent to Professional Services rendered as supplied to MSO by Provider, all bills for Professional Services, including the billing and completion of reports and forms required by insurance companies and other third-Party payors, as applicable; respond to telephone inquiries from patients and payors concerning their bills; and diligently pursue collection of unpaid bills. All billings shall be in the name of Provider, shall use the billing numbers of Provider, and shall identify the provider of Professional Services, as required. MSO shall obtain and maintain all demographic and financial information and authorizations needed for billing and reimbursement for Professional Services rendered to Provider’s patients.

(a) **Reasonable Assistance.** Provider agrees to provide MSO with all necessary records, information and assistance to enable MSO to provide the Billing and Collections Services. Provider shall be responsible for ensuring the accuracy and completeness of coding associated with claims and for ensuring the medical necessity and appropriateness of the Professional Services for which a bill will be submitted. MSO shall have no liability or responsibility whatsoever regarding the accuracy or completeness of the coding or determinations regarding medical necessity. The Provider also agrees to promptly provide MSO all copies of all Explanation of Benefits forms received from third-party payors as well as records of payments received directly from patients.

(b) **Systems Access.** MSO currently maintains a license to use a scheduling and billing software managed by the MSO’s franchise system. Provider hereby grants to MSO the right to use the management software to facilitate the submission of medical claims and collection of payments. All patient information and data provided by the Provider to MSO shall be kept confidential and shall only be disclosed to Parties necessary to successfully process and submit claims on behalf of the Provider.

(c) **Provider Acknowledgements.** Provider acknowledges and agrees to the following:

(1) The submission of false, fraudulent or misleading data, information, or statements to the government and/or commercial

third-Party payors in connection with health insurance coding, billing and claims submission is a crime and can subject the violator to imprisonment and fines. Provider shall indemnify and hold MSO and its owners, directors, employees and contractors harmless from and against any claims submitted on behalf of and in the name of the Provider for which Provider has provided MSO false, fraudulent, incomplete, misleading, or otherwise incorrect information or data, including but not limited to, the coding of claims.

(2) The ultimate responsibility for all claims submitted is that of the Provider. Provider shall be responsible for maintaining all original source documents to enable MSO to verify and document the claims submitted to third Party payors.

(3) The ultimate responsibility for all claims submitted is that of the Provider and Provider shall remain responsible for subsequent correction, adjustment, or repayment of any payment regardless of reason or cause.

(2) **Collecting Deductibles, Coinsurance and Co-payments.** When applicable, MSO shall collect all deductibles, coinsurance, and co-payments from all of Provider's patients regardless of payor, and consistent with applicable billing rules of payors with which Provider contracts.

(3) **Negotiation and Administration of Third-Party Payor Agreements.** After consultation with Provider, when applicable, MSO shall negotiate and administer agreements, as Provider's sole and exclusive agent, with third Party payors (collectively referred to hereafter as "Third-Party Payor Agreements"). To facilitate the execution of Third-Party Payor Agreements, Provider hereby appoints MSO as attorney-in-fact for Provider with the following powers:

(a) **Negotiation and Execution of Agreements.** To negotiate and enter into all Third-Party Payor Agreements it deems necessary or desirable for Provider, subject to Provider's approval.

(b) **Administration of Agreements.** To exercise such rights respecting the administration of such Third-Party Payor Agreements on behalf of Provider as may reasonably be requested by the third-party payor and as are customary in the healthcare industry to facilitate the effective participation of Provider in such agreements. MSO's exercise of such rights hereunder is not intended and shall not be construed to delegate any authority to MSO to modify any term or provision of this Agreement, to accept any liability or obligation not authorized under the standards respecting Third-Party Payor Agreements as may be established by MSO after consultation with Provider, or to exercise any rights respecting the performance of professional services by Provider, or to interfere in any way with the professional Providers and prerogatives of Provider. The

foregoing limitation shall not, however, be construed to modify or limit any rights or obligations of any Party arising under any provision of this Agreement, or pursuant to any other contract or agreement to which such Party is bound.

(c) **MSO Authority to Compromise Claims**. Provider acknowledges and agrees that MSO shall have discretion to compromise, settle, write off or determine not to appeal a denial of any claim for payment for any particular professional service rendered by or on behalf of Provider. Provider agrees to defend, indemnify and hold harmless MSO, its officers, directors, shareholders, members, MSOs, representatives, employees and agents, from and against any and all losses, liabilities, damages, claims, judgments, costs or expenses, including attorneys' fees, caused, or alleged to be caused, directly or indirectly, by or as a result of any acts, errors or omissions of MSO or any of its officers, directors, shareholders, members, MSOs, representatives, employees and agents, in performing MSO's billing or collection duties hereunder.

(4) **Deposits**. MSO and Provider will make such banking arrangements and execute such banking forms that are compliant with all laws and regulations, as necessary to ensure that MSO can perform its duties hereunder, including obligations with respect to billing, collecting, and making deposits on behalf of Provider, as applicable.

(a) **Payment of Fees to MSO**. The Fees set forth in Section 3 and **Appendix 1** ("***Fees***") are payable to MSO on the 3rd of the month ("***Fee Payment Date***") by check or electronic funds transfer by Provider to MSO, upon transmission by MSO of an invoice with an accounting of the calculation of the Fees (the "***Fee Calculation***"). Provider also grants MSO the right and authority, in MSO's sole discretion, to disburse amounts payable to MSO by Provider for the Fees, from Provider Bank Account (as defined in Section 3B), on or after the Fee Payment Date, according to the Fee Calculation, in lieu of check or electronic funds transfer by Provider.

C. **Marketing Services**. "***Marketing Services***" include services to promote Provider's professional services at the Provider Site (such as website, blog, social media, digital marketing). "***Advertising Services***" include services such as direct mailers, brochures, flyers, postcards, lunch and dinner lectures, and radio and television spots. The Parties agree to comply with any relevant law regarding the joint marketing of Provider and MSO.

D. **Licensed Material**. MSO will also provide Licensed Material, which includes: (i) therapy and treatment protocols, (ii) online software and applications; (iii) marketing information and materials; (iv) various systems, know-how, trade secrets, and other intellectual property; as well as all derivative works created therefrom, and enhancements, modifications, changes or improvements to the same (collectively, the "***Licensed Platform and Material***"). All rights not expressly granted under this Agreement are reserved, and this reservation shall survive the termination or expiration of this Agreement. The Licensed Platform and Material are the sole and exclusive property of MSO and is protected by U.S.

laws and international treaties. Subject to the terms of this Agreement, MSO grants to Provider and Provider hereby accepts a limited, non-transferable, non-assignable, non-exclusive license to use the Licensed Platform and Material at the Provider Site only. MSO licenses the Licensed Platform and Material “as is” with all defects and without warranty or conditions of any kind. Provider agrees that MSO shall not be liable for any damages whatsoever relating to Provider’s use of Licensed Platform and Material. In no event shall MSO be liable for any damages relating to the functionality, maintenance or standardization of any of the Licensed Platform and Material. Provider will notify MSO of any errors or deficiencies in the Licensed Platform and Material, suggestions for improvements, developments, compatibility problems, and other information regarding the Licensed Platform and Material (collectively, “Comments”). Provider acknowledges that MSO may or may not incorporate Comments; MSO does not warrant that it will correct all defects in the Licensed Platform and Material; Provider acknowledges and agrees that any use of the Licensed Platform and Material shall be at Provider’s own risk. All improvements, feedback and developments based on or derived from the Licensed Platform and Material shall remain the exclusive property of MSO. The Parties agree to enter in a separate mutual agreement if the Parties desire to jointly develop new technologies that would not be covered by the Licensed Platform and Material.

Except as expressly set forth in this Agreement, or as otherwise authorized in writing by MSO, Provider may not: (1) download, transmit, copy, store, make back-ups of, reverse compile, adapt, publish, or distribute the Licensed Material in any form or by any means; (2) decompile, reverse engineer, disassemble, or attempt to derive the source code of, modify, or create derivative works or allow any third party to do so, with respect to the Licensed Material; (3) assign, transfer, sell, lease, rent, charge, sublicense, or otherwise deal in the Licensed Material on behalf of any third party or make available the same to any third party; (4) remove or alter any copyright or other proprietary notice on any of the Licensed Material. Any attempt to do so is a violation of the rights of the MSO. If Provider breaches this restriction, Provider may be subject to prosecution and damages.

The name and title of the Licensed Platform and Material shall at all times remain exclusively with MSO. Within ten (10) days after Provider has discontinued the use of any part of the Licensed Platform and Material or immediately upon the termination or expiration of this Agreement, Provider shall cease using the Licensed Platform and Material, and return to MSO the original and all whole or partial copies of the Licensed Platform and Material that Provider may have acquired or generated during the term of this Agreement. Provider shall certify in writing to MSO that it has done so. By indicating acceptance of these terms, Provider does not become the owner of Licensed Platform and Material, but is entitled to use them as specifically permitted according to the terms of this Agreement and subject to all additional intellectual property notices, information or accessed through this Agreement. Provider shall keep confidential the Licensed Platform and Material and notify MSO immediately if Provider becomes aware of any unauthorized use of the whole or any part of the Licensed Platform and Material by any third party, and take all such other steps as are necessary to protect the confidential information and intellectual property rights of MSO in the Licensed Platform and Material.

In providing the Licensed Platform and Material, MSO is not engaged in rendering medical advice, diagnosis or other medical or professional or clinical services. The Licensed Platform and Material is made available for administrative and management purposes only and not as a substitute for Provider's analysis or judgment. Provider must exercise professional judgment when using any information contained in the Licensed Platform and Material and take sole responsibility for its use, including but not limited to responsibility for compliance with licensing, scope of Provider, and all other applicable laws.

E. **Provider Site.** The Parties acknowledge that MSO and Provider shall provide the majority of the Professional Services and Provider Services under this Agreement on a mobile basis, in line with MSO's existing "mobile IV hydration" model. When applicable, MSO shall provide to Provider, for Provider's non-exclusive use, a Provider Site, together with all appurtenances, improvements and fixtures (the "Premises"), subject to a sublease or other document agreed upon by MSO or its landlord (the "Sublease Agreement") if so required by the landlord, for the term of this Agreement (or the Sublease Agreement, as the case may be), the address and square footage of which shall be decided at a time when the Parties decided such a location is needed. Provider shall have the right to peaceably and quietly have, hold, and enjoy possession of the Premises, free from unreasonable interference or annoyance by MSO. MSO shall provide or arrange for the provision of all of the lessee maintenance and repair obligations for the Provider Site that are required to be performed pursuant to the terms of the Provider Site lease between MSO and its landlord, as applicable, and any and all other maintenance and repairs to the Provider Site, which MSO, after consultation with Provider, determines to be necessary. MSO shall provide or arrange for all utilities and building services related to the utilization by Provider of the Premises. Provider shall reimburse MSO for the costs of any such space, including costs of any rent, tenant improvements, utilities, real property taxes, insurance, housekeeping, and facility maintenance. Provider agrees to indemnify MSO for any damage Provider or any of its personnel, patients, or other invitees do to the Provider Site. Provider acknowledges that this Agreement and MSO's provision of the Provider Site's space to Provider gives Provider only a conditional right to use the Provider Site, which right shall automatically expire, without notice or further action by MSO, upon the expiration or termination of this Agreement, and Provider shall immediately vacate the Provider Site upon such expiration or termination. Provider will not have any leasehold or other real property interest in or to the Provider Site.

F. **Personnel.**

- (1) **Administrative Personnel.** MSO shall provide to Provider all administrative personnel ("*Administrative Personnel*") that MSO determines to be necessary or appropriate, after consultation with Provider, for the efficient and proper operation of Provider's Provider. Nothing in this Agreement shall be construed to obligate MSO to violate any applicable employment laws or regulations, and MSO's Administrative Personnel shall be entitled to take all breaks as required under any applicable laws or regulations. MSO shall be solely responsible for recruiting, training, supervising, hiring, and firing MSO's Administrative Personnel and for any appropriate disciplinary action required to be taken

against such personnel.

- (2) **Technical Personnel.** MSO shall employ and lease to Provider the technical personnel (“*Technical Personnel*”) such as Registered Nurses, Medical Assistants, x-ray technicians, cardiovascular technicians, ultrasound technicians and others necessary to operate the Equipment under Provider’s supervision as authorized by applicable law and regulations and for purposes of Provider facilitating the provision of medical services “incident to” a physician’s services as that term is defined by Part B of the Medicare program, all pursuant to the Staffing Agreement between the parties, incorporated herein by reference. All Technical Personnel who furnish any services to Provider of the patients of Provider, although employed by MSO, shall be considered leased employees of Provider, and Provider shall have the responsibility for exercising supervision and control over all profession health care services performed or reasonably necessary to be performed by the Technical Personnel to the same extent that the Provider would have if Provider directly employed the Technical Personnel. From time to time, MSO, in consultation with Provider, may propose changes in the scope of technical services offered by Provider. Nothing in this Agreement shall be construed to obligate MSO to violate any applicable employment laws or regulations, and the Technical Personnel shall be entitled to take all breaks as required under any applicable laws or regulations. MSO shall be solely responsible for recruiting, training, supervising, hiring, and firing the Technical Personnel and for any appropriate disciplinary action required to be taken against the Technical Personnel; provided, however, MSO will consult with Provider, as practicable, before taking such actions; and provided further, that clinical supervision of the Technical Personnel remains the legal responsibility of Provider.

G. **Equipment and Supplies.** MSO will assist Provider in selecting equipment (the “**Equipment**”), furniture, fixtures, and personal property for Provider and MSO at the Provider Site, all of which shall be contracted for in Provider’s name, to the extent required by law, and shall be at the Provider’s sole cost and expense; each such selection will be made by Provider in its discretion. Provider shall be responsible for recommending, calibrating and/or otherwise maintaining any equipment consistent with Provider’s responsibility as a medical licensee to the extent such activity is exclusively within Provider’s scope of authority under applicable law or regulation. To the extent MSO pays for maintenance costs directly, Provider shall promptly reimburse MSO for such maintenance costs. MSO will assist Provider in selecting operating supplies and materials (“**Supplies**”) necessary for the Provider’s operation at the Provider Site, all of which shall be contracted for in Provider’s name and shall be at Provider’s sole cost and expense; each such selection will be made by Provider in its discretion. MSO MAKES NO WARRANTY, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF FITNESS FOR PARTICULAR PURPOSE OR MERCHANTABILITY, WITH RESPECT TO ANY EQUIPMENT OR SUPPLIES PURCHASED FOR PROVIDER HEREUNDER. MSO shall have no liability in the event of any loss, damage, theft, or disappearance of the Equipment or Supplies, regardless of

circumstances. Provider will not: (1) effect any repairs or modifications to the Equipment; (2) remove or interfere with any certification markers affixed to the Equipment; (3) deface or add to the Equipment; (4) sublet or allow the use of the Equipment by any third Party; (5) attempt to dispose of the Equipment or to grant any interest in the Equipment to any third Party.

H. Proprietary System. MSO has and shall license to Provider a proprietary system to build Provider's business. This includes marketing, branding, scheduling, facilitation, etc. that will give Provider a significant competitive advantage in the market. This system does not include any medical protocols.

3. **FINANCIAL ARRANGEMENT.**

A. **Special Power of Attorney.** In connection with the services to be provided hereunder, throughout the Term (as defined in Section 4A) Provider hereby grants MSO, and grants each of its employees a special power of attorney and appoints MSO and each of its employees as Provider's true and lawful agents and attorneys-in-fact, and MSO and each employee hereby accept such special power of attorney and appointment, for the following purposes:

- (1) To bill Provider's patients, in Provider's name and on Provider's behalf for professional and other services provided by or on behalf of Provider;
- (2) To bill all claims for reimbursement or indemnification to insurance companies, Medicare, Medicaid, and all other third-party payors and fiscal intermediaries, in Provider's name and on Provider's behalf, for professional services provided by or on behalf of Provider;
- (3) To deposit all amounts collected on behalf of Provider into Provider Bank Account described below;
- (4) To make and authorize disbursements from Provider Bank Account to repay advances made by MSO and to pay Fees on behalf of Provider;
- (5) To take possession of, endorse in the name of Provider, and deposit into Provider Bank Account any notes, checks, money orders, insurance payments, and any other instruments received in payment of accounts receivable for services provided by Provider. MSO shall be responsible for the loss, theft, or disappearance of such payments caused by its negligence or intentional misconduct, from the time of receipt by MSO until they are delivered to a common carrier or the applicable financial institution.

The special powers of attorney granted in this Agreement shall be coupled with an interest. Such special powers of attorney shall expire when this Agreement has been terminated. At MSO's request, Provider shall execute and deliver to the financial institution where Provider Bank Account is maintained such additional documents or instruments as may be

necessary to evidence or effect the special powers of attorney described above. With respect to any Provider Bank Account into which receivables payable by a state or federally funded health care program (including Medicare and Medicaid) (“**Government Receivables**”) are paid, Provider may revoke the special power of attorney granted herein at any time, with or without cause, immediately upon written notice to MSO; *provided, however,* such revocation shall constitute a material breach of this Agreement and shall subject each party hereto to all the rights and remedies afforded the other hereunder for the breach.

B. Provider Bank Account. Provider agrees to establish one or more segregated bank accounts, whose deposits are insured by the Federal Deposit Insurance Corporation at a bank selected by Provider (collectively, the “**Provider Bank Account**”), which shall be and at all times shall remain in Provider’s name and under Provider’s control, subject to the revocable powers of attorney set forth in Section 3A and the provision of this Section 3B. Provider covenants to transfer and deliver to MSO for deposit into Provider Bank Account all funds received by or on behalf of Provider from patients or third party payors for services provided by Provider. Upon receipt by MSO of any funds from patients or third party payors (and fiscal agents) or from Provider pursuant hereto for services provided by Provider, MSO shall immediately deposit the same into Provider Bank Account. Provider shall designate at least two of MSO’s designees as the sole authorized signatories on Provider Bank Account, and MSO shall inform Provider who these designees are in writing and may, from time to time, specify different persons to be the signatories. MSO shall provide full access for Provider to information and records regarding Provider Bank Account. Provider may at any time revoke all authority granted to MSO and MSO’s designees with respect to the Provider Bank Account at any time, provided, however, that any such revocation shall constitute a material breach of this Agreement.

C. Overpayments. For the express purposes of this Agreement as they pertain to the billing and receipt of payments for patient accounts in accordance with the fee schedule established and maintained by Provider, MSO agrees to cooperate with and support Provider in investigating any inquiries and investigations by or on behalf of payors. If any internal or external audit demonstrates that Provider has received overpayments from third-party payors or submitted claims for payments that would result in overpayments from third-party payors (collectively, “**Overpayments**”), including without limitation from Medicare or Medicaid, then MSO shall be authorized to negotiate and execute the repayment by Provider of the Overpayments to such third-party payors.

D. MSO Fee. Provider and MSO acknowledge that MSO will incur substantial costs and business risks in providing services pursuant to this Agreement. Provider and MSO also acknowledge that such costs and business risks can vary to a considerable degree according to the extent of Provider’s business and services. It is the intent of the parties that the fees paid to MSO be reasonable and approximate to its actual costs and expenses, plus a reasonable return considering the investment made by MSO and the fair market value of the services provided by MSO. Accordingly, as a fee for all services provided hereunder, MSO shall receive compensation as defined in **Appendix 1.**

4. **TERM AND TERMINATION.**

A. **Term of Agreement.** The initial term of this Agreement shall commence on the Effective Date and continue five (5) years thereafter (the “*Initial Term*”). After the Initial Term, this Agreement shall automatically renew for one (1) successive term of one (1) year each (each, a “*Renewal Term*”), unless either Party is in breach of a material term of this Agreement at the time of such renewal, or unless either Party notifies the other Party in writing, not less than ninety (90) days' prior to the end of the then current term, of its intention to not renew this Agreement. For purposes of this Agreement, the Initial Term and Renewal Terms are collectively referred to as the “*Term*”. In the event this Agreement terminates or expires and Provider continues to accept services, the terms and conditions of this Agreement shall apply to the provision the same and Provider shall be bound to pay for the same, until Provider shall terminate such extension upon further written notice to MSO of not less than thirty (30) days. This Section (*Term*) shall survive termination or expiration of this Agreement.

B. **Termination.**

(1) **For Cause; Other Reasons.** Either Party may terminate this Agreement for cause upon the material breach of this Agreement by the other Party, if such breach is not cured within ten (10) days following written notice of such breach. Either Party may terminate this Agreement immediately upon the filing, with respect to the other Party, of a voluntary or involuntary petition in bankruptcy if such petition is not dismissed within thirty (30) days of such filing; or upon the appointment of a receiver or trustee to take possession of all, or substantially all, of the assets of a Party, if such appointment is not terminated within thirty (30) days, or upon the garnishment or attachment of the Collections generated by Provider; or upon dissolution of either Party if that Party is an entity.

(2) **By MSO.** MSO may terminate this Agreement immediately without cause, upon twenty-four (24) hours' written notice to Provider, or upon termination of the Sublease Agreement.

(3) **Action by Board with Legal Jurisdiction.** While both Parties believe that this Agreement is in full compliance with relevant laws, interpretation of law is subject to differing interpretations and/or change. In the event the regulatory Board for the State or other authority with legal jurisdiction shall, solely by virtue of the Parties' performance under this Agreement, initiate an action to sanction or revoke the license of any clinician retained by Provider to Provider in the State, or initiate any action against the MSO, either Party hereto may, by written notice to the other Party, immediately request that the Agreement be amended in a mutually acceptable manner. Any amendment shall be made in the lawful manner which results in the least changes to the Parties' expectations hereunder. In the event the offending provisions of the Agreement cannot be cured as to the legality of such provisions to the satisfaction of both Parties, then either Party may terminate this Agreement upon ten (10) days written notice.

C. **Effect of Termination.** Upon termination or expiration of this Agreement, Provider shall: (i) return all documents, data and other materials or information that constitute "Confidential Information" as defined below (and any license granted under this Agreement shall immediately terminate), and immediately cease using any logo, trade name, trade or service mark or other commercial symbol that suggests a connection or association with MSO; (ii) upon request by MSO, assume all debt and all contracts, payables and equipment leases that are obligations of MSO and that relate principally to the performance of MSO's obligations on behalf of Provider under this Agreement; and further, (iii) any right by Provider to occupy the Provider Site shall terminate, and MSO shall have the right (but is not obligated) to re-enter the Provider Site, remove all persons therefrom, take possession of the equipment, and all other materials and supplies owned or paid for by MSO, and exercise any right or remedy at law or in equity applicable.

Termination or expiration of this Agreement shall not relieve either Party of any obligation to the other in accordance with the terms of this Agreement with respect to services furnished prior to such termination or expiration. Provider specifically acknowledges and agrees that MSO shall continue to have authority over the Collections in effect as of the date of termination or expiration until such time as all compensation due and owing to MSO by Provider for services furnished by MSO under the terms of this Agreement rendered prior to the date of termination or expiration have been paid in full and MSO shall be permitted to deduct any compensation amount due to it from the Collections. The Parties agree to cooperate with one another to continue billing and collections on said accounts receivable for as long as may be required, in MSO's sole discretion, to satisfactorily collect on these.

Also upon termination, regarding **Expenses/A La Carte Fees** (as defined in **Appendix 1** below), MSO shall provide an invoice for any due and owing MSO from Provider within thirty (30) days of termination or expiration, and Provider shall pay such amounts to MSO within thirty (30) days of receipt of invoice. This Section (*Effect of Termination*) shall survive termination or expiration of this Agreement.

Following any notice of termination hereunder, whether given by MSO or Provider, Provider and MSO will fully cooperate with each other in all matters relating to the performance of Professional Services and operation of the Provider, as appropriate, to ensure continuation of care for Provider's patients. This includes sending a joint announcement to all patients of Provider that states the date on which Provider no longer will provide Professional Services at the Provider Site, and the contact information for Provider, going forward.

5. **COVENANTS.** During the Term, Provider shall have the following obligations, and shall be responsible for the costs and expenses incurred in fulfilling each obligation.

A. **Licensure.** With MSO's assistance, Provider shall hold, and shall cause all employed physicians to hold, the licenses, permits, and Medicare and Medicaid provider numbers required or appropriate in connection with the operation of Provider in compliance with all applicable state and federal laws, rules, and regulations. Provider shall provide prompt

notice to MSO of any threatened or actual termination or suspension of any governmental authorization, or any event or condition that may lead to a termination or suspension of any governmental authorization, as soon as reasonably practicable after obtaining knowledge thereof. Provider shall use commercially reasonable efforts to administer and follow the duly adopted policies and procedures applicable to Provider.

B. **Services**. Provider shall be solely responsible for the supervision and performance of all employed physicians of professional services and related personnel matters. Nothing in this Agreement shall allow MSO to influence the independent medical judgment of Provider and its physicians.

C. **Physician Compensation**. Provider shall be responsible for paying compensation to, and providing any applicable benefits (including malpractice insurance) for, all employed physicians, including making any withholdings for income tax, unemployment insurance, and social security to the extent required under applicable law and, in all cases, in a manner consistent with the terms of the budgets for Provider provided by MSO from time to time. Provider shall also pay all physician fringe benefits and payments to the extent such expenses are required.

D. **Professional Standards**. During the Term, Provider shall immediately notify MSO in writing upon becoming aware that any physician does not meet the following qualifications and shall not knowingly permit any physician who does not meet such qualifications to provide Provider on behalf of Provider unless approved in writing by MSO: (i) each physician shall at all times have a valid and unrestricted license to practice medicine in the State of Texas that has never been suspended, revoked or otherwise restricted or terminated, shall have complied with all continuing medical education requirements imposed by state law, shall be in good standing with the Medical Board of the state, and shall have appropriate board and other certifications required to render services on behalf of Provider; (ii) each physician shall possess a valid DEA registration and state controlled substance registration certificate; (iii) each physician shall be covered by the malpractice insurance required for Provider hereunder; (iv) each physician shall have privileges at one or more hospitals designated by Provider; (v) each physician shall be qualified and enrolled to provide reimbursable services under Medicare, Medicaid and each other applicable federal and state health care program and third party payor program in which Provider participates, and no physician shall have been suspended, excluded, debarred or otherwise not permitted to continue to participate in the Medicaid and/or Medicare programs or any other applicable federal or state health care or third party payor program; and (vi) no physician shall be or shall have been indicted or convicted of, or plead guilty to (including a plea of nolo contendere), an offense related to health care, billing and/or submission of claims, or a felony or misdemeanor involving moral turpitude.

E. **Quality Assurance**. Provider shall cooperate with MSO to maintain a peer review, quality assurance, coding education and compliance programs pursuant to which Provider shall monitor and evaluate the consistency, quality, cost effectiveness and medical necessity of Professional Services provided by physicians to ensure that such care meets

currently accepted standards of medical competence and is in accordance with currently approved methods and practices in the medical profession.

F. **Non-Physician Staff.** Provider shall advise MSO with respect to the selection, retention, employment, training and termination of all support personnel provided by MSO. Provider shall provide appropriate professional training, supervision and direction to all support personnel providing medical care to, and the coding of medical procedures provided to, patients.

G. **Medical Records.** Provider shall require physicians to complete all medical records for Professional Services provided by Provider promptly and in accordance with applicable laws and regulations and third party payor requirements. All medical records shall at all times remain Provider's property; provided, that MSO shall provide the staff to manage the medical records department and Provider shall provide MSO with access to and copies of such records as reasonably necessary for MSO to perform its obligations under this Agreement. Notwithstanding the foregoing, no patient records will be made available without the written consent of the patient if required by law. Provider shall provide MSO with copies of all explanation of benefit forms received by Provider from payors, to allow MSO to reconcile payments against accounts receivable and otherwise perform MSO's obligations under this Agreement.

H. **Medical Supplies.** Provider shall obtain and stock all medical supplies, the costs and expenses of which shall be paid by Provider. Whenever practicable, permissible under applicable law, and cost and quality competitive, Provider shall utilize any MSO group purchasing programs and formularies.

I. **Equipment.** Provider shall advise MSO of any equipment required to maintain the Premises in a manner suitable to provide services to Provider's patients and clients. Provider agrees to use the equipment solely for the purposes for appropriate medical purposes and not for any illegal purpose. The purchase of such equipment shall be paid by the MSO.

J. **Provider's Obligations with Respect to Premises.** Provider shall not make any alterations to the Premises without the prior written approval of MSO. Provider shall promptly remove, upon request by MSO, any alteration made to the Premises without MSO's written consent. Upon expiration or earlier termination of this Agreement, all permitted alterations to the Premises improvements shall become the property of the party entitled thereto under the applicable lease. Provider shall observe faithfully and comply strictly with any rules and regulations that MSO may from time to time reasonably adopt for the safety, operations, care and cleanliness of the Premises or the preservation of good order therein. Provider shall not commit, or permit any physician to commit, any act or omission which breaches any obligations under any applicable lease.

K. **Preservation of Provider Assets; Exclusivity of Provider.**

- (1) **Governing Documents and Contracts.** Provider shall remain legally organized and authorized to provide Professional Services in a manner

consistent with applicable law. During the Term, except as necessary to comply with applicable law, Provider shall not, without MSO's consent: (i) amend, modify or change any provision of its articles or certificate of organization or formation, bylaws, operating agreement, shareholder agreement or other applicable formation or organizational documents, as applicable, the terms of its membership interests or capital stock, or any agreement among the holders of its membership interests or capital stock or any of them, (ii) enter into, amend, modify or waive, or permit the amendment, modification or waiver of, any provision of any material contract to which Provider or its assets are bound, or (iii) incur any indebtedness for borrowed money.

- (2) **Professional Services Agreements.** All Professional Services agreements shall be in writing, shall be subject to approval by MSO and shall not include any provision that would cause such agreements to be in breach of the terms of this Agreement. During the Term, without MSO's prior written approval, Provider shall not (a) execute or deliver, or authorize any other person to execute or deliver on behalf of Provider, any employment offer, letter of intent, employment agreement or similar agreement pursuant to which Provider shall employ or retain or agree to employ or retain any physician, (b) consent to or approve (i) the waiver or release by Provider of any obligations owed by physicians employed or retained by Provider or (ii) the modification of any physician compensation agreement under any Professional Services agreements (including, without limitation, any compensation to be paid to a physician upon exit from Provider). During the Term, Provider shall obtain and maintain noncompetition and other restrictive covenants from physicians in a form approved by MSO and shall use commercially reasonable efforts to enforce such covenants. MSO is hereby designated as an express third party beneficiary of such covenants with full rights, to the extent permitted by law, to enforce such provisions at its election by injunctive relief and by specific performance or by pursuing monetary damages, such relief to be without the necessity of posting a bond, cash or otherwise.
- (3) **Change of Ownership of Provider.** During the Term, except as permitted or approved by MSO or pursuant to a Professional Services agreement, Provider shall not (i) purchase, own, invest in or otherwise acquire, directly or indirectly, any stock, evidence of indebtedness or any material assets of any other person, or (ii) merge or consolidate with or into any other person, liquidate, wind up, dissolve, or sell any material assets of Provider to any person, or (iii) sell or issue equity interests of Provider, or permit the transfer of equity interests to any person such that any equity interest in Provider changes.
- (4) **Exclusivity of Provider.** As a material inducement for MSO to enter into this Agreement, Provider agrees that during the Term of this Agreement and for a period of two (2) years after termination or expiration of this Agreement, Provider will not engage any party other than MSO to provide management, billing and collection, staffing, real estate and property or other services similar

to any of those provided by MSO hereunder; provided however that Provider may engage a third party billing and collection company to provide billing and collection services so long as that company does not engage in the business of providing general practice management services and so long as that company and its affiliates are not, in any manner, engaged in the provision, ownership, operation or administration of outpatient or home IV services.

- (5) **Reasonableness of Covenants.** Provider acknowledges that MSO has expended, and will continue to expend, significant resources, and has undertaken significant obligations, and will continue to incur significant obligations, to be in a position to perform its obligations under this Agreement. Provider agrees that any actions or omissions of Provider in breach of the covenants set forth in this Section 5K could materially impact Provider's ability to comply with its obligations hereunder, which could cause MSO's business to suffer a material adverse effect. In consideration of the foregoing, Provider acknowledges and agrees that the covenants set forth in this Section 5K are reasonable and necessary to protect MSO's legitimate business interests.

L. **Provider's Obligations with Respect to Franchise Agreement.** Provider covenants that it shall comply with the terms of the franchise agreement, entered into between MSO and [REDACTED], LLC on September 30, 2022 (the "Franchise Agreement") and pay all fees and other amounts owed thereunder.

6. **RECORDS.**

A. **Patient Records.** Provider shall own all patient medical records (including images) with respect to all services billed in the name of Provider. Provider (or, as applicable, its healthcare professionals) shall be solely responsible for making all entries on all such records. Such records shall at all times be owned and controlled by Provider, but: (i) may be stored at various locations, and may be maintained, inspected, or copied by MSO, in connection with MSO's performance of services under this Agreement; and (ii) in the event of a termination of this Agreement, Provider understands that MSO retains a copy of such records related to such services, and may contact customers listed on those records, consistent with applicable law. Provider and MSO shall comply with all applicable federal, state, and local laws and regulations relating to patient records. This Section (6A, *Patient Records*) shall survive termination or expiration of this Agreement.

B. **Business Records.** All business and administrative records maintained by MSO in connection with the Management and Administrative Services provided by MSO shall be MSO's property. Notwithstanding Section 6A (*Patient Medical Records*) above, MSO shall maintain a record of basic contact information of individuals that visit at the Provider Site ("Clients"); such records shall be considered business and administrative records, and MSO shall have the right in its sole discretion to contact the Clients with respect to matters such as feedback and quality assurance, and (subject to HIPAA and/or relevant state law) future services by MSO and its affiliates and contractors. This Section 6B (*Business Records*) shall survive termination or expiration of this Agreement.

C. Review of Books and Records. Each of the Parties shall have the right, during ordinary business hours and upon reasonable notice, to review and make copies of, the books and records of the other Party relating to the billing and collection of fees under this Agreement. Any such review shall take place within six (6) months after the end of the calendar year, and after such date no challenge to any statements, accountings, or other records pertaining to such calendar year or any portion thereof shall be permitted. Any such review shall be performed at the cost of the requesting Party. Each respective Party shall be responsible for any improprieties of such Party identified in the course of any such review, and the other Party reserves all rights to pursue any claim or remedy available in law or equity with respect to such improprieties, if any. This Section 6C (*Review of Books and Records*) shall survive termination or expiration of this Agreement for six (6) months after the end of the calendar year in which the Agreement terminated or expired.

7. INSURANCE; INDEMNIFICATION.

A. Provider. During the Term of this Agreement, Provider shall maintain, at its cost and in its name: (i) adequate and appropriate professional liability coverage in the minimum amount of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) annual aggregate, applicable to Provider and its employees and agents; (ii) comprehensive general liability insurance coverage in an appropriate amount reasonably recommended by MSO, applicable to Provider and its employees and agents; (iii) property insurance covering the Provider Site leased by Provider, the Equipment, and any other furniture, fixtures, and equipment therein; (iv) workers' compensation insurance in accordance with applicable state law to the extent Provider employs any personnel directly; and (v) any other insurance coverage reasonably recommended by MSO in its role as MSO under this Agreement. MSO shall be named as an additional insured on such general and professional liability insurance policies, and Provider shall provide MSO with a certificate evidencing such coverage upon request from time to time; such policies shall provide for at least thirty (30) days' written notice to MSO of any expiration, cancellation, reduction, or other material change in the amount or scope of such insurance.

Such policies shall also provide that MSO shall be notified at the same time as Provider in the event of a proposed or actual cancellation, expiration or non-renewal of Provider's insurance coverage, and shall provide for "tail" coverage (*i.e.*, an extended reporting endorsement) with the same coverage limits set forth above, within ten (10) days of such termination or expiration.

B. General Liability Insurance. During the Term of this Agreement, MSO shall maintain, at its cost and in its name: (i) comprehensive general liability insurance coverage in the minimum amount of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) annual aggregate, applicable to MSO and its employees and agents; and (ii) workers' compensation insurance in accordance with applicable state law to the extent MSO employs any personnel directly.

Provider shall be named as an additional insured on such general and professional liability insurance policies, and MSO shall provide Provider with a certificate evidencing such

coverage upon request from time to time; such policies shall provide for at least thirty (30) days' written notice to Provider of any expiration, cancellation, reduction, or other material change in the amount or scope of such insurance.

C. **Indemnification**. Each Party shall indemnify and hold the other Party harmless from and against any and all liability, loss, damage, cause of action, cost, or expense (including reasonable attorney's fees) arising out of, or in any way connected with, any negligent or intentional act or failure to act, any breach of any representation or warranty under this Agreement, or any other wrongful conduct by the respective Party, its shareholders, agents, employees, or subcontractors in the performance of its duties under this Agreement. The Parties agree that upon receipt of a claim or demand for which a Party is entitled to indemnification, the indemnified Party shall: (i) provide the indemnifying Party with prompt written notice of any indemnifiable claim; (ii) permit the indemnifying Party to assume sole control of the defense with counsel selected by the indemnifying Party; (iii) furnish the indemnifying Party with all documents and information within the possession, custody, or control of the indemnified Party relating to such claim; (iv) reasonably cooperate with the indemnifying Party and its counsel; and (v) not enter into any oral or written negotiation, settlement, or compromise of any indemnifiable claim without the indemnifying Party's prior written consent. In the event the indemnifying Party defends the indemnifiable claim, it may do so under a reservation of its rights to cease the defense of the claim at a later date (upon reasonable prior written notice to the indemnified Party) in the event it is determined that the indemnifying Party has no obligation to defend or indemnify the claim. This Section (*Indemnification*) shall survive termination or expiration of this Agreement.

8. **COMPLIANCE WITH LAWS**. The obligations of MSO pursuant to this Agreement shall be subject to any limitations or restrictions which may be imposed by law or regulation. In addition, both Parties understand that:

A. **No Fee-Splitting**. Payment of the compensation under this Agreement is not intended to be, and shall not be interpreted or applied as, permitting MSO to share in Provider's fees for Professional Services, but is acknowledged as the Parties' negotiated agreement as to the reasonable fair market value of the items and services furnished by MSO pursuant to this Agreement, after giving effect to the nature and volume of the services required and the risks assumed by MSO.

B. **No Payment for Referrals**. The Parties agree that the aggregate compensation being paid by Provider over the Term of this Agreement represents the fair market value of the contemplated services hereunder, and a fair and reasonable return for MSO's expenses and obligations hereunder, in an arms' length transaction and is not determined in a manner that takes into account the volume or value of any referrals or business otherwise generated between the Parties.

C. **No Federal Healthcare Program Exclusion**. Each Party represents and warrants to the other Party that neither the representing Party nor any of its officers, directors, or employees or contractors providing services under this Agreement are currently excluded,

debarred, or otherwise ineligible to participate in the Federal health care programs or have ever been convicted of a criminal offense related to health care.

D. **Compliance as Business Associate.** The Parties acknowledge that to the extent MSO is a “business associate,” as defined in federal regulations issued pursuant HIPAA relating to the privacy and security of medical records and health information, and/or relevant state privacy and security law, MSO will execute an appropriate Business Associate Agreement pursuant to relevant law.

9. **CONFIDENTIALITY ETC.**

A. **Confidentiality.** The Parties covenant and agree that they will keep the terms of this Agreement completely confidential and will not hereafter disclose such information concerning this Agreement to any person other than (i) their attorneys, accountants, financial advisors, lenders, or prospective purchasers, (ii) as needed to enforce the terms of this Agreement, or (iii) as required by law. Further, each Party hereby agrees that it and its officers, owners, directors, employees, agents, and advisors (collectively, “***Representatives***”) will use the Confidential Information of the other Party in good faith solely in connection with this Agreement and for no other purpose, that the Confidential Information will be kept confidential, and that the Party and its Representatives will not disclose any of the Confidential Information in any manner whatsoever or use it for any purpose except as necessary to perform its obligations hereunder; provided, however that (i) either Party and its Representatives may make any disclosure of such information to which the disclosing Party gives its prior written consent, (ii) any of such information may be disclosed to the other Party’s Representatives who need to know such information in connection with this Agreement, who agree to keep such information confidential and who agree to be bound by the terms hereof to the same extent as if they were Parties hereto, and (iii) either Party and its Representatives may make any disclosure that, in the opinion of its legal counsel, is required by law or governmental process. In any event, each Party agrees to undertake reasonable precautions to safeguard and protect the confidentiality of the Confidential Information of the other Party and to accept responsibility for any breach of this Section (*Confidential Information*) by any of its Representatives.

As used in this Agreement, “***Confidential Information***” shall be defined as oral, written and/or recorded information concerning a Party’s (or any of its subsidiaries’ or affiliates’) business, including all notes, analyses, summaries, compilations, studies, sheets, explanation of tests, legal advisory, technical data, marketing information, medical technology, technical specifications, banking, financing methodologies, investors, introductions to persons, business plans, marketing plans, supplier information, ideas, vendors, development strategies, intellectual property, know-how, proprietary property, written deliverables, business usage or requirements, customer lists, employee and consultant lists, system integrators, financial and operational information, accounting, pricing information, equipment used, reimbursement information, trade secrets, or other documents or records prepared by the non-disclosing Party of such information which contain, reflect, or are based on such information, and including all Licensed Material, but does not include information which (i) is or becomes generally available to the public other than as a result of a disclosure directly or indirectly by the applicable Party or any of its

Representatives, (ii) was independently acquired or developed by the non-disclosing Party or its Representatives without breach of this Agreement, or (iii) becomes available to the non-disclosing Party or any of its Representatives on a non-confidential basis from a person (other than the disclosing Party or any of its Representatives) who, to the non-disclosing Party's knowledge, is not and was not bound by a confidentiality agreement with the disclosing Party, or is not and was not otherwise prohibited from transmitting the information to the non-disclosing Party or its Representatives.

If either Party or any of its Representatives are required by applicable law or regulation or by legal process to make any disclosure otherwise prohibited hereunder, each Party agrees to provide the other with prompt notice of such requirement prior to disclosure so that the other Party may seek a protective order or other appropriate remedy. If a protective order or other remedy is not obtained, the Party subject to legal disclosure agrees to furnish only that portion of the Confidential Information which its counsel advises it that it is legally compelled to disclose and to use its reasonable efforts, at the request and cost of the other Party, to obtain confidential treatment for the Confidential Information disclosed. If at any time either Party so requests for any reason, the other Party will promptly deliver to the requesting Party or, as elected by the other Party, destroy all Confidential Information delivered to it or its Representatives by or on behalf of the requesting Party. Notwithstanding the return or destruction of the Confidential Information, each Party and its Representatives will continue to be bound by the obligations of confidentiality and other obligations hereunder. All Confidential Information is provided "as is," without warranty of any kind, and the non-disclosing Party shall not be liable for any damages whatsoever relating to recipient's use of such Confidential Information. This Section (*Confidential Information*) shall survive termination or expiration of this Agreement.

The language of this Agreement is also proprietary in nature and is Confidential Information. This Agreement shall not be used by any Party without express permission from the drafter of this Agreement or the Party who is a client of the drafter of this Agreement. The party who is not the client of the original drafter may not use this Agreement as a template for other matters.

B. Non-interference, Non-Solicitation, Non-Disparagement, Non-Competition.

(1) **Non-interference.** Each Party agrees that it will not disrupt, damage, impair or interfere with the business of the other, whether by way of interfering with or raiding its employees, disrupting its relationship with agents, suppliers, business contacts, representatives, vendors or otherwise.

(2) **Non-solicitation.** During the term of this agreement and for a period of two (2) years following termination of this Agreement for any reason, neither Party shall (except in connection with the performance of Provider's duties under this Agreement), either directly or indirectly, solicit or otherwise contact, or enter into discussions with: (i) any individual who was a director, officer, shareholder, member, or employee of other during the twelve (12)-month period immediately preceding the date of termination of this Agreement; or (ii) any person (or any

director, officer, shareholder, member, or key employee of any such person) with which such Party had a contract or arrangement to provide management services at any time during the twelve (12)-month period immediately preceding the date of termination of this Agreement.

(3) **Non-disparagement**. Each Party further agrees at all times during and following the term of this Agreement to refrain from making derogatory or disparaging remarks concerning the other Party, its officers, its directors, its employees or their professional competence, orally or in writing, directly or indirectly.

(4) **Non-competition**. During the term of this Agreement, and for a two (2)-year period following termination of this Agreement, Provider shall not, without MSO's prior written approval, establish, have any ownership or other beneficial interest in, perform any services for, or otherwise assist any entity or individual that provides or is planning to provide services involving a medical Provider, within a ten (10) mile radius of the Provider Site. If a court determines that this covenant is unenforceable in any given state for any reason, then the court may blue-pencil or otherwise modify the scope of such covenant to make it enforceable.

The obligations of this Section shall be in full force and effect during the term of this Agreement and shall survive the termination or expiration of this Agreement.

C. **Injunctive Relief**. In the event of a breach of this Section 9, Provider acknowledges that any violation of this Section would result in irreparable injury to MSO, and the remedy at law would be inadequate. Accordingly, MSO shall be entitled to injunctive relief in addition to any other remedies to which MSO may be entitled at law or in equity.

10. **INDEPENDENT CONTRACTOR**. The relationship between MSO and Provider is not one of partners, joint venturers, principal and agent or employer and employee, or any relationship other than that of independent contractors. Except as specifically provided herein, Provider shall neither have nor exercise any control or direction over the methods by which MSO and its employees and independent contractors provide the services required of it hereunder. MSO shall neither have nor exercise any control or direction over the professional judgment of Provider or the manner in which Provider performs his or her professional services. The Parties hereto understand that MSO, in its capacity as MSO, does not provide health care services and shall not employ, engage or supervise Provider in his or her provision of such services. Each Party hereto shall be solely responsible for the compensation, benefits, insurance coverage, employer taxes and any other obligations of its own employees or independent contractors.

11. **GENERAL PROVISIONS**.

A. **No Assignment**. Unless otherwise permitted in this Agreement, neither Party hereto shall assign any of its rights, nor delegate any of its duties under this Agreement, without first obtaining the express written consent of the other Party. Subject to the foregoing restriction, this Agreement shall be binding on the Parties hereto and their successors and

permitted assigns. Notwithstanding the foregoing, MSO may assign this Agreement, without Provider's prior written consent, to any entity that purchases more than fifty percent (50%) of MSO or that acquires substantially all of MSO's business assets (including direct and indirect ownership interests in entities conducting business operations). Further, notwithstanding the foregoing, MSO may assign the proceeds of this Agreement without Provider's prior written consent.

B. **Severability**. In the event that any provision of this Agreement, or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement shall continue in full force and effect and the application of such provision to other persons or circumstances shall be interpreted so as reasonably to effect the intent of the Parties. The Parties further agree to use their commercially reasonable efforts to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that shall achieve, to the extent possible, the economic, business, and other purposes of such void or unenforceable provision. This Section (*Severability*) shall survive termination or expiration of this Agreement.

C. **Notice**. Any and all notices, demands, requests, and other communications required or permitted to be given hereunder shall be in writing and shall be given by overnight courier or by certified U.S. mail (with return receipt requested), or via email, addressed as indicated in the signature block to this Agreement, or as otherwise indicated by notice given in accordance with this provision. If delivered by overnight courier, such notice shall be effective on the date of delivery to the address indicated above if delivered on a business day, otherwise such notice shall be effective on the next succeeding business day. If delivered by certified U.S. mail, such notice shall be effective on the third business day after the date of mailing. If delivered by email, such notice shall be effective on the first business day after the date the email was sent.

D. **Waiver**. A waiver by either Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any subsequent breach thereof, nor shall it be deemed a waiver of performance of any other obligation hereunder.

E. **Entire Understanding**. This Agreement and any exhibits attached hereto contain the entire understanding of the Parties hereto relating to the subject matter contained herein, and supersede all prior and collateral agreements, understanding, statements and negotiations of the Parties. This Agreement can only be changed, modified, amended, rescinded or supplemented by a written agreement executed by both Parties.

F. **Governing Law**. The laws of the State of Texas (without giving effect to its conflicts of law provisions) shall govern all matters arising out of or relating to this Agreement, including, but not limited to, its validity, interpretation, performance, enforcement, and construction. This Section (*Governing Law*) shall survive termination or expiration of this Agreement.

G. **Arbitration**. Any dispute, claim, or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof,

including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in Houston, Texas before one (1) arbitrator. The arbitration shall be administered by AHLA Alternative Dispute Resolution Service Rules of Procedure for Arbitration, in the above-mentioned city or county. Judgment on the award may be entered in any court having jurisdiction. This provision shall not preclude either Party from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The arbitrator may, in the award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator. Each Party has read and understood this Section (*Arbitration*) and understands that it thereby agrees to submit any claims arising out of this Agreement to binding arbitration, and that this dispute resolution provision constitutes a waiver of the Party's right to a jury trial. HOWEVER, prior to either Party initiating Arbitration of any dispute, the Parties agree to attempt mediation of the dispute with a mutually agreeable trained mediator in the above-mentioned city or county. "Trained mediator" means a professional with actual training and experience in the field of Mediation and/or dispute resolution. EACH PARTY HAS READ AND UNDERSTANDS THIS SECTION and UNDERSTANDS THAT BY SIGNING THIS AGREEMENT, THE PARTY AGREES TO SUBMIT ANY CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH THIS AGREEMENT, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE, BREACH, OR TERMINATION THEREOF TO MEDIATION AND ARBITRATION, AND THAT THE DISPUTE RESOLUTION PROVISIONS SET FORTH IN THIS SECTION CONSTITUTE A WAIVER OF THE PARTY'S RIGHT TO A JURY TRIAL.

H. **Attorney's Fees.** Should either Party institute any action or proceeding, including without limitation arbitration, relating to this Agreement, the prevailing Party in any such action or proceeding shall be entitled to receive from the other Party all costs and expenses, including reasonable attorney's fees, incurred in connection with such action or proceeding. This Section (*Attorney's Fees*) shall survive termination or expiration of this Agreement.

I. **Interpretation of Agreement; Attorney Review; Headings.** The Parties acknowledge and agree that because all Parties have been advised and afforded the opportunity to seek its own legal counsel as to the consequences of signing this Agreement, and that each has either sought separate legal counsel or has chosen not to do so. Accordingly, no rule of construction shall apply to this Agreement which construes any language, whether ambiguous, unclear or otherwise, in favor of, or against any Party by reason of that Party's role in drafting this Agreement. The descriptive headings of sections and subsections in this Agreement are provided for convenience only, do not constitute a part of this Agreement, and do not affect this Agreement's construction or interpretation. This Section (*Interpretation of Agreement*) shall survive termination or expiration of this Agreement.

J. **Additional Acts.** The Parties hereto agree to perform such other acts, and to execute such additional documents, as may be required from time to time to carry out the provisions of this Agreement or the intentions of the Parties.

K. **Limitation of Liability.** Under no circumstances shall MSO be liable to Provider or any third Party for consequential damages, punitive damages, incidental damages, or

damages for harm to business, lost revenues, profits, or goodwill, or any other special or exemplary damages, whether the claim is based on negligence, breach of contract or express or implied warranty, strict liability, misrepresentation, statute, tort, or any other theory of recovery, even if either Party knew or was advised that such damages could or may result. MSO disclaims any obligations, representations, or warranties, whether express or implied, that are not expressly set forth in this Agreement including any warranty of merchantability or fitness for a particular purpose. MSO's maximum liability in respect of any loss or damage suffered by Provider and arising out of or in connection with this Agreement, whether in contract, tort (including negligence) or for breach of statutory duty or in any other way, shall not exceed the value of sums paid by Provider to MSO in relation to this Agreement pursuant to which the relevant loss or damage has arisen.

Some states do not allow the exclusion or limitation of incidental or consequential damages under certain circumstances and the above exclusion or limitation may not apply. Without limiting any of the foregoing, in no event will any Party be liable for any delay or failure to perform which is due to causes beyond its reasonable control.

This Section shall survive termination or expiration of this Agreement.

L. **Counterparts; Execution.** This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. The signatures of the Parties need not appear on the same counterpart. Delivery of an executed counterpart of this Agreement may be made by fax, email, or other electronic transmission, and as such shall be deemed to be a written and signed original for all purposes. This Agreement is effective only upon signed acceptance by both Parties. By their signatures on this Agreement, each of the signatories to this Agreement represent that they have the authority to execute this Agreement and to bind the Party on whose behalf their execution is made. This Agreement when mutually executed constitutes the legal, valid and binding obligation of the Parties enforceable in accordance with its terms.

M. **Force Majeure.** Neither Party will be responsible for any failure or delay in its performance under this Agreement (other than financial obligations, including payment of amounts due) if such failure or delay is the result of any of the following (each, a "Force Majeure Event"): labor dispute; act of God; inability to obtain labor or materials; accident; future law, regulation, ordinance, or requirement of any governmental or regulatory agency; or any other event which is beyond its reasonable control. Notwithstanding the foregoing, a Force Majeure Event does not include economic hardship, reduction in reimbursement, changes in market conditions, or insufficiency of funds. This Section (*Force Majeure*) shall not, however, release such Party from using its reasonable efforts to avoid or remove such cause and such Party shall resume performance hereunder with the utmost dispatch whenever such causes are removed. This Section shall survive termination or expiration of this Agreement.

N. **Third Parties.** Nothing in this Agreement creates, or will be deemed to create, any third Party beneficiaries of or under this Agreement. This Section (*Third Parties*) shall survive termination or expiration of this Agreement.

O. **Rights Cumulative**. The various rights and remedies herein granted to the respective Parties hereto shall be cumulative and in addition to any other rights any such Party may be entitled to under law. The exercise of one or more rights or remedies by a Party shall not impair the right of such Party to exercise any other right or remedy, at law or equity. This Section shall survive termination or expiration of this Agreement.

IN WITNESS WHEREOF, this Agreement is executed upon the Parties signing and dating below.

MSO

PROVIDER

_____, LLC

_____, PA

Printed Name

Printed Name

Position

Position

Signature

Signature

Date

Date

APPENDIX 1 (FEES)

FEES

As compensation for its services hereunder, MSO shall receive the following fees (the “*Fees*”):

- A. Repayment of any advances made by MSO;
- B. Reimbursement for all expenses incurred by MSO to perform services hereunder; and
- C. During the initial 12-month period of the term of this Agreement (i) for all Billing and Collections Services set forth in Section 2B or elsewhere in this Agreement, a billing and collection fee (the “*Billing and Collection Services Fee*”) of 7% of the cash collected from the provision of goods and services of any nature by Provider after deduction of refunds and Overpayments (“*Net Collections*”), (ii) for all Marketing Services set forth in Section 2C or elsewhere in this Agreement, a marketing fee (the “*Marketing Services Fee*”) of 5% of Net Collections and (iii) for all other management services provided under this Agreement, an administration fee (the “*Administration Fee*”) of 10% of Net Collections (the Billing and Collection Services Fee, the Marketing Services Fee and the Administration Fee collectively referred to as the “*MSO Fee*”). The MSO Fee shall be paid in accordance of Section 2B(4)(a) of this Agreement.

For each 12-month period following the initial 12-month period referred to in clause C. above, the parties may mutually agree upon the amount and form of the MSO Fee by the first day of each such subsequent 12-month period; provided that if the parties fail to agree upon the MSO Fee for a particular 12-month period, the MSO Fee for such period shall be automatically increased in an amount consistent with the annual percentage increase in the latest available medical component of the Consumer Price Index for urban consumers.

Pursuant to the power of attorney granted to MSO in Section 3A, and in payment of the MSO Fee, MSO is authorized to disburse the cash proceeds of Net Collections deposited in Provider Bank Account to a bank account of MSO on a daily basis and to pay from such proceeds, on behalf of Provider, in the following order: (i) provider’s expense incurred in providing services, (ii) any advances made by MSO to Provider (unless otherwise deferred by MSO in its sole discretion), (iii) reimbursement for all expenses incurred by MSO to perform services hereunder, and (iv) the MSO Fee.

Past due MSO Fees shall, at MSO’ election, bear interest at the lesser of three (3) percent per annum or the maximum rate permitted by law. On or before the fifteenth (15th) business day of each month, MSO shall provide an accounting of: (i) all amounts withdrawn by MSO from Provider Bank Account during the immediately preceding month as proceeds of Net Collections, and (ii) all payments made by MSO during the immediately preceding month on behalf of Provider for expenses incurred in providing services. The MSO Fee reflects the fair market value of MSO’s services. Payment of the MSO Fee is not intended to be, and shall not be interpreted or applied as permitting, MSO to share in Provider’s fees for medical services, but is acknowledged as the

parties' negotiated agreement as to the reasonable fair market value of the items and services furnished by MSO pursuant to this Agreement, considering the nature and extent of the services required and the investment made by MSO.

- The **Leased Employee fees** shall be as follows and shall be paid directly to the RN, or other qualified staff member who administers an IV pursuant to the treatment plan established by Provider for any particular patient:

Clinical Practitioner	Per IV Cost Billed to PMC
NP	\$50
RN	\$50
PA	\$50
MA	\$50

The schedule of rates may only be amended by mutual agreement of both parties and upon thirty (30) days written notice and will be reviewed annually.

EXPENSES/A LA CARTE FEES

In addition to its Fees, Provider shall pay MSO, within thirty (30) days of written invoice to Provider, of the following expenses and a la carte fees:

Category (all as defined in this Agreement)	Description
Information Technology	
Contracts Expenses	
Licenses & Permits	
Advertising Services	
Administrative Personnel	
Equipment & Supplies	
Other (specify)	

PRACTICE EQUITYHOLDER AGREEMENT

THIS PRACTICE EQUITYHOLDER AGREEMENT, dated as of _____, 202_ (“**Effective Date**”), is by and between _____, a Texas professional association (“**Medical Practice**”), _____, M.D., (“**Dr. [NAME]**”) and _____, a Texas limited liability company (“**Manager**”). Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Management Services Agreement (as defined below).

BACKGROUND STATEMENT

A. Medical Practice is a professional association organized under the laws of the State of Texas to provide physician medical services. As of the date hereof, Dr. [NAME] is becoming the sole owner of all of the ownership interests of Medical Practice (the “**Shares**”) and is becoming the sole director of Medical Practice.

B. Medical Practice and Manager are parties to that certain Management Services Agreement dated as of _____, 202_ (as amended, the “**Management Services Agreement**”), pursuant to which Manager provides exclusive management and administrative services (“**Management Services**”) to Medical Practice.

C. The parties desire to memorialize certain agreements among them pertaining to Medical Practice and the Management Services.

STATEMENT OF AGREEMENT

The parties hereby agree as follows:

ARTICLE 1

PHYSICIAN COVENANTS

1.1 Management Services Agreement Obligations. Dr. [NAME] represents and warrants that he is a licensed physician under the laws of the State Texas and is currently the sole member of Medical Practice. Dr. [NAME] shall maintain such licensure during the term of this Agreement, and Dr. [NAME] shall notify Manager immediately upon the loss of such licensure or the commencement of any proceeding or action that may result in the loss of such licensure.

1.2 Ownership of Shares. During the term of this Agreement or for so long as Dr. [NAME] is obligated under these terms, Dr. [NAME] hereby agrees to remain the legal and beneficial owner of 100% of the Shares under the terms of the Bylaws of Medical Practice dated December 15, 2023 (as amended, the “**Bylaws**”), a copy of which has been provided to Manager.

ARTICLE 2

DR. [NAME] SERVICES AND COMPENSATION

2.1 According to the terms set forth herein, Dr. [NAME] shall provide certain services to Medical Practice as outlined on Exhibit A (collectively, the “**Services**”), and Manager shall pay Dr. [NAME] the compensation set forth on Exhibit A.

ARTICLE 3

COVENANTS IN CONNECTION WITH MANAGEMENT SERVICES AGREEMENT

3.1 Medical Practice Obligations. Dr. [NAME] hereby agrees to exercise his authority as the sole owner and director of Medical Practice to cause Medical Practice to act in accordance with the Management Services Agreement and to refrain from any action or inaction that would result in a breach by Medical Practice of its obligations under the Management Services Agreement; provided, however, that Dr. [NAME]'s covenant under this **Section 3.1** shall be limited solely to claims arising from the willful and wanton actions by Dr. [NAME] that result in a breach by Medical Practice of its obligations under the Management Services Agreement.

3.2 Issuance, Transfer of Shares. In furtherance of Section 5K(3) of the Management Services Agreement (regarding a change in the equity ownership of Medical Practice), except pursuant to **ARTICLE 4** hereof or upon approval of Manager in accordance with Section 5K(3) of the Management Services Agreement, Dr. [NAME] agrees not to cause or consent to any of the following: (i) the issuance by Medical Practice of additional ownership interests or (ii) the sale, transfer, pledge or other hypothecation of any portion of the Shares.

3.3 Exclusivity of Management Relationship. Dr. [NAME] acknowledges the obligations set forth in Sections 1 and 5K(4) of the Management Services Agreement, pursuant to which Manager shall have the right to provide exclusive Management Services to Medical Practice. In furtherance of such obligations, during the term of the Management Services Agreement, Dr. [NAME] agrees not to, directly or indirectly, whether through Medical Practice or otherwise, act as manager, employee, independent contractor, consultant, director, officer, agent, investor, lender, owner or similar capacity, have an interest in or a financial relationship with, or be connected in any manner with, any medical practice engaged in the practice of providing medical spa healthcare services or IV services (the "**Restricted Business**") within a fifty (50) mile radius around each clinical facility operated by Manager (the "**Restricted Territory**") (a "**Competing Practice**") without first offering Manager the exclusive right to provide Management Services to such Competing Practice substantially on the same terms as set forth in the Management Services Agreement, or otherwise take any action that would deprive Manager of the bargained-for right to provide the full scope of Management Services to Medical Practice. In addition, during the term of the Management Services Agreement and for a period of two (2) years after termination or expiration of the Management Services Agreement, Dr. [NAME] will not engage, directly or indirectly, whether through Medical Practice, a Competing Practice or otherwise, any party other than Manager to provide management, administrative, billing and collection, staffing, real estate and property or other services similar to any of those provided by Manager under the Management Services Agreement in the Restricted Territory.

3.4 Agreements with Employees. In furtherance of Section 5K(2) of the Management Services Agreement, Dr. [NAME] shall not consent to or approve (a) any employment offer, letter of intent, employment agreement or similar agreement pursuant to which Medical Practice shall employ or retain or agree to employ or retain any physician, (b) consent to or approve (i) the waiver or release by Medical Practice of any obligations owed by physicians employed or retained by Medical Practice or (ii) the modification of any physician compensation agreement under any Professional Services agreements (including, without limitation, any compensation to be paid to a physician upon exit from Medical Practice) unless agreed to by Manager in accordance with Section 5K(2) of the Management Services Agreement.

3.5 Noncompetition. In furtherance of Section 9B(4) of the Management Services Agreement, except as set forth in Section 9B(4) of the Management Services Agreement, Dr. [NAME]

shall not, directly or indirectly, for the term of the Management Services Agreement, engage or participate, directly or indirectly, either as principal, officer, director, agent, affiliate, owner, consultant, manager or employee, in the ownership, management, lease or control of any assets that are utilized in the Restricted Business and that are located within the Restricted Territory; *provided, however*, that the foregoing shall not restrict Dr. [NAME] from (i) engaging as an employee or otherwise under his current employment or any future arrangement with his current employer or its affiliate or (ii) providing physician services or from owning any interest in a professional physician practice so long as such professional physician practice does not engage in the Restricted Business within the Restricted Territory.

3.6 Insurance. Manager shall facilitate the procurement of contracts of insurance with such insurance providers and in such amounts as required by Dr. [NAME] which shall include but not be limited to (i) coverage of the acts and omissions of Medical Practice, including but not limited to general liability and professional liability insurance (ii) coverage of the acts and omissions of any manager or officer of Medical Practice (i.e., directors and officers insurance), (iii) coverage of the acts and omissions of the owner of Medical Practice, (iv) workers compensation coverage, and (v) any other Medical Practice purpose.

ARTICLE 4

SALE AND ACQUISITION RIGHTS

4.1 Dr. [NAME] Sale Right. At any time during the term of this Agreement, Dr. [NAME] (or his estate, as applicable) shall have the right (the “**Sale Right**”) to require Manager to designate a third party who is permitted under Texas state law to be an owner of Medical Practice (a “**Permitted Transferee**”) to acquire all of the Shares of Dr. [NAME] for a purchase price of \$100. Dr. [NAME] (or his estate, as applicable,) shall exercise the Sale Right by delivering written notice of such exercise to Manager, and upon receipt of such notice, Manager shall be obligated to designate a Permitted Transferee and to close the transfer of the Shares hereunder within 90 days (the “**Closing Deadline**”). At closing, Dr. [NAME] (or his estate, if applicable) shall transfer the Shares, free and clear of all liens, encumbrances, claims of third parties, security interests, mortgages, pledges, agreements, options and rights of others of any kind whatsoever, whether or not filed, recorded or perfected. Manager shall prepare and provide to Dr. [NAME] (or his estate, if applicable) at least thirty business days in advance of the Closing Deadline all documentation, instruments and certificates reasonably necessary to consummate the sale or issuance of the Shares to the Permitted Transferee, which shall include representations to the Permitted Transferee solely as to the authority to transfer title and as to valid title to the Shares, free and clear of all liens, and Dr. [NAME]’s resignation as the owner and director and from any officer positions with Medical Practice (collectively, the “**Transfer Documents**”). Dr. [NAME] (or his estate, if applicable) shall not be required to make any additional representations or have any additional duties, responsibilities or liabilities under the Transfer Documents. Manager shall reimburse Dr. [NAME] (or his estate, if applicable) for his cost of reviewing and negotiating the Transfer Documents. If the Transfer Documents are not completed by the Transfer Deadline, Dr. [NAME] (or his estate, if applicable) may require that Medical Practice commence the orderly cessation of its active practice operations and dissolution of Medical Practice under the Bylaws.

4.2 Acquisition Right of Permitted Transferee. At any time during the term of this Agreement, Manager may designate a Permitted Transferee with the right (the “**Acquisition Right**”) at Manager’s option (a) to acquire all of the Shares of Dr. [NAME] for a purchase price of \$100, or (b) to acquire, for a purchase price of \$102, newly issued shares in Medical Practice that, once issued to the Permitted Transferee, result in such Permitted Transferee’s holding a 51% ownership interest (with full rights as an owner) in Medical Practice. Manager may exercise the Acquisition Right by delivering written notice of such exercise and payment to Dr. [NAME] and Medical Practice, and upon exercise, Dr.

[NAME] shall be obligated to transfer the Shares or Dr. [NAME] shall be obligated to cause Medical Practice to issue new shares (as applicable as determined by the Permitted Transferee), free and clear of all liens, encumbrances, claims of third parties, security interests, mortgages, pledges, agreements, options and rights of others of any kind whatsoever, whether or not filed, recorded or perfected. Dr. [NAME] shall not be required to make any additional representations or have any additional duties, responsibilities or liabilities under the Transfer Documents. Manager shall prepare and provide the Transfer Documents to Dr. [NAME]. Manager shall reimburse Dr. [NAME] (or his estate, if applicable) for the cost of reviewing and negotiating the Transfer Documents.

ARTICLE 5

TERM AND TERMINATION

5.1 Term. Unless otherwise terminated in accordance with this Agreement, the term of this Agreement shall commence on the Effective Date, shall continue until the third (3rd) anniversary of the Effective Date, and shall automatically renew for successive one (1) year periods unless either Medical Practice or Dr. [NAME] gives notice of termination of this Agreement at least one-hundred eighty (180) days before the end of the initial term or any subsequent renewal term.

5.2 Termination.

5.2.1 Either party may terminate this Agreement upon any material breach of this Agreement by the other party and the breaching party's failure to cure such breach within sixty (60) days of written notice from the non-breaching party.

5.2.2 This Agreement shall terminate upon the death or disability of Dr. [NAME]. Disability shall be determined in any reasonable manner by Medical Practice based on Dr. [NAME]'s continuing ability to perform his obligations hereunder.

5.2.3 The term of this Agreement shall be coterminous with Dr. [NAME]'s ownership of Shares in Medical Practice, such that in the event that Dr. [NAME] no longer has any legal or beneficial ownership in Medical Practice due to a permissible transfer of such ownership, this Agreement shall automatically terminate.

5.2.4 If, in the reasonable judgment of one party (the "**Noticing Party**"), this Agreement may materially and adversely affect a party's or its affiliate's licensure, or ability to refer, to accept any referral, to bill, to claim, to present a bill or claim, or to receive payment or reimbursement from any federal, state or local governmental or non-governmental payor or that may subject a party or its affiliate to a substantial risk of prosecution or civil monetary penalty (collectively or individually, "**Legal Event**"), then the Noticing Party may give the other party written notice of the Legal Event, together with documentation from legal counsel describing the Legal Event. Upon such notice, the parties shall immediately use their best efforts to amend this Agreement or enter into a new arrangement for the services provided pursuant to this Agreement that complies with applicable law and preserves the responsibilities and duties and the underlying economic and financial arrangements among the parties with the least amount of changes to such parties' expectations hereunder. If the parties do not execute and deliver an amendment or a new arrangement within sixty (60) days after such notice is provided, then the Agreement shall be terminated.

5.3 Effect of Termination. Upon any termination of this Agreement, Medical Practice and Manager shall commence diligent efforts to designate as soon as practical a Permitted Transferee to accept a transfer of the Shares from Dr. [NAME] (or his estate, if applicable) for consideration of \$100

and to become the sole owner and director of Medical Practice, and until such Permitted Transferee is bound, to the fullest extent permitted by law the parties shall continue to be bound by the terms of this Agreement. Upon such designation of a Permitted Transferee, Dr. [NAME] shall be obligated to transfer the Shares, free and clear of all liens, encumbrances, claims of third parties, security interests, mortgages, pledges, agreements, options and rights of others of any kind whatsoever, whether or not filed, recorded or perfected. Dr. [NAME] (or his estate, if applicable) shall not be required to make any additional representations or have any additional duties, responsibilities or liabilities under the Transfer Documents. Manager shall prepare and provide the Transfer Documents to Dr. [NAME]. Manager shall reimburse Dr. [NAME] (or his estate, if applicable) for his costs of reviewing and negotiating the Transfer Documents. If, despite such efforts, Medical Practice and Manager have not identified and effected a transfer to the Permitted Transferee within 90 days (provided that such period shall be 60 days in the event of Dr. [NAME]'s death) after termination, Dr. [NAME] (or his estate, if applicable) may require that Medical Practice commence the orderly cessation of its active practice operations and dissolution of Medical Practice under the Bylaws.

ARTICLE 6

GENERAL

6.1 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given when delivered by hand or a national over-night courier service, by facsimile with subsequent telephone confirmation, by email upon confirmed receipt, or three (3) business days after mailing when mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties in the manner provided below:

Dr. [NAME]: [NAME], M.D.
[Street Address]
[City, State, Zip]
Email: _____@_____.com

Medical Practice: _____, PA
[Street Address]
[City, State, Zip]
Attention: [NAME]
Email: _____@_____.com

Manager: _____, LLC
[Street Address]
[City, State, Zip]
Attention: [NAME]
Email: _____@_____.com

Any party may change the address or email address to which notice is to be given by notice given in the manner set forth above.

6.2 Governing Law. This Agreement shall be governed by the internal laws and judicial decisions of the State of Texas, without reference to conflicts of law principles.

6.3 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall be one and the same agreement.

Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4 Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties and supersedes all previous agreements or understandings, written or oral, regarding the subject matter hereof. This Agreement may only be modified or amended by a writing executed by the parties.

6.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties, together with their heirs, successors and permitted assigns.

6.6 Assignment. No party shall have the right, without the other party's prior written consent, to assign this Agreement or to assign or delegate any of its or his rights or obligations hereunder.

6.7 Further Assurances. At any time and from time to time, each party agrees, without further consideration, to take such actions and to execute and deliver such documents as may be necessary to effectuate the purposes of this Agreement.

6.8 Captions. The paragraph captions contained in this Agreement are inserted only as a matter of convenience of reference and in no way define, limit or describe the scope of this Agreement, nor the intent of any provision thereof.

6.9 Construction. Notwithstanding the general rules of construction, both parties were given an equal opportunity to negotiate the terms and conditions of this Agreement and agree that the identity of the drafter of this Agreement is not relevant to any interpretation of the terms and conditions of this Agreement.

6.10 Number and Gender. In this Agreement, the masculine, feminine or neuter gender, and the singular or plural number, shall each be deemed to include the other, whenever the context so requires.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Practice Equityholder Agreement to be executed all as of the day and year first above written.

_____, **PA**

By: _____
Name: _____
Title: _____

_____, **M.D.**

Acknowledged and agreed:

_____, **LLC**

By: _____
Name: _____
Title: _____

Exhibit A

Services

The Services shall include the following:

- Provide clinical leadership to Medical Practice, including but not limited to:
 - Participate in addressing quality concerns raised by patients and other providers related to Medical Practice;
 - Mentor Medical Practice's employed nurses and assist as needed in physician recruitment efforts;
 - Develop and assist in implementation of standards and regulations regarding infection control and state regulations (e.g., those issued by CMS, AAMI, OSHA, and CDC);
 - Develop and assist in implementation of disaster preparedness plan;
 - Assist with staff clinical and compliance training (including HIPAA and federal Stark law) and monitor staff compliance with same;
 - Provide clinical insight to Medical Practice's administrative staff, including with regard to the development and implementation of Medical Practice's policies and procedures;
 - Provide clinical insight to contract negotiations (including negotiations with hospitals, service providers and payors); and
 - Provide clinical insight related to Medical Practice's growth opportunities and collaborate on implementation of such opportunities;

Compensation

Manager shall compensate Dr. [NAME] at an annual rate of \$6,000.00, payable in equal monthly payments of \$500. Beginning December 1, 2025 and on each December 1 thereafter during the Term of this Agreement, Physician will receive an increase in compensation equal to the cost of living increase (the percentage increase in COL from previous December to the December as of which the computation is made from the "Consumer Price Index for Urban Wage Earners and Clerical Workers - Northeast Region Area ", published by the Bureau of Labor Statistics) or 2.5%, whichever is greater

Manager and Medical Practice shall reimburse Dr. [NAME] for all reasonable and documented out-of-pocket expenses (e.g., airline tickets, hotel car rental, meals) that Dr. [NAME] incurs at the request of Manager in connection with providing the Services hereunder. Manager or Medical Practice, as applicable, shall remit payment to Dr. [NAME] within 30 days of an invoice being submitted for such expenses.

Dr. [NAME] shall not be eligible for any benefits except as expressly stated herein.

**Franchise Disclosure Document Exhibit J
Confirmation of Additional Terms and Representations**

ADVANCED MOBILE IV, LLC DBA AMIV
a Utah limited liability company
1971 S. 2660 E.
St. George, UT 84790
(435) 559-2911

This Addendum may not be signed or used if the franchisee resides within, or if the franchised business will be located within the State of Maryland.

ADVANCED MOBILE IV, LLC DBA AMIV (“we/us”), desires to verify certain information about the sales process and to confirm any additional commitments or terms beyond those contained in our standard franchise agreement and contained in our current “Franchise Disclosure Document,” including any oral statement, representation, promise, or assurance made during the negotiations for the purchase of an AMIV™ franchise by any of our directors, officers, employees, agents, or representatives (each, a “Representative”).

BACKGROUND AND GENERAL INFORMATION

1. Please state the full name of each individual and entity that will be an owner of the Franchise and an owner of an entity that owns the Franchise:

2. If Franchisee is other than an individual, indicate the capacity in which the undersigned is authorized to act on behalf of the Franchisee (check applicable box):

- Officer (insert title): _____
- General Partner
- Other (please explain): _____

3. What is the location of the Franchise Territory you are purchasing?

6. Have you received a copy of the most current AMIV Disclosure Document?

Yes No

7. On what date did you receive the Disclosure Document? _____

I. FRANCHISE

A. Description of Representations

1. Describe any promises, agreements, contracts, commitments, representations, understandings, "side deals" or other promises that have been made to or with you by us or our Representatives with respect to any matter not expressly contained in the Franchise Agreement. This includes, but is not limited to, any representations or promises regarding advertising, marketing, Site location, operational assistance, or other services or write "None":

2. Describe any oral, written, or visual claim or representation, promise, agreement, contract, commitment, understanding or otherwise which contradicts or is inconsistent with the Disclosure Document or the Franchise Agreement that has been made to you by us or our Representatives or write "None":

3. Describe any oral, written, visual, or other claim or representation that has been made to you by us or our Representatives, which states or suggests any actual, average, projected or forecasted sales, gross receipts, operating costs, revenues, income, profits, expenses, cash flow, tax effects, earnings, or otherwise, that is different from or in addition to what is contained in the Franchise Disclosure Document – including Item 19 or write "None":

4. Describe any statement, promise or assurance made by us or our Representatives concerning the likelihood of success that you should or might expect to achieve from developing and operating an AMIV™ franchise or write "None":

5. Describe any statement, promise or assurance concerning the advertising, marketing, training, support services or assistance that we will furnish you that is contrary to, or different from, the information contained in the Franchise Disclosure Document. If you believe that one of these statements, promises or assurances has been made, please describe the statement or promise in the space provided below or write "None".

6. Describe any other statement, promise or assurance concerning any other matter related to an AMIV™ franchise that is contrary to, or different from, the information contained in the Disclosure Document. If you believe that one of these statements, promises or assurances has been made, please describe the statement, promise or assurance in the space provided below or write "None".

II. YOUR PARTICIPATION

- A. You will personally participate in the management of the AMIV™ Franchise as set forth in the Franchise Agreement. You will faithfully and fully perform all duties required of you under the Franchise Agreement.
- B. Your purchase of the Franchise is for your own account and is not made with a view to or for resale.

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

PROSPECTIVE FRANCHISEE: _____

By: _____

Print Name: _____

Title: _____

Date: _____

Exhibit K
State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

Maryland:	
Michigan:	August 21, 2023
Minnesota:	
Washington:	

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 franchise disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Advanced Mobile IV, LLC dba AMIV offers you a franchise, it must provide this franchise disclosure document to you by the earliest of:

1. The first personal meeting to discuss the franchise (if you are in New York); OR
2. 14 calendar days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale (10 business days if you are in Michigan, New York).

If Advanced Mobile IV, LLC dba AMIV does not deliver this franchise disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in Exhibit F.

The name, principal business address, and telephone number of each franchise seller offering the franchise are:

Ashley Yardley, Holly Hansen, Regan Winder, Kristy Bell, 1971 S. 2660 E., St. George, UT 84790,
(435) 559-2911

Other:

Our authorized agents for service of process are identified on Exhibit F to this Franchise Disclosure Document.

Date of Issuance: August 11, 2023, as amended February 6, 2024

I have received a disclosure document dated as indicated above that included the following Exhibits:

- A. Financial Statements
- B. Standard Franchise Agreement and schedules
- C. Telephone Acknowledgment and Conditional Assignment
- D. EFT Authorization
- E. State Law Addendum
- F. List of State Agents for Service of Process and State Administrators
- G. SBA Addendum
- H. List of Current and Former Franchisees
- I. Medical Director Agreements
- J. Confirmation of Additional Terms and Representations
- K. State Effective Dates
Receipt

DATED this _____.

Signatures of All Prospective Franchisees:

Individuals: _____

Name of Corporation/LLC/Partnership: _____

By: _____ Title: _____

KEEP THIS COPY FOR YOUR RECORDS.

RECEIPT

RECEIPT

This franchise disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Advanced Mobile IV, LLC dba AMIV offers you a franchise, it must provide this franchise disclosure document to you by the earliest of:

1. The first personal meeting to discuss the franchise (if you are in New York); OR
2. 14 calendar days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale (10 business days if you are in Michigan, New York).

If Advanced Mobile IV, LLC dba AMIV does not deliver this franchise disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in Exhibit F.

The name, principal business address, and telephone number of each franchise seller offering the franchise are:

Ashley Yardley, Holly Hansen, Regan Winder, Kristy Bell, 1971 S. 2660 E., St. George, UT 84790, (435) 559-2911

Other:

Our authorized agents for service of process are identified on Exhibit F to this Franchise Disclosure Document.

Date of Issuance: August 11, 2023, as amended February 6, 2024

I have received a disclosure document dated as indicated above that included the following Exhibits:

- A. Financial Statements
- B. Standard Franchise Agreement and schedules
- C. Telephone Acknowledgment and Conditional Assignment
- D. EFT Authorization
- E. State Law Addendum
- F. List of State Agents for Service of Process and State Administrators
- G. SBA Addendum
- H. List of Current and Former Franchisees
- I. Medical Director Agreements
- J. Confirmation of Additional Terms and Representations
- K. State Effective Dates
Receipt

DATED this _____.

Signatures of All Prospective Franchisees:

Individuals: _____

Name of Corporation/LLC/Partnership: _____

By: _____ Title: _____

PLEASE SIGN THIS COPY OF THE RECEIPT, DATE YOUR SIGNATURE, AND RETURN IT TO ADVANCED MOBILE IV, LLC DBA AMIV BY EMAIL ATTACHMENT TO INFO@AMIV.COM OR BY MAIL TO: 1971 S. 2660 E., St. George, UT 84790