

## FRANCHISE DISCLOSURE DOCUMENT



Bod Brands Franchising, Inc.  
A Florida corporation  
415 North Orlando Ave., Suite 104,  
Winter Park, FL 32789  
(407) 867-1817  
support@bodbrandsfranchising.com  
<https://www.Bodenvy.com>

As a Bodenvy franchisee, you will operate a business offering body sculpting, contouring, and weight management programs and services, as well as body sculpting and contouring services along with weight management and nutrition supplements and products. Bodenvy has developed a proprietary system including non-invasive, non-surgical procedures and products which help eliminate stubborn fat, tighten skin, tone muscle, and reduce weight.

The total investment necessary to begin operation of a Bodenvy franchise is \$609,000 to \$1,008,300, which includes \$79,000 to \$98,000 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation under a two to four unit Multi-Unit Development Agreement (including the first unit) is \$665,000 to \$1,157,300 which includes \$134,000 to \$243,000 that must be paid to the franchisor. You must develop at least three Bodenvy units under the Multi-Unit Development Agreement.

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, please contact James (“Jim”) Kucik at 415 North Orlando Ave., Suite 104, Winter Park, FL 32789 and (407) 867-1817.

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](http://www.ftc.gov) for additional information. Call your state agency or

visit your public library for other sources of information on franchising. There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance date: May 26, 2023

## 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
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit H.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit F includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Bodenvy business in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be a Bodenvy franchisee?</b>	Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

## What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

### Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

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

## Special Risks to Consider About *This Franchise*

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

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

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.

**(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY  
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)**

**The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.**

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

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

- (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

**The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.**

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General  
G. Mennen Williams Building, 7th Floor  
525 W. Ottawa Street  
Lansing, Michigan 48909  
Telephone Number: (517) 373 7117

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### **Exhibits**

- A. State Administrators and Agents for Service of Process
  - B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
  - C. Multi-Unit Development Agreement
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- State Effective Dates  
Receipt (2 copies)



## **Item 1**

### **THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

In this disclosure document, “we”, “us,” or “our” refers to Bod Brands Franchising, Inc.. “You” means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity must sign our Guaranty and Non-Compete Agreement, which means that all of the franchise agreement’s provisions also will apply to your owners.

#### Us, Any Parents, and Certain Affiliates

Our name is Bod Brands Franchising, Inc.. dba Bodenvy Franchising. Our principal business address is 415 North Orlando Ave., Suite 104, Winter Park, FL 32789. We do not have any parent entities. We do not have any affiliates that offer franchises in any line of business.

None of our affiliates has offered franchises in other lines of business.

We do have three affiliates which offer products or services to our franchisees: Bodenvy Holdings, LLC, Bodenvy Nutrition, LLC and Bod Brands Marketing, LLC.

Bodenvy Holdings, LLC, is a Florida limited liability company located at 415 North Orlando Ave, Suite 104, Winter Park, FL 32789. This affiliate was formed on April 12, 2021; and owns the trademarks associated with the Bodenvy brand.

Bod Brands Marketing, LLC, is a Florida limited liability company located at 1201 South Orlando Ave, Suite 340, Winter Park, FL 32789. This affiliate was formed on September 1, 2020; and provides optional marketing services to our company owned and franchisee owned locations.

Bodenvy Nutrition, LLC is a Florida limited liability company located at 415 North Orlando Ave, Suite 104, Winter Park, FL 32789. This affiliate was formed on April 13, 2021; and provides nutrition products and supplies to company owned and franchise owned locations.

#### Our Predecessors

We do not have any predecessors.

#### Our Business Name

We use the names “Bod Brands Franchising, Inc.” and “Bodenvy”. We do not intend to use any other names to conduct business.

#### Agent for Service of Process (what is this?)

Our agent for service of process in Florida is Forward Law Firm and the agent’s principal business address is 1615 Woodward St., Orlando, FL 32803. Our agents for service of process in other states are disclosed in Exhibit A.

## Business Organization

We are a Florida corporation. We were incorporated on July 19, 2021.

## Information About Our Business and the Franchises Offered

We do not operate businesses of the type being franchised, but our affiliates, Bodenvy, LLC and Bodenvy Dr. Phillips, LLC do.

We do not have any other business activities. We have not offered franchises in other lines of business.

We and our affiliates have developed a proprietary system including non-invasive, non-surgical procedures and products which help customers to eliminate stubborn fat, tighten skin, tone muscle, and reduce weight.

If you sign a franchise agreement with us, you will develop and operate a business offering body sculpting and contouring products and services, nutrition programs, supplements and beauty services, under the trade name Bodenvy or any other marks authorized by us. You will utilize certain CoolSculpting Machines, whether they be CoolSculpting® machines or our approved equivalents (each a, “Body Sculpting Machine”) that the technology is designed to destroy or assist in shrinking or destroying fat cells, tighten skin, tone muscle, or reduce cellulite. Most of our franchised outlets will have two to five CoolSculpting Machines, although we may agree to a different number.

If you sign a Multi-Unit Development Agreement (attached as Exhibit C to this disclosure document), you will develop multiple Bodenvy outlets, on an agreed-upon schedule. For each future unit franchise, we will require you to sign our then-current form of franchise agreement, which may be different from the form of franchise agreement included in this disclosure document.

The general market for our goods and services is the general public. The market for these goods and services is highly developed. To some extent, the market for our goods and services is seasonal. You will compete against national chains, regional chains, and independent owners. Some of these competitors are franchised.

## Laws and Regulations

The laws applicable to your business include local, state and federal laws regarding health, sanitation, smoking, Equal Employment Opportunity Commission (“EEOC”) standards, Occupational Safety and Health Administration, Federal Trade Commission (“FTC”), consumer protection and privacy laws, pricing laws, and employment laws. Your business may be subject to various employment regulations concerning wage rates, mandated employee benefits, employment taxes, worker safety, unemployment compensation, workers’ compensation, teenage labor practices, disabled employees, and discrimination in employment practices. You will be subject to the Americans with Disabilities Act, which prohibits practices that discriminate against physically and mentally challenged individuals regarding access to public accommodations and employment opportunities.

Besides laws and regulations that apply to businesses generally, a Bodenvy business is subject to many federal, state, and local governmental health and sanitation laws, regulation and licensing requirements as established by your state and its regulatory agencies. The beauty enhancing service industry is regulated and you may be required to pass a health and safety inspection prior to opening for operation. Environmental laws may also regulate the way in which certain solutions are used, stored and disposed of in the process of providing services to customers.

You are responsible for operating in full compliance with all applicable state, local, and federal laws. The medical and aesthetics industry is heavily regulated and changes in applicable laws and regulations can be significant. These laws may include federal, state and local regulations relating to: entity licensure, licensure and the scope of practice of those who provide and/or supervise the provision of Products and Services (including, without limitation, physicians, nurses, and aestheticians); ownership structure requirements; the relationship of the Practice and Franchised Business, including state anti-kickback laws; restrictions or prohibition on fee splitting; provider self-referral restrictions; privacy of patient records and record-keeping requirements; use of medical devices; sales and dispensing of products, pharmaceuticals, and/or supplements; prescribing and/or ordering of services and products; providing services to patients on a cash-pay basis, patient inducement and discounting; and advertising of products and services. While not all of these laws and regulations will be applicable to all franchisees or franchised businesses, depending on location and products and services provided, it is important to be aware of the regulatory framework in the state in which you will be doing business.

You must secure and maintain in force all required licenses, permits and certificates relating to the operation of your Bodenvy business and the other licenses applicable to the Products and Services and the franchisee's or Practice's employees and/or contractors. Each state has medical, nursing, cosmetology, aesthetician, and other boards that determine rules and regulations regarding their respective members and the scope of services that may legally be offered by their members. You and the Practice must not employ any person in a position that requires a license unless that person is currently licensed by all applicable authorities and a copy of the license or permit is in your business files and at the place of business. To the extent any licenses are required, you are responsible for the costs of such licenses. You must also investigate and comply with all state and local laws and regulations relating to the operation of a franchisee, Franchised Business, and Practice. State and local agencies inspect may inspect the entities to ensure that they comply with these laws and regulations. These laws and regulations may vary significantly from state to state and even from locality to locality.

If we permit you to operate a Bodenvy business, we are not engaging in the practice of medicine, nursing, cosmetology, aesthetics, or any other profession that requires specialized training or certification, and you must not engage in the practice of medicine, nursing, cosmetology, aesthetics, or any other profession that requires specialized training or certification without a license. The Franchise Agreement and MSA will not interfere, affect or limit the independent exercise of professional judgment by licensed health care and/or service providers.

You are prohibited from engaging in the practice of medicine or any other activities in violation of applicable state or federal law. You should be aware that some states may consider—or might in the future consider—some of our services to be “medical” or “clinical” in nature. In such event, we note that applicable laws may permit “medical” or “clinical” services to be performed in an entity that is owned by a person who is not a licensed health care provider. However, those applicable laws may require that the business make arrangements with certain health care providers to supervise medical or clinical aspects of the business. Other states have enacted laws that prohibit “corporate ownership” of entities that perform “medical” or “clinical” services. These laws might mean that if you are not properly licensed to provide “medical” or “clinical” services, you cannot own an entity that provides those services but you may be permitted to establish a separate management entity to provide administrative management services to the entity that provides “medical” or “clinical” services and that is owned by a licensed health care provider(s); this type of franchise is referred to in this disclosure document as a “Management Franchise”. In a Management Franchise, our franchisees provide management, administrative and operational support for the Practice (as defined below) owned by a licensed health care provider, with the licensed health care provider being solely responsible for any “medical” or “clinical” services and the employment and contractual relationship with any licensed or supervised service providers.

For purposes of complying with state laws governing the corporate practice of medicine, our franchise offering is designed to be flexible so that we can accommodate a single or dual entity structure.

State laws may require and/or permit that your franchise be operated as a Management Franchise by two (2) separate entities: (1) the “Franchised Business” and (2) an affiliated but independent entity owned by a licensed health care provider(s) (the “Practice”). In these instances, the entity (the Franchised Business) signs our Franchise Agreement, and both the Franchised Business and the Practice must sign an approved form of Management Services Agreement (“MSA”). The “Practice Management Services” that are usually provided by the Franchised Business under the MSA are those Products and Services provided by Bodenvy Businesses (that we designate in our Manuals from time-to-time) which may include organizational, physician practice management advertising, leased equipment, and administrative services, products and services, and leased space. Practice Management Services are provided by the Franchised Business to the entity that is owned by the licensed health care provider(s) who can legally, in accordance with applicable state laws and within the scope of their licensure, perform and/or supervise the services and dispensing of pharmaceuticals and supplements in connection with the certain of the Products and Services (“Licensed Provider Activities”).

You are prohibited from engaging in the practice of medicine or any other activities in violation of applicable state or federal law. We do not consider this business to provide medical services, you should be aware that in some states it is possible that the state may consider—or might in the future consider—some of our services to be “medical” in nature. In such event, we note that applicable laws may permit a “medical” practice to be operated by a person that is not licensed. However, the business must make arrangements with physicians and other professionals who supervise medical aspects of the business. Other states have enacted laws that prohibit “corporate ownership” of medical practices. These laws might mean that if you are not properly

licensed to provide services, you are required to establish a separate management entity to run the business and contractually arrange for the services to be provided by independent licensed health care providers (or an entity, such as a professional corporation or limited liability professional corporation, that is solely owned by licensed individuals; this type of franchise is referred to in this disclosure document as a “Management Franchise”. In a Management Franchise, our franchisees provide management, administrative and operational support for the licensed health care provider, with the licensed health care provider being solely responsible for any medical services.

A number of states have enacted laws similar to the federal Anti-Kickback Act and the Stark Law prohibitions on self-referrals or prohibit certain fee splitting arrangements: These types of laws prohibit certain financial, compensation, and ownership/investment arrangements between (and among) certain types of health care providers and other individuals and/or entities. State requirements vary considerably. State laws may prohibit certain health care providers from being employed by, or providing services on behalf of, corporations and other business entities owned in whole or in part by non-licensed health care providers. In these states, you may be prohibited from employing certain health care providers, or from controlling in any way, the provision of health care services by providers.

The current manufacturer of our approved Body Sculpting Machines does require that you have a “Medical Advisor” on your staff (such person can be a subcontractor) who does have a valid license in your area. A Medical Advisor is usually a licensed physician (either M.D. or D.O.) and in some states may also be a licensed nurse practitioner. You are responsible for complying with licensure requirements applicable to your Medical Advisor. The manufacturer’s current terms also require that only individuals who are legally authorized to treat patients may utilize the Body Sculpting Machines and you are responsible for ensuring that all operators of the Products have the requisite skill required to use the Products under state law.

Be aware that these laws may change over time and could result in a franchisee that begins with one corporate structure and business practices to later use another structure and business practices or to otherwise agree to modify its structure and business practices to comply with applicable law. These are risks that you must be willing to take, and if applicable, we reserve the right to approve of any changes to your corporate structure and business practices.

It is your sole responsibility, to investigate, satisfy and remain in compliance with all local, state and federal laws in addition to obtaining and keeping in force all necessary certifications, licenses, registrations and permits required by public authorities, since they vary from place to place and can change over time. It will be your responsibility to research, understand, and comply with all applicable laws. Therefore, we strongly advise that before signing the Franchise Agreement, you engage an attorney and/or contact local, state and federal agencies to assist you in determining what laws, ordinances and regulations may affect your establishment or operation of a Bodenvy business, and in complying with them, and determining your legal obligations and evaluate the possible effects on your costs and operations. You are responsible for obtaining all certifications, licenses, registrations and permits required to operate your Business.

## Prior Business Experience

We have offered franchises since the date of this disclosure document.

Our affiliate, Bodenvy, LLC has operated Bodenvy North Orlando since July 2019. This affiliate is located at 415 North Orlando Ave, Suite 104, Winter Park, FL 32789.

Our affiliate, Bodenvy Dr. Phillips, LLC has operated Bodenvy Orlando since June 2022. This affiliate is located at 7551 West Sandlake Rd, Orlando, FL 32819.

## **Item 2 BUSINESS EXPERIENCE**

**James “Jim” Kucik – Chief Executive Officer.** Jim Kucik has been our CEO since our formation in July 2021. In addition, he is the CEO of our affiliates, Bodenvy, LLC; Bodenvy Dr. Phillips, LLC; Bod Brands Marketing, LLC; and Bodenvy Nutrition, LLC since their respective foundings. These positions have been held in Orlando and Winter Park, Florida. Prior to that, he was the National Director of Sales for Real Green Systems, Inc. in Walled Lake, Michigan, between July, 2015 and August, 2018; and he was the President of Soundog Applications, LLC in Walled Lake, Michigan, between October, 2017, and August, 2018.

**Helena Kucik – Director of Operations.** Helena Kucik has been our Director of Operations since our formation in July 2021. In addition, she is the Director of Operations of our affiliates, Bodenvy, LLC; Bodenvy Dr. Phillips, LLC; Bod Brands Marketing, LLC; and Bodenvy Nutrition, LLC since their respective foundings. These positions have been held in Orlando and Winter Park, Florida. Previously, she was a medical esthetician for Florida Cosmetic Center in Orlando, Florida between January 2016 and June 2018.

**Sylvia Kolozsvary – Chief Financial Officer.** Sylvia Kolozsvary has been our Chief Financial Officer since May 2023. Ms. Kolozsvary has also served as Chief Financial Officer for our affiliate, Bodenvy, LLC, since June 2019. Ms. Kolozsvary has also served as Chief Financial Officer for Fertility Specialists of Texas since July 2019 in Plano, TX. Ms. Kolozsvary has also served as senior accountant for Park n Go nationwide since August 2016. Additionally, Ms. Kolozsvary has also served as financial manager for the following companies: Orlando Plastic Surgery Associates in Lake Mary, FL since August 2018; Safe Garden Café in Frankfort, KY since July 2016, and Touchstone Dental Laboratory in Altamonte Springs, FL since August 2006

**James Nesmith – Director of Franchise Operations.** James Nesmith has been our Director of Franchise Operations since January 2023. From April 2019 to January 2021, Mr. Nesmith served as the in-house marketing manager for Wyndham Vacation Ownership in Orlando, FL. From January 2017 to March 2019, Mr. Nesmith served as outbound manager for Intercontinental Hotels Group in Orlando, FL.

**Steven Davis – Chief Medical Advisor.** Steven Davis has been our Chief Medical Advisor since May 2023. Since July 1998, Mr. Davis has also served as President Surgeon for David Cosmetic Plastic Surgery in Cherry Hill, NJ.

**Christina Garcia – Director of Extreme Transformation.** Christina Garcia has been the Director of Extreme Transformation for our affiliate, Bodenvy, LLC, since October 2019. Since August 2022, Ms. Garcia has also served as a dietitian for Primal Desent Nutrition, LLC in Groveland, FL. From July 2019 to October 2019, Ms. Garcia was a medical assistant for Gentle Touch Medi Spa in Ocoee, FL. From October 2018 to November 2019, Ms. Garcia was an Emergency Medical Technician for American Medical Response in Bushnell, FL. From December 2018 to July 2019, Ms. Garcia was an Emergency Medical Technician for Advent Health in Zephyrhills, FL.

**Paige Deya – General Manager and On-Site Trainer.** Ms. Deya has been the General Manager and On-Site Trainer for our affiliate, Bodenvy Dr. Phillips, LLC, since December 2019. From September 2019 to January 2020, Ms. Deya was a server with Rome’s Flavors in Winter Park, FL. From August 2016 to August 2019, Ms. Deya was the Assistant Manager for Little Caesars in Stuart, FL.

**Angie Polanco – IT Manager.** Angie Polanco has been our (and our affiliates’) IT Manager since May 2021. This position is held in Orlando, Florida. Prior to that, she was the Marketing Coordinator for Wemert Group Realty in Orlando, Florida between January 2018 and May 2021, and she was the Digital Marketing Coordinator for Polla Bulla in Orlando, Florida between April 2016 and January 2018.

**Joseph Kucik – Director.** Joseph Kucik has been one of our directors since October 2022. Previously, he was CEO of Real Green in Walled Lake, Michigan, between April 1985 and June 2021.

**Barry Klipp – Creative Director.** Barry Klipp has been our Creative Director since April 2023. Mr. Klipp has also served as a freelance creative director since 2001. From September 2022 to April 2023, Mr. Klipp served as Associate Creative Director for The Walt Disney Company in New York City, NY. From June 2020 to May 2021, Mr. Klipp served as Creative Director for Schifino Lee Advertising & Branding in Tampa, FL. From April 2018 to August 2019, Mr. Klipp served as Creative Director for Hype Group in St. Petersburg, FL. From May 2017 to March 2018, Mr. Klipp served as Content Director for The Penny Hoarder in St. Petersburg, FL.

**Item 3  
LITIGATION**

No litigation is required to be disclosed in this Item.

**Item 4  
BANKRUPTCY**

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

**Item 5  
INITIAL FEES**

Franchise Fee

When you sign your franchise agreement, you must pay us \$65,000 as the initial franchise fee. This fee is uniform and is not refundable under any circumstances.

Lead Generation/Market Introduction Fees

You may elect to utilize us or our affiliate, Bod Brands Marketing, LLC, to provide lead generation and sales work to promote your business. If you do elect to utilize these services, we (or our affiliate) will charge an administrative fee of \$3,000 per month. The total estimated fees for the initial period of 3 months would be \$0 (which assumes that you do not utilize our affiliate to provide these services) to \$9,000.

Grand Opening Marketing Fee

Upon the signing of your lease, you must pay us a fee of \$9,000 per unit, to provide your opening marketing campaign. This fee is uniform and is not refundable under any circumstances.

Inventory and Supplies

You must purchase the weight loss products and supplements from our affiliate, Bodenvy Nutrition, LLC. The opening inventory purchase will be \$5,000 to \$15,000. Once purchased, the monies are non-refundable.

Multi-Unit Development

If you and we agree that you will develop multiple franchises, then you will sign our Multi-Unit Development Agreement (“MUDA”) in the form of Exhibit C to this disclosure document. Your franchise fees will be reduced for each franchise after the first franchise for Unit 2 to \$55,000 and each Unit 3 and above at \$45,000. You will pay all franchise fees upon signing the MUDA. They are not refundable.

**Item 6  
OTHER FEES**

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Royalty	7% of your gross sales	Monthly, by the 5 <sup>th</sup> of the following month	See Notes 1, 2 and 3. Create exhibit to ACH Royalties & Marketing
Marketing Fund Contribution	\$500 plus \$200 per CoolSculpting Machines in excess of 2.	Monthly, by the 5 <sup>th</sup> of the following month	See Item 11 for a detailed discussion about these funds.



Type of Fee	Amount	Due Date	Remarks
Market Cooperative Contribution	As determined by the cooperative. Currently, none.	Monthly, by the 5 <sup>th</sup> of the following month	We have the right to establish local or regional advertising cooperatives. If you are a member of a cooperative, you and other members may vote to require each member to contribute between 1% and 5% of gross sales to the cooperative.
Local Advertising and Sales Support Administrative Fee	\$3,000 Per Month for 2 Coolsculpting machines and \$1,000 per each additional machine.	Monthly, by the 5 <sup>th</sup> of the following month	You may utilize us or our affiliate to provide lead generation and sales work to promote your business. This fee can change at any time. We currently do not require you to utilize our affiliate to provide these services, but we reserve the right to do so in the future.
Technology Fee	Currently, \$500 per month.	Monthly, by the 5 <sup>th</sup> of the following month	We reserve the right to charge a commercially reasonable fee for software and other technology products and services we provide. The technology fee will not necessarily be a pass-through of our exact costs. Currently, this includes the fee for our proprietary application, Extreme Transformation, which assists franchisees set meal plans for their customers. We may add, remove, or alter the software or technology products or services that we provide.
Replacement/Additional Training fee	Currently, \$450 per day	Prior to attending training	If you send a manager or other employee to our training program after you open, we will charge our then-current training fee.
Third party vendors	Pass-through of costs, plus reasonable administrative charge. Currently, none.	Varies	We have the right to require franchisees to use third-party vendors and suppliers that we designate. Examples can include computer support vendors, mystery shopping, and customer feedback systems. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together with a reasonable markup or charge for administering the payment program.

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Non-compliance fee	\$500 to \$750 per week	On demand	We may charge you \$500 if your business is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you \$750 per week until you correct such non-compliance.
Reimbursement	Amount that we spend on your behalf, plus 10%	Within 15 days of invoice	If we pay any amount that you owe or are required to pay to a third party, you must reimburse us.
Healthcare Attorney/Consultant Fees	Our actual cost	Upon demand	Payable only if we determine it necessary to retain legal counsel or outside consultation to review or provide guidance with respect to the structure/operation of your business.
Late fee	\$100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	On demand	We may charge a late fee if you fail to make a required payment when due.
Insufficient funds fee	\$50 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law)	On demand	We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account.
Costs of collection	Our actual costs	As incurred	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us.
Special support fee	Our then-current fee, plus our expenses. Currently, \$600 per day.	On demand	If we provide in-person support to you in response to your request, we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).

Type of Fee	Amount	Due Date	Remarks
CSR Consultation Scheduling (Telemarketing) Services	The then current fee, currently per outbound phone call dialed, a flat fee of \$5.00 is charged, but not to exceed \$5,000 per CoolSculpting machine per month to Franchisee.	Debited on the 15th and the last day of each month.	If we (or our affiliate) provide customer service support or telemarketing support services to franchisee.
Customer complaint resolution	Our expenses	On demand	We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses.
Records audit	Our actual cost	On demand	Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, or (2) the audit concludes that you under-reported gross sales by more than 3% for any 4-week period.
Special inspection fee	Currently \$600, plus our out-of-pocket costs	On demand	Payable only if we conduct an inspection of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.
Non-compliance cure costs and fee	Our out-of-pocket costs and internal cost allocation, plus 10%	When billed	We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs plus a 10% administrative fee.
Transfer fee	\$10,000 plus any broker fees and other out-of-pocket costs we incur	When transfer occurs	Payable if you sell your business.

Type of Fee	Amount	Due Date	Remarks
Liquidated damages	An amount equal to royalty fees and marketing fund contributions for the lesser of (i) 2 years or (ii) the remaining weeks of the franchise term.	On demand	Payable if we terminate your franchise agreement because of your default, or if you terminate the franchise agreement without the right to do so.
Indemnity	All of our costs and losses from any legal action related to the operation of your franchise	On demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our misconduct or negligence).
Renewal fee	\$2,500	Upon renewal	Payable if you enter into a successor franchise agreement at the end of your agreement term.
Prevailing party's legal costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any legal proceeding (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

All fees are payable only to us (other than software subscription charges). All fees are imposed by us and collected by us (other than software subscription charges). All fees are non-refundable. We do not represent that all fees are uniform for all franchisees; we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate. There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

#### Notes

1. "Gross Sales" is defined in our franchise agreement as the total dollar amount of all sales generated through your business for a given period, including, but not limited to, payment for any services or products sold by Franchisee (including products and/or services approved by Franchisor after the execution of the Franchise Agreement), whether for cash or credit. Gross Sales does not include (i) bona fide refunds to customers, (ii) sales taxes collected, (iii) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Gross Sales), or (iv) finance fees.

2. All financial reporting for the prior month is due on the 4th month and payable on the 5th day via ACH of each month. You will provide us with our reconciliation report supported by the sole bank account used to receive all funds paid into your location. If upon the 6th day of the month the financial report is not submitted, we will withdraw estimated royalty fees and marketing fund contributions based on 125% of the most recent gross sales you reported. Any disputed amounts will be resolved by the 15th day of the month.

3. We currently require you to pay royalty fees and other amounts due to us by pre-authorized bank draft. However, we can require an alternative payment method.

**Item 7**  
**ESTIMATED INITIAL INVESTMENT**  
**YOUR ESTIMATED INITIAL INVESTMENT - FRANCHISE AGREEMENT**

<b>Type of expenditure</b>	<b>Amount</b>	<b>Method of payment</b>	<b>When due</b>	<b>To whom payment is to be made</b>
Initial franchise fee (see Note 1)	\$65,000 - \$65,000	Check or wire transfer	Upon signing the franchise agreement	Us
Grand Opening Marketing fee (see Note 1)	\$9,000 - \$9,000	Check or wire transfer	90 days after signing of lease	Us
Inventory (see Notes 1, 2)	\$20,000 - \$35,000	Check, debit, and/or credit	Upon ordering	Us or our affiliates
Market Introduction Program (see Note 3)	\$60,000 - \$150,000	Check, debit, and/or credit	As incurred or when billed	Vendors
Lead Generation/Market Introduction Fees for 3 months (see Notes 1, 3)	\$0 - \$9,000	Check, debit, and/or credit	As incurred or when billed	Us or our affiliates
Telemarketing (see Notes 1, 4)	\$18,000 - \$48,000	Check, debit, and/or credit	As incurred or when billed	Vendors (including our affiliate)
Rent and Lease Security Deposit (see Notes 1,5)	\$16,000 - \$30,700	Check	Upon signing lease	Landlord

<b>Type of expenditure</b>	<b>Amount</b>	<b>Method of payment</b>	<b>When due</b>	<b>To whom payment is to be made</b>
Utilities	\$500 - \$2,000	Check, debit, and/or credit	Upon ordering service	Utility providers
Leasehold Improvements (see Note 6)	\$243,000 - \$374,000	Check	As incurred or when billed	Approved Suppliers for design and build out and third-party Contractors
Furniture, Fixtures, and Equipment (see Note 7)	\$51,000 - \$88,000	Check, debit, and/or credit	As incurred	Lease of Equipment with Vendors and Suppliers
Computer Systems, Printers, Phones etc.	\$38,000 - \$45,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Insurance (3 months)	\$3,000 - \$5,600	Check	Upon ordering	Insurance company
Signage behind lobby desk and frontage of building	\$25,000 - \$30,000	Check, debit, and/or credit	Upon ordering	Vendor
Office Expenses	\$1,500 - \$2,500	Check, debit, and/or credit	As incurred	Vendors
Licenses and Permits	\$500 - \$1,000	Check	Upon application	Government
Professional Fees (lawyer, accountant, etc.)	\$2,000 - \$5,000	Check, debit, and/or credit	As incurred or when billed	Professional service firms
Travel, lodging and meals for initial training	\$6,500 - \$8,500	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first 3 months) (see Note 8)	\$50,000 - \$100,000	Varies	Varies	Employees, suppliers, utilities

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Total	\$609,000 - \$1,008,300			

**YOUR ESTIMATED INITIAL INVESTMENT - MULTI UNIT DEVELOPMENT AGREEMENT**

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
First franchise (see table above)	\$544,000 - \$943,300	Varies	Varies	Varies
Initial franchise fees for two to four units (see Note 8)	\$120,000 - \$210,000	Check or wire transfer	Upon signing the MUDA	Us
Business planning and miscellaneous expenses	\$1,000 - \$4,000	Check	As incurred	Vendors and suppliers
Total	\$665,000 - \$1,157,300			

Notes

1. Your lease security deposit and utility deposits will usually be refundable unless you owe money to the landlord or utility provider. None of the other expenditures in this table will be refundable once paid. Neither we nor any affiliate finances any part of your initial investment.

2. You must purchase an opening inventory order of nutrition supplements and weight loss products from our affiliate, Bodenvy Nutrition, LLC. You must also buy CoolSculpting® cards, CoolTone cards, and Erchonia laser credits from our approved manufacturer, these cards and credits enable the equipment to be used per procedure basis. This opening inventory order will be enough product to last the first 2-4 weeks of business depending on your sales volume.

3. Beginning with the opening of your business, you must make certain levels of marketing expenditures. You may choose to engage our affiliate to coordinate your marketing, and if you do so you will pay a fee for those services. See Items 5 and 11 for more details. The table above reflects 3 months of estimated expenditures.

4. You are required to engage personnel to conduct telemarketing services for you, whether those are dedicated employees or independent contractors or outside vendors. You are currently not required to utilize our affiliate to provide these services; however, if you do utilize these services, you must pay a fee for those services. See Item 5 for more details.

5. Our estimates in this table assume you pay one month rent plus a security deposit before you open for business. For this to occur, you would need to negotiate a “free rent” period for the time it takes to build out your business. We expect that you will rent your location. If you choose to purchase real estate instead of renting, your costs will be significantly different.

6. 6. These figures are based upon construction costs of between 140 and \$155 per square foot construction plus permitting fees, architectural, design and engineering fees, and a construction management fee of 6% of construction costs. Our estimates are based upon both a 1,400 square foot facility and a 2,000 square foot facility. This does not take into account any Tenant Improvement (TI) dollars.

7. Our estimates for furniture, fixtures and equipment assume that you will lease the required 4 CoolSculpting Machines with a down payment of 15%. If you choose to purchase the required 4 CoolSculpting Machines then you will incur an additional cost of approximately \$105,000 per machine (\$420,000).

8. This includes any other required expenses you will incur before operations begin and during the initial 3-month period of operations, such as payroll, additional inventory, rent, and other operating expenses in excess of income generated by the business. It does not include any salary or compensation for you. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: the development of a Bodenvy business by our affiliate, and our general knowledge of the industry.

9. This estimate assumes you sign a Multi-Unit Development Agreement for two to five franchises. The franchise fee for your first unit is counted in the “Estimated Initial Investment – Franchise Agreement” table.

## **Item 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

#### Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us or our designee, or from suppliers approved by us, or (2) according to our specifications. You must comply with any changes we make in the future to these requirements.

#### Specific Obligations

The following are our current specific obligations for purchases and leases:

A. Real Estate. Your business location is subject to our approval and must meet our specifications. If you lease your location from a third party, you must use reasonable efforts to have the landlord sign our form of Rider to Lease Agreement (attached to this disclosure document as Exhibit D).

B. Insurance. You must obtain insurance as described in the Franchise Agreement and in our Brand Standards Manual, which includes (i) “Special” causes of loss coverage forms, including fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business, for full repair and replacement value (subject to a reasonable deductible); (ii) Business interruption insurance covering at least 12 months of income; (iii) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability



coverage, written on an “occurrence” policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$3,000,000 aggregate limit, (iv) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000; (v) Workers Compensation coverage as required by state law; and (vi) Professional Liability coverage, written on an “occurrence” policy form in an amount of not less than \$1,000,000 per occurrence and \$3,000,000 aggregate limit (Professional Liability coverage should also include sexual abuse coverage of not less than \$1,000,000 per occurrence and \$1,000,000 in aggregate as well). Your policies (other than Workers Compensation) must list us and our affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days’ prior written notice of cancellation.

C. Point-of-sale software and hardware, and related software and hardware. You must purchase (or lease) the point-of-sale software and hardware, and related software and hardware, that we specify. See Item 11 for more details.

D. Equipment. You must purchase and use the machines and equipment from approved vendors and suppliers as provided in our standards and specifications.

E. Products and Inventory. You must purchase weight loss products, nutrition items and other supplies from our affiliate, Bodenvy Nutrition, LLC. You must receive approval for any branded material above and beyond including apparel.

F. Marketing Services. In the future, we may require that you purchase marketing materials and services from our affiliate, Bod Brands Marketing, LLC. We can require you to enter into an agreement with this affiliate for those services. Exhibit L to this Disclosure Document includes the current form of the digital marketing agreement.

G. Legal Compliance. We may require that you engage a competent healthcare attorney to provide guidance with respect to the establishment and ongoing operation of your business, and we may require that you engage a competent information technology company or similar provider to ensure that your point of sale and computer systems follow applicable privacy standards and/or HIPAA requirements. As a condition to granting our consent to open, we have the right to review and approve the legal structure of your business and any agreement or other documentation prepared in connection with the formation and operation of the business, including without limitation, any management agreement.

H. Health Care Provider. We have the right to approve any Health Care Provider that you select to provide Services at the business.

I. Telemarketing Services. Beginning on the opening of your business, you must employ or utilize telemarketers. You may elect to purchase telemarketing services from our affiliate, Bod Brands Marketing, LLC. While we do not currently require you to purchase these services, we reserve the right to require you to enter into an agreement with this affiliate for those services in the future. If you choose to utilize this affiliate, you will pay our affiliates then current fee which, as of the issuance date of this FDD is \$5.00 per outbound call dialed with a maximum

monthly cost of \$5,000 for each CoolSculpting machine in your business. Exhibit L to this Disclosure Document includes the current form of the telemarketing agreement.

J. IT Platform You must use our approved IT vendor to run and operate your business. You are responsible for all IT, Software, and Hardware expenses.

#### Us or our Affiliates as Supplier

Our affiliate, Bodenvy Nutrition, LLC, is currently a required supplier of the weight loss and nutrition products and supplements that you must purchase.

Except as stated above, currently, neither we nor our affiliates are the supplier of any other service or product that you must purchase. However, we reserve the right to be a supplier (or sole supplier) or to have our affiliates be a supplier (or sole supplier) of any and all goods and services that you must purchase. In addition, in the future, we can require you to utilize us or our affiliate, Bod Brands Marketing, LLC, to provide you with marketing materials and services, as well as telemarketing services..

#### Ownership of Suppliers

None of our officers currently owns an interest in any supplier to our franchisees except that our officers, Jim & Helena Kucik, are the owners of Bodenvy Nutrition, LLC and Jim & Helena Kucik and Joe Kucik are the owners of Bod Brands Marketing, LLC.

#### Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers, you must request our approval in writing. We have the sole discretion to approve or reject an alternative supplier. We may condition our approval on criteria we deem appropriate, such as evaluations of the supplier's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our approval in writing, and we grant approval. There may be a fee for us to review or approve an alternate supplier. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

#### Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications after evaluating the intended changes. We may also conduct limited market testing in one or more outlets.

### Revenue to Us and Our Affiliates

We and/or our affiliates will derive revenue from the required purchases and leases by franchisees. Because we are a new franchisor, our total revenue in the prior fiscal year was \$0. Our revenue from all required purchases and leases of products and services by franchisees in the prior fiscal year was \$0. The percentage of our total revenues that were from required purchases or leases in the prior fiscal year was 0%.

### Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are 50% to 80% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases of goods and services to operate your business are 50% to 80% of your total purchases and leases of goods and services to operate your business.

### Payments by Designated Suppliers to Us

We do not currently receive payments from any designated suppliers based on purchases by you or other franchisees. However, the franchise agreement does not prohibit us from doing so. We have the right to earn a profit from any product we supply or from designated suppliers. We are not required to give you an accounting of any payments we receive from designated suppliers, nor are we required to share any benefits of supplier payments with you or with any other franchisee.

### Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

### Negotiated Arrangements

We do not negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees. However, we may do so in the future.

### Benefits Provided to You for Purchases

We do not provide any material benefit to you based on your purchase of particular goods or services, or your use of particular suppliers.

## **Item 9**

### **FRANCHISEE'S OBLIGATIONS**

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	Franchise Agreement (FA): §§ 6.1, 6.2 Multi-Unit Development Agreement (MUDA): Not Applicable	Item 11
b. Pre-opening purchase/leases	FA: §§ 6.2, 6.3 MUDA: Not Applicable	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	FA: Article 6 MUDA: §§1(a), 3	Items 5, 7, 8 and 11
d. Initial and ongoing training	FA: §§ 5.2, 6.4, 7.6 MUDA: Not Applicable	Items 5, 6, 8 and 11
e. Opening	FA: §§ 6.5, 6.6 MUDA: §1(a)	Items 7, 8 and 11
f. Fees	FA: Article 4, §§ 5.3, 7.8, 8.4, 9.5, 10.5, 11.2, 11.3, 14.5, 15.2, 16.1, 17.6 MUDA: §1(a)	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	FA: §§ 6.3, 7.1, 7.3, 7.5, 7.9 – 7.13, 7.15, 9.1, 10.1, 10.4, 11.1 MUDA: Article 1	Items 8, 11 and 14
h. Trademarks and proprietary information	FA: Article 12, § 13.1 MUDA: Not Applicable	Items 13 and 14
i. Restrictions on products/services offered	FA: § 7.3 MUDA: Not Applicable	Items 8, 11 and 16
j. Warranty and customer service requirements	FA: §§ 7.3, 7.8, 7.9 MUDA: Not Applicable	Item 8
k. Territorial development and sales quotas	FA: § 2.2 MUDA: §1(a), 4(ii)	Item 12
l. Ongoing product/service purchases	FA: Article 8 MUDA: Not Applicable	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	FA: §§§§ 3.2, 7.12, 7.13 MUDA: Not Applicable	Items 6, 7 and 8

<b>Obligation</b>	<b>Section in agreement</b>	<b>Disclosure document item</b>
n. Insurance	FA: § 7.15 MUDA: Not Applicable	Items 6, 7 and 8
o. Advertising	FA: Article 9 MUDA: Not Applicable	Items 6, 7, 8 and 11
p. Indemnification	FA: Article 16 MUDA: Not Applicable	Items 6 and 8
q. Owner's participation/management/staffing	FA: § 2.4 MUDA: Not Applicable	Items 15
r. Records and reports	FA: Article 10 MUDA: Not Applicable	Item 11
s. Inspections and audits	FA: §§ 10.5, 11.2 MUDA: Not Applicable	Items 6 and 11
t. Transfer	FA: Article 15 MUDA: Article 7	Items 6 and 17
u. Renewal	FA: § 3.2 MUDA: Not Applicable	Items 6 and 17
v. Post-termination obligations	FA: Article 13, § 14.3 MUDA: Not Applicable	Item 17
w. Non-competition covenants	FA: § 13.2 MUDA: Not Applicable	Item 17
x. Dispute resolution	FA: Article 17 MUDA: Article 7	Items 6 and 17

**Item 10  
FINANCING**

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

**Item 11  
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND  
TRAINING**

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

## Our Pre-Opening Obligations

Before you open your business:

A. *Your site.* We will review and advise you regarding potential locations that you submit to us. (Section 5.2). If you sign a Multi-Unit Development Agreement, we will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. We are not obligated to further assist you in locating a site or negotiating the purchase or lease of the site.

- (i) We generally do not own your premises and lease it to you.
- (ii) If your site is not already known and approved by us when you sign your franchise agreement, then we and you will specify in your franchise agreement the area in which you must select a site (Franchise Agreement, Summary Page). We do not select your site. You must find a potential site and submit your site to us for approval, together with all information and documents about the site that we request. When we accept a site, we will issue a Location Acceptance Letter (in the form of Attachment 2 to the Franchise Agreement).
- (iii) The factors we consider in approving sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size, physical characteristics of existing buildings, and lease terms.
- (iv) The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. (Section 6.1). If we and you cannot agree on a site, you will be unable to comply with your obligation to develop and open the franchise by the deadline stated in the franchise agreement. Unless we agree to extend the deadline, you will be in default and we may terminate your franchise agreement.
- (v) We are not obligated to assist you in conforming the premises of your site to local ordinances and building codes and obtaining any required permits. This will be your responsibility.

B. *Constructing, remodeling, or decorating the premises.* We will advise you regarding the layout, design, and build-out of your business. We may refer you to a partner to inform you of the layout, design, and build-out of your building. You are required to adhere to our design and architecture standards including finish requirements. We must approve your layout, design, and build-out of your business. (Section 5.2)

C. *Hiring and training employees.* Our opening support (as described below) includes assisting you in training employees. All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

D. *Necessary equipment, signs, fixtures, opening inventory, and supplies.* We will provide you a list of our specifications and approved suppliers for equipment, signs, fixtures, opening inventory, and supplies necessary to open your business. (Section 5.2). You must display

all signs as designated by us. We do not provide these items directly; we only provide the names of approved suppliers. We do not deliver or install these items.

E. *Brand Standards Manual.* We will give you access to our Brand Standards Manual (Section 5.1).

F. *Initial Training Program.* We will conduct our initial training program. (Section 5.2). The current initial training program is described below.

G. *Business plan review.* If you request, we will review your pre-opening business plan and financial projections after completion of franchise agreement. (Section 5.2)

H. *Market introduction plan.* After you pay the Grand Opening Marketing Fee, we will develop and implement your market introduction plan. (Section 5.2)

I. *On-site opening support.* We will have a representative provide on-site support for between 4 and 5 days in connection with your business opening, at our expense. (Section 5.2)

### Length of Time to Open

The typical length of time between signing the franchise agreement and the opening of your business is 6 to 10 months. Factors that may affect the time period include your ability to obtain a lease, obtain financing, develop your location, obtain business permits and licenses, and hire employees.

### Our Post-Opening Obligations

After you open your business:

A. *Developing products or services you will offer to your customers.* Although it is our intent to refine and develop products or services that you will offer to your customers, the franchise agreement does not obligate us to do so.

B. *Hiring and training employees.* All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

C. *Improving and developing your business; resolving operating problems you encounter.* If you request, we will provide advice to you (by telephone or electronic communication) regarding improving and developing your business, and resolving operating problems you encounter, to the extent we deem reasonable. If we provide in-person support in response to your request, we may charge a fee (currently \$600 per day) plus any out-of-pocket expenses (such as travel, lodging, and meals for our employees providing onsite support). (Section 5.3)

D. *Establishing prices.* Upon your request, we will provide recommended prices for products and services. (Section 5.3). We have the right to determine prices charged by our franchisees for goods and services (but only to the extent permitted by applicable law) (Section

7.4). In addition, some of the manufacturers of CoolSculpting Machines may have minimum prices that can be advertised, and you may also be required to comply with these requirements.

E. *Establishing and using administrative, bookkeeping, accounting, and inventory control procedures.* We will provide you our recommended procedures for administration, bookkeeping, accounting, and inventory control (Section 5.3). We may make any such procedures part of required (and not merely recommended) procedures for our system.

F. *Marketing Fund.* We will administer the Marketing Fund (Section 5.3). We will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of our fiscal year and will provide the financial statement to you upon written request. (Section 9.3)

G. *Website.* We will maintain a website for the Bodenvy brand, which will include your business information and telephone number. (Section 5.3)

### Advertising

*Our obligation.* We will use the Marketing Fund only for marketing and related purposes and costs. Media coverage is primarily local. We use outside vendors and consultants to produce advertising. We are not required to spend any amount of advertising in the area or territory where any particular franchisee is located. We will maintain the brand website (which may be paid for by the Marketing Fund). We have no other obligation to conduct advertising.

*Your own advertising material.* You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 14 days prior to use. If we do not respond, the material is deemed rejected. If you develop any advertising or marketing materials, we may use those materials for any purpose, without any payment to you.

*Advertising council.* We will not have an advertising council composed of franchisees.

*Local or Regional Advertising Cooperatives.* We do not currently have any local or regional advertising cooperatives. We have the right to require you to participate in a local or regional advertising cooperative. We will define the area of the cooperative based on media markets, or other geographic criteria that we deem appropriate. Each franchisee in the area would have one vote per outlet (unless the franchisee is in default under its franchise agreement). The amount you must contribute to the cooperative will be determined by vote of the members, but not less than 1% and not more than 5% of gross sales. If our own outlets are members of a cooperative, they must contribute to the cooperative on the same basis as franchisees, and they will vote on the same basis as other members. We administer the cooperative, but we have the right to delegate responsibility for administration to an outside company such as an advertising agency or accounting firm, or to the franchisee members of the cooperative. We have the right to require the cooperative to operate from written bylaws or other governing documents that we determine. The documents are not currently available for you to review. Cooperatives will prepare annual financial statements which will be made available for review only by us and by the members of the cooperative. We have the power to require cooperatives to be formed, changed, dissolved, or merged.



*Marketing Fund.* You and all other franchisees must contribute to our Marketing Fund. Your contribution is \$500 plus an additional \$200 per CoolSculpting Machines in excess of 2 machines per month. (For example: If you have 5 CoolSculpting Machines, then your monthly marketing fund contribution will be \$1,100 (\$500 minimum plus \$200 x 3 CoolSculpting Machines)). We reserve the right to have other franchisees contribute a different amount or at a different rate. Outlets that we own are not obligated to contribute to the Marketing Fund. We administer the fund. The fund is not audited. We will make unaudited annual financial statements available to you upon request.

We may use the funds contributed to the national marketing fund, in our sole discretion, for market studies, technology development, advertising and public relations, product and service development, to produce materials, prepare miscellaneous artwork, conduct print, radio and/or television advertising, implement customer service programs or conduct consumer research on a national or regional level, employ an in-house or outside advertising agency and funding any other direct or indirect marketing activity, including funding or operating a charitable foundation or other charitable entities or activities, and administrative costs, which may include reimbursement for direct administrative and personnel costs associated with advertising and public relations, and any other costs associated with the development, marketing and public relations materials, and for the purchase of media placement, advertising time and public relations materials in national, regional or other advertising and public relations media in a manner determined by us, in our sole discretion, to be in the best interest of the franchisees and the system. While we do not anticipate that the national marketing fund will be used for advertising that is principally a solicitation for franchisees, we reserve the right to use the national marketing fund for public relations or recognition of our brand, for the creation and maintenance of a web site, a portion of which can be used to explain the franchise offering and solicit potential franchisees, and to include a notation in any advertisement indicating “Franchises Available.”

Because we are a new franchisor, we did not spend any money from the Marketing Fund in our most recently concluded fiscal year.

If less than all marketing funds are spent in the fiscal year in which they accrue, the money will remain in the Marketing Fund to be spent in the next year.

No money from the Marketing Fund is spent principally to solicit new franchise sales.

*Market introduction plan.* We will develop and assist you in implementing the planning and execution of your market introduction plan. You must follow our instructions related to that plan.

*Initial Launch Required Marketing Spend.* Month 1 through the period ending Month 3, you must spend the “Minimum Marketing Spending” which is \$12,500 per Body Sculpting Machine per month.

*Ongoing Required Marketing Spend for Media.* Beginning at month four after the opening of your business, you must spend at least \$12,500 per Body Sculpting Machine per month. In the event that your sales decrease at any time on a month to month basis, we will have a consultation to assess your marketing spend. Our company owned locations have typically increased spending

on a nominal basis. In our Winter Park corporate location, average monthly spend for our five CoolSculpting® machines was \$16,000 per machine (after co-op refunds from the equipment manufacturer of \$250,000).

### Point of Sale and Computer Systems

We require you to buy (or lease) and use a point-of-sale system and computer system as follows: The system includes 3 to 7 personal computers with related internet connection and related peripherals; MindBody/Messenger AI, our currently required POS/CRM system/credit card processing system; QuickerNotes; RXPhoto; the Extreme Transformation App, Apiant; and our preferred accounting platform, such as QuickBooks. These systems will generate or store data such as inventory/product details, sales transactions, client, employee, scheduling, reporting, and accounting information.

We estimate that these systems will cost between \$38,000 and \$45,000 to purchase and install.

We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. We do require you enter into any such contract with a third party.

You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation.

We estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be \$12,000 and \$18,000.

You must give us independent access to the information that will be generated or stored in these systems, and if we request, you must give us login access and administrative rights to all software utilized in your business. The information that we may access, subject to applicable state and federal law, will include all data stored on in-house software. You must also agree that the provider/servicer of the CoolSculpting Machines in your Business will provide us with access to all information relevant to those machines. There is no contractual limitation on our right to access the information or to share such information with others, including vendors of marketing, operations, and scheduling software, as we deem appropriate

### Brand Standards Manual

See Exhibit G for the table of contents of our Brand Standards Manual as of the date this disclosure document, with the number of pages devoted to each subject. Our Brand Standards Manual currently has 221 pages.

### Training Program

Our training program consists of the following:

## TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Getting Started with Bodenvy Culture, History, and Basic Setup (Manual, Orientation Materials, etc.)	2-4	0	Orlando, FL; Winter Park, FL; or Your Location
Front Desk Basics	2-4	14-16	Orlando, FL; Winter Park, FL; or Your Location
Treatments Training/Equipment	10-20	10-20	Orlando, FL; Winter Park, FL; or Your Location
Sales and Pricing	5-10	5-10	Orlando, FL; Winter Park, FL; or Your Location
Extreme Transformation	5-10	5-10	Orlando, FL; Winter Park, FL; or Your Location
<b>TOTALS:</b>	24-48	34-56	

Training classes will be scheduled in accordance with the needs of new franchisees. We anticipate holding training classes two to six times per year. Training will be held at our offices and business location in Winter Park, Florida, or Orlando, Florida; although we may agree to hold some training at your location. We reserve the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the initial training program.

The instruction materials consist primarily of our Brand Standards Manual and other materials, lectures, discussions, and on-the-job demonstration and practice, as well as our Onboarding Checklist which contains links organized by section for all applicable written procedures, training videos, learning checks referred to as Knowledge Reviews (automatically graded with correct answers provided, with a structure in place requiring successful completion via a minimum score threshold), and a shadowing/coaching checklist and approval process all required to successfully and fully complete the necessary training. Additional instructional material will be provided consisting of additional similar training (additional procedures, additional video training, additional checklists, etc.) for “higher-level” functions required of the franchisee and/or the individual acting as the owner/operator and/or manager of the franchisee.

Training classes will be led or supervised by James Nesmith. James Nesmith has been our Director of Franchise Operations since January 2021.

There is no fee for up to 3 people to attend training. You may bring additional individuals to training for our then current daily fee, currently \$450. You must pay the travel and living expenses of the people attending training.

You (or your Principal Executive) and your general manager and sales representative, if that person is not also the Principal Executive, must attend and complete training to our satisfaction. You may send any additional people to training that you want (up to the maximum described above). You must complete training to our satisfaction at least four weeks before opening your business. You and your general manager must pass an exam that we provide that which evaluates your understanding for the content covered in the training program. Should you or your general manager fail to pass the exam to our approval, we will provide you with a reasonable number of opportunities to retake the exam. In the event that your general manager cannot pass the exam within a reasonable number of opportunities, you will be required to hire a new general manager and pay a fee to train this new general manager. If you (or your Principal Executive) cannot pass the exam within a reasonable number of opportunities, we have the right to terminate the franchise agreement with no refund of the initial franchise fee.

Your business must at all times be under your on-site supervision or under the on-site supervision of a general manager who has completed our training program. If you need to send a new general manager to our training program, we may charge a fee, which is currently \$450 per day. Otherwise, we do not currently require additional training programs or refresher courses, but we have the right to do so.

## **Item 12 TERRITORY**

### Your Location

Your franchise is for a specific location. If the specific location is not known at the time you sign a franchise agreement, then your location is subject to our approval. You must operate your franchise only at the premises. During the term of the Franchise Agreement, we will not operate, or grant the right to any other party to operate, a Bodenvy unit at any location within the “Protected Territory” designated in your Franchise Agreement.

### Grant of Territory

Your franchise agreement will specify a territory, which will be determined by us. Your territory will have a population of approximately 150,000 to 400,000 people with 2-4 CoolSculpting Machines that you utilize at the time of the opening of your business. Your territory will usually be specified as zip codes or a radius around your location; however, we may use other boundaries (such as county lines or other political boundaries, streets, geographical features, or trade area); however, in no event will your territory exceed a 25-mile radius, regardless of the number of CoolSculpting Machines that you utilize. If your business location is not known when you sign your franchise agreement, then we will state your location and territory in a “Location Acceptance Letter” when we approve your location.

During the term of the MUDA, we and our affiliates will not operate, or license others to operate, any new Bodenvy units in your Development Area, provided that you are in compliance with the terms of the MUDA and any other agreements with us and our affiliates and you are current on all obligations due to us and our affiliates. However, we may operate, and license others to operate, Bodenvy units in the Development Area that are open and operating or under

development when you sign the Development Agreement. We reserve the same rights in your Development Area as we do in your Territory as described above.

#### Relocation; Establishment of Additional Outlets

You do not have the right to relocate your business, and we have no obligation to approve any request for relocation. Our policy is to approve relocation of a franchisee's business on a case-by-case basis, considering factors such as changes in demographics, profitability of your current business, or a loss of your premises due to circumstances beyond your control.

You do not have the right to establish additional franchised outlets unless you sign a Multi-Unit Development Agreement ("MUDA") in the form attached as Exhibit C to this disclosure document. If you and we sign a MUDA, then you will have the right to establish a mutually-agreed number of additional outlets on a mutually-agreed schedule. Under the MUDA, your right to develop additional outlets is subject to (1) you must comply with the mutually-agreed development schedule, (2) you must have sufficient financial and organizational capacity to develop, open, operate, and manage each additional Bodenvy business, (3) you must be in compliance with all brand requirements at your open Bodenvy business(es), and (4) you must not be in default under any other agreement with us. We will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. For each future site, you must sign our then-current form of Franchise Agreement, which may be materially different than the original Franchise Agreement that you signed. You are not obligated to develop additional outlets under the MUDA, and you may terminate it any time without penalty. However, if you elect to terminate your MUDA, you will not be entitled to a refund of any amounts previously paid to us. If you do not meet your development schedule in the MUDA, we have the right to terminate your right to develop additional outlets with no refund of franchise fee.

#### Options to Acquire Additional Franchises

You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises.

#### Territory Protection

You will not receive an exclusive territory under the Franchise or the MUDA. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We will have no obligation to compensate you in connection with any such activities.

The continuation of your territorial protection does not depend on achieving a certain sales volume, market penetration, or other contingency, except that if you reduce the number of CoolSculpting Machines below the amount on which your territory is based, than we may reduce the size of your territory. Other than this, there are no circumstances that permit us to modify your territorial rights.

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

There are no restrictions on us from soliciting or accepting orders from consumers inside your territory. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks or using trademarks different from the ones you will use under your franchise agreement. We do not pay any compensation to you for soliciting or accepting orders from inside your territory.

Soliciting by You Outside Your Territory

There are no restrictions on you for accepting orders from consumers outside of your territory, except that no marketing and advertising is not geared to be outside your approved area.

Competition by Us Under Different Trademarks

Neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement does not prohibit us from doing so.

**Item 13  
TRADEMARKS**

Principal Trademark

The following are the principal trademarks that we license to you. These trademarks are owned by our affiliate, Bodenvy Holdings, LLC. They are registered on the Principal Register of the United States Patent and Trademark Office.

<b>Trademark</b>	<b>Registration Date</b>	<b>Registration Number</b>
bodenvy	June 23, 2020	6084885
BODENVY WEIGHT LOSS	June 21, 2022	6767837
SHRINK & DESTROY PROGRAM	August 30, 2022	6831384
bodenvy be the best version of you!	January 24, 2023	6960028

Because the federal trademark registrations are less than six years old, no affidavits are required at this time and none have been filed. The registration has not yet been renewed, but we intend on renewing these when due.

Determinations

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings.

## Litigation

There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

## Agreements

Our affiliate, Bodenvy Holdings, LLC, owns the trademarks described in this Item. Under an Intercompany License Agreement between us and Bodenvy Holdings, LLC, dated January 1, 2022, we have been granted the exclusive right to sublicense the trademarks to franchisees throughout the United States. The agreement has no expiration. It may be modified only by mutual consent of the parties. It may be terminated by our affiliate only if (1) we materially misuse the trademarks and fail to correct the misuse, or (2) we discontinue commercial use of the trademarks for a continuous period of more than one year. The Intercompany License Agreement specifies that if it is ever terminated, your franchise rights will remain unaffected.

## Protection of Rights

We protect your right to use the principal trademarks listed in this Item, and we protect you against claims of infringement or unfair competition arising out of your use of the trademarks, to the extent described in this section.

The franchise agreement obligates you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a trademark licensed to you. The franchise agreement does not require us to take affirmative action when notified of these uses or claims. We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you.

If you use our trademarks in accordance with the franchise agreement, then (i) we will defend you (at our expense) against any legal action by a third party alleging infringement by your use of the trademark, and (ii) we will indemnify you for expenses and damages if the legal action is resolved unfavorably to you.

Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense. You will have a reasonable period of time to comply with the change, not to exceed 90 days. After such period, you would no longer have the right to use the unmodified or discontinued trademark. Your rights under the franchise agreement do not change, other than the modification or discontinuation of the trademark.

## Superior Prior Rights and Infringing Uses

We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks. You should understand that there could be other businesses using trademarks, trade names or other symbols similar to our Marks with superior rights to our rights. Before starting your business, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise in order to avoid the possibility of having to change your business name.

**Item 14**  
**PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

Patents

We do not own rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications.

Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Brand Standards Manual as well as all other sales, training, management and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

We do not have any registered copyrights. There are no pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights, at your expense.

We do not know of any copyright infringement that could materially affect you.

Proprietary Information

We have a proprietary, confidential Brand Standards Manual and related materials that include guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

All customer data and point-of-sale data generated by your business is confidential information and is exclusively owned by us, and we may share such information with others, including vendors of marketing, operations, and scheduling software, as we deem appropriate. We license such data back to you without charge solely for your use in connection with your Bodenvy business.



You (and your owners, if the franchise is owned by an entity) must protect the confidentiality of our Brand Standards Manual and other proprietary information, and you must use our confidential information only for your franchised business. We may require your managers and key employees to sign confidentiality agreements.

You must disclose to us all ideas, plans, improvements, concepts, methods, and techniques relating to your Bodenvy business that you conceive or develop. We will automatically own all such innovations, and we will have the right to incorporate any innovations into our system for use by all franchisees, without any compensation to you.

**Item 15**  
**OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE**  
**FRANCHISE BUSINESS**

Your Participation

You must devote substantial time and attention to your business.

If you are the sole owner of the business, then you are deemed the “Principal Executive”. If the business is owned through a corporation or limited liability company, you must designate one owner as your “Principal Executive”. The Principal Executive is the owner primarily responsible for the business and has decision-making authority on behalf of the business. The Principal Executive must complete our initial training program. The Principal Executive must complete any post-opening training programs that we develop in the future. The Principal Executive must make reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls), including regional or national brand conferences, that we require. The Principal Executive cannot fail to attend more than three consecutive required meetings.

If your business is owned by an entity, all owners of the business must sign our Guaranty and Non-Compete Agreement (see Attachment 3 to Exhibit B).

“On-Premises” Supervision

You are not required to personally conduct “on-premises” supervision (that is, act as general manager) of your business. However, we recommend on-premises supervision by you.

There is no limit on who you can hire as an on-premises supervisor except that the general manager of your business (whether that is you or a hired person) must successfully complete our training program, including passing our required examination provided at the completion of the training program.

If the franchise business is owned by an entity, we do not require that the general manager own any equity in the entity.

## Restrictions on Your Manager

If we request, you must have your general manager (and other key employees that we reasonably designate) sign a confidentiality and non-compete agreement. We will not require you to enter into a confidentiality and non-compete agreement that violates applicable state law or that prohibits a person from being employed by another Bodenvy outlet. We do not require you to place any other restrictions on your manager.

### **Item 16**

#### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer for sale only goods and services that we have approved.

You must offer for sale all goods and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes.

We do not restrict your access to customers, except that all sales must be made at or from your premises.

In no circumstances will you sell or offer for sale pharmaceuticals or other items which are not lawful for sale or purchase in the state in which you are operating.

### **Item 17**

#### **RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION THE FRANCHISE RELATIONSHIP**

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

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
a. Length of the franchise term	§ 3.1	The term of the franchise agreement is 10 years from date of signing.
b. Renewal or extension of the term	§ 3.2	You may obtain a successor franchise agreement for up to 4 additional 5-year terms.
c. Requirements for franchisee to renew or extend	§ 3.2	For our franchise system, “renewal” means that at the end of your term, you sign our successor franchise agreement for an additional 5-year term. You may be asked to sign a contract with materially different terms and conditions than your original contract.  To renew, you must give advance notice to us; be in compliance with all contractual obligations to us and third parties; renovate to our then-current standards; sign then-current

Provision	Section in franchise or other agreement	Summary
		<p>form of franchise agreement and related documents (including personal guaranty); pay renewal fee; sign general release (unless prohibited by applicable law).</p> <p>If you continue operating your franchise after the expiration of the term without a renewal agreement, then we may either terminate your operation at any time or deem you to have renewed your agreement for a 5-year term and collect the renewal fee.</p>
d. Termination by franchisee	§ 14.1	If we violate a material provision of the franchise agreement and fail to cure or to make substantial progress toward curing the violation within 30 days after notice from you.
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	§ 14.2	We may terminate your agreement for cause, subject to any applicable notice and cure opportunity.
g. “Cause” defined--curable defaults	§ 14.2	Non-payment by you (10 days to cure); violate franchise agreement other than non-curable default (30 days to cure).
h. “Cause” defined--non-curable defaults	§ 14.2	Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; lose possession of your location; violation of law; violation of confidentiality; violation of non-compete; violation of transfer restrictions; slander or libel of us; refusal to cooperate with our business inspection; cease operations; operate in a manner dangerous to health or safety (if not corrected within 48 hours); three defaults in 12 months; cross-termination; charge or conviction of, or plea to a felony, or commission or accusation of an act that is reasonably likely to materially and unfavorably affect our brand; any other breach of franchise agreement which by its nature cannot be cured.
i. Franchisee’s obligations on termination/non-renewal	§§ 14.3 – 14.6	Pay all amounts due; return Manual and proprietary items; notify phone, internet, and other providers and transfer service; cease

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
		doing business; remove identification; purchase option by us.
j. Assignment of agreement by franchisor	§ 15.1	Unlimited
k. “Transfer” by franchisee - defined	Article 1	For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business.
l. Franchisor’s approval of transfer by franchisee	§ 15.2	No transfers without our approval.
m. Conditions for franchisor’s approval of transfer	§ 15.2	Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement and related documents (including personal guaranty); you’ve made all payments to us and are in compliance with all contractual requirements; buyer completes training program; you sign a general release (subject to state law); business complies with then-current system specifications (including remodel, if applicable).
n. Franchisor’s right of first refusal to acquire franchisee’s business	§ 15.5	If you want to transfer your business (other than to your co-owner or your spouse, sibling, or child), we have a right of first refusal.
o. Franchisor’s option to purchase franchisee’s business	§ 14.6	When your franchise agreement expires or is terminated, we will have the right to purchase any or all of the assets of your business.
p. Death or disability of franchisee	§§ 2.4, 15.4	If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months.
q. Non-competition covenants during the term of the franchise	§ 13.2	Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by, any competitor.

Provision	Section in franchise or other agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	§ 13.2	For two years, neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a competitor located within thirty miles of your former territory (or of your development area if no territory had been set) or of the territory of any other Bodenvy business operating on the date of termination or expiration. You may not solicit or divert customers to other businesses, employ or seek to employ any person who is at the time employed by us or another franchisee.
s. Modification of the agreement	§ 18.4	No modification or amendment of the agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications.
t. Integration/merger clause	§ 18.3	Only the terms of the agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. However, no claim made in any franchise agreement is intended to disclaim the express representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	§ 17.1	All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	§§ 17.1; 17.5	Arbitration will take place where our headquarters is located (currently, Winter Park, Florida) (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
w. Choice of law	§ 18.8	Florida (subject to applicable state law).

<b>Provision</b>	<b>Section in Multi-Unit Development Agreement</b>	<b>Summary</b>
a. Length of the franchise term	§1(a)	The MUDA will expire on the date that your last franchise is scheduled to open.
b. Renewal or extension of the term	Not Applicable	Not Applicable
c. Requirements for franchisee to renew or extend	Not Applicable	Not Applicable
d. Termination by franchisee	Not Applicable	Not Applicable
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	§ 4	If you sign a Multi-Unit Development Agreement, termination of your MUDA does not give us the right to terminate your franchise agreement. However, if your franchise agreement is terminated, we have the right to terminate your MUDA.
g. "Cause" defined--curable defaults	Not Applicable	Not Applicable
h. "Cause" defined--non-curable defaults	§ 4	failure to meet development schedule; violation of franchise agreement or other agreement which gives us the right to terminate it without a refund to the franchise fee.
i. Franchisee's obligations on termination/non-renewal	Not Applicable	Not Applicable
j. Assignment of agreement by franchisor	§ 7	Unlimited
k. "Transfer" by franchisee - defined	Background Statement	For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business.

<b>Provision</b>	<b>Section in Multi-Unit Development Agreement</b>	<b>Summary</b>
l. Franchisor's approval of transfer by franchisee	§ 7	No transfers without our approval.
m. Conditions for franchisor's approval of transfer	Not Applicable	Not Applicable
n. Franchisor's right of first refusal to acquire franchisee's business	Not Applicable	Not Applicable
o. Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable
p. Death or disability of franchisee	Not Applicable	Not Applicable
q. Non-competition covenants during the term of the franchise	Not Applicable	Not Applicable
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Not Applicable
s. Modification of the agreement	§ 7	No modification or amendment of the agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications.
t. Integration/merger clause	§ 7	Only the terms of the agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and MUDA may not be enforceable. However, no claim made in any MUDA is intended to disclaim the express representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	§ 7	All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	§ 7	Arbitration will take place where our headquarters is located (currently, Winter Park, Florida) (subject to applicable state law). Any

Provision	Section in Multi-Unit Development Agreement	Summary
		legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
w. Choice of law	§ 7	Florida (subject to applicable state law).

For additional disclosures required by certain states, refer to Exhibit I - State Addenda to Disclosure Document.

**Item 18  
PUBLIC FIGURES**

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

**Item 19  
FINANCIAL PERFORMANCE REPRESENTATIONS**

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

The following financial performance representations disclose the average historical data relating to the operation of affiliate owned Bodenvy businesses that were open and operating during the 2022 calendar year.

Our affiliate, Bodenvy, LLC has operated Bodenvy North Orlando since July 2019. This affiliate is located at 415 North Orlando Ave, Suite 104, Winter Park, FL 32789.

	<b>Winter Park, FL</b>
<b>Income</b>	
Allergan Rebate	\$21,230.00
Ally Lending Sales	\$765,145.00



CareCredit Sales	\$963,275.00
Cash Sales	\$168,906.11
Check Sales	\$33,650.00
Cherry Sales	\$150,716.83
Credit Card Sales	\$2,647,726.72
PatientFi Sales	\$406,072.00
Service/Fee Income Refunds	\$(504,027.11)
<b>Total Income</b>	<b>\$4,652,694.55</b>
<b>Costs of Goods Sold</b>	
Ally Finance Fees	\$45,067.06
CareCredit Finance Fees	\$79,128.14
Cherry Finance Fees	\$10,298.39
Credit Card Fees	\$46,634.51
PatientFi Finance Fees	\$22,015.40
Cool Sculpting Cards	\$1,130,586.73
Extreme Transformation	\$135,229.40
Medical Supplies	\$18,992.08
<b>Total COGS</b>	<b>\$1,487,951.71</b>
<b>Gross Profit</b>	<b>\$3,164,742.84</b>
<b>Expenses</b>	
Advertising & Marketing	
Marketing Administrative Exp	\$72,000.30
Online Marketing	\$990,212.65
Call Center Fees	\$300,000.00
CO-OP Reimbursement	\$(250,000.00)
Bank Charges & Fees	\$5,994.87
Software Expense	\$24,673.83
Dues & Subscriptions	\$644.00
Printing & Stationaries	\$5,753.96
Operational Supplies	\$41,430.42
Equipment Supplies	\$3,759.38
Small Medical Equipment	\$1,525.22
Insurance Expense	
Liability Insurance	\$22,077.71
Medical Insurance	\$32,540.17
Workers Compensation	\$4,260.75
Equipment Insurance	\$1,848.47
Equipment Interest Expense	\$8,904.00
Meals & Entertainment	\$13,966.43
Office Supplies	\$13,775.37

Education/Training	\$885.00
Employee Benefits	\$383.40
Payroll Expense	
Staff Gross Wages	\$393,343.47
Commission	\$94,290.94
Payroll Taxes	\$29,654.03
Employment/Employee Expenses	\$5,074.83
Professional Fees	
Accounting Services	\$2,075.00
Legal Fees	\$19,112.89
Medical Advisor	\$19,000.00
Rent Expense	\$119,861.23
Taxes & Licenses	\$954.99
Building Maintenance	\$12,075.01
Uniforms	\$3,253.56
Freight & Shipping Expense	\$569.35
Travel Expense	\$1,506.27
Utilities	
Telephone	\$1,167.65
Electric	\$6,686.52
Music	\$569.57
Internet	\$2,958.13
Security System	\$1,364.16
Total Expenses	\$2,008,153.53
Net Income	\$1,156,589.31
Expenses Imputed but not Incurred	
Estimated Royalty (7%)	\$325,688.62
Estimated Marketing Fund Contribution (based upon 5 Body Sculpting Machines)	\$13,200.00
Technology Fee	\$6,000
<b>Net Income after estimated expenses</b>	<b>\$811,700.69</b>

Our affiliate, Bodenvy Dr. Phillips, LLC has operated Bodenvy Orlando since June 2022. This affiliate is located at 7551 West Sandlake Rd, Orlando, FL 32819.

	<b>Dr. Phillips</b>
<b>Income</b>	
Allergan Rebate	\$1,540.00
Ally Lending Sales	\$255,676.00
CareCredit Sales	\$321,510.00
Cash Sales	\$33,002.00
Check Sales	\$6,500.00
Cherry Sales	\$134,330.00
Credit Card Sales	\$1,059,459.06
PatientFi Sales	\$589,795.00
Service/Fee Income Refunds	\$(163,249.03)
<b>Total Income</b>	<b>\$2,238,563.03</b>
<b>Costs of Goods Sold</b>	
Ally Finance Fees	\$15,150.00
CareCredit Finance Fees	\$26,410.00
Cherry Finance Fees	\$9,177.00
Credit Card Fees	\$27,452.03
PatientFi Finance Fees	\$31,975.00
Cool Sculpting Cards	\$397,275.00
Extreme Transformation	\$60,217.35
Medical Supplies	\$87,096.21
Customer Care	\$4,084.25
<b>Total COGS</b>	<b>\$658,836.84</b>
<b>Gross Profit</b>	<b>\$1,579,726.19</b>
<b>Expenses</b>	
Advertising & Marketing	
Marketing Administrative Exp	\$42,000.00
Online Marketing	\$440,972.18
Call Center Fees	\$175,000.00
Bank Charges & Fees	\$1,939.22
Software Expense	\$11,366.92
Dues & Subscriptions	\$295.00
Insurance Expense	
Liability Insurance	\$17,207.40
Workers Compensation	\$3,042.77
Equipment Interest Expense	\$5,195.12

Office Supplies	\$10,475.65
Payroll Expenses	
Staff Gross Wages	\$225,867.97
Commission	\$65,799.86
Payroll Taxes	\$38,888.15
Employment/Employee Expenses	\$4,954.83
Professional Fees	
Legal Fees	\$6,299.92
Medical Advisor	\$10,200.00
Rent Expense	\$101,492.34
Repairs and Maintenance	\$456.00
Uniforms	\$255.60
Loss Due to Fraud	\$(1,028.07)
Travel Expense	\$2,116.66
Utilities	
Telephone	\$1,167.65
Electric	\$4,288.25
Music	\$571.34
Internet	\$2,112.96
Security System	\$795.76
Water & Sewer	\$335.26
Total Expenses	\$1,172,068.74
Net Income	\$407,657.45
Expenses Imputed but not Incurred	
Estimated Royalty (7%)	\$156,699.41
Estimated Marketing Fund Contribution (based upon 5 Body Sculpting Machines)	\$7,700.00
Technology Fee	\$6,000.00
<b>Net Income after estimated expenses</b>	<b>\$237,258.04</b>

1. “Total Income” (also known as Gross Sales) means the total dollar amount of all sales generated through the business during the 2022 calendar year, including, but not limited to, payment for any services or products sold, whether for cash or credit. Total Income, in this Item

19, does include bona fide refunds to customers, sales taxes collected, and sales of prepaid cards or similar products.

2. Our affiliates did not pay technology fees, royalties and marketing fund contributions to us and are not required to spend a defined amount in their local areas for marketing.

3. Our affiliate, Bodenvy, LLC, incurs the cost for Medical Insurance for both affiliate owned locations.

4. These results represent sales of products and services similar to those that will be available to the franchisee to sell.

5. We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable, and consult with an attorney and other advisors before signing the Franchise Agreement.

6. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting James ("Jim") Kucik, 415 North Orlando Ave., Suite 104, Winter Park, FL 32789, and (407) 867-1817, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20**  
**OUTLETS AND FRANCHISEE INFORMATION**  
**Table 1**  
**Systemwide Outlet Summary**  
**For Years 2020 to 2022**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Company-Owned	2020	0	1	+1
	2021	1	1	0
	2022	1	2	+1
<b>Total Outlets</b>	<b>2020</b>	<b>0</b>	<b>1</b>	<b>+1</b>
	<b>2021</b>	<b>1</b>	<b>1</b>	<b>0</b>

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
	2022	1	2	+1

\*A second company owned location opened 6/2022 in the Orlando, Florida area.

**Table 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For Years 2020 to 2022**

State	Year	Number of Transfers
N/A	2020	0
	2021	0
	2022	0
Total	2020	0
	2021	0
	2022	0

**Table 3**  
**Status of Franchised Outlets**  
**For Years 2020 to 2022**

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
N/A	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Totals	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0

**Table 4**  
**Status of Company-Owned Outlets**  
**For Years 2020 to 2022**

State	Year	Outlets at the Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Florida	2020	0	1	0	0	0	1
	2021	1	0	0	0	0	1

State	Year	Outlets at the Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
	2022	1	1	0	0	0	2
Totals	2020	0	1	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	1	0	0	0	2

**Table 5  
Projected Openings As Of December 31, 2022**

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Florida	0	1	0
Oklahoma	0	1	0
Totals	0	3	0

Current Franchisees

Exhibit H contains the names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets.

Former Franchisees

Exhibit H contains the name, city and state, and current business 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 the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

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

Confidentiality Clauses

In the last three fiscal years, no franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

**Item 21**  
**FINANCIAL STATEMENTS**

**We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission.** Exhibit F contains our audited balance sheet as of December 31, 2022. Our fiscal year end is December 31.

**Item 22**  
**CONTRACTS**

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Multi-Unit Development Agreement
- D. Rider to Lease Agreement
- E. Form of General Release
- J. State Addenda to Agreements
- K. EFT Authorization Form
- L. Current Standard Forms (including Digital Marketing Agreement, Inbound/Outbound Telemarketing Agreement, and Allergan Utilization Reporting form)

**Item 23**  
**RECEIPTS**

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.



**EXHIBIT A**

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

We may register this Disclosure Document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

<b>State</b>	<b>State Administrator</b>	<b>Agent for Service of Process (if different from State Administrator)</b>
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, CA 95834 866-275-2677 www.dfpi.ca.gov Ask.DFPI@difpi.ca.gov	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, HI 96810 (808) 586-2722	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, IN 46204 (317) 232-6681	
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Commissioner of Securities 200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	

State	State Administrator	Agent for Service of Process (if different from State Administrator)
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7 <sup>th</sup> Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7 <sup>th</sup> Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, NY 10005 212-416-8222	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department 600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue Building 68-2 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563	
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 266-0448	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 261-7577

**EXHIBIT B**  
**FRANCHISE AGREEMENT**



## FRANCHISE AGREEMENT

### SUMMARY PAGE

1. **Franchisee** \_\_\_\_\_
2. **Initial Franchise Fee**     \$ \_\_\_\_\_
3. **Development Area** \_\_\_\_\_
4. **Business Location** \_\_\_\_\_
5. **Territory** \_\_\_\_\_
6. **Opening Deadline** \_\_\_\_\_
7. **Principal Executive** \_\_\_\_\_
8. **Franchisee's Address** \_\_\_\_\_
9. **Number of CoolSculpting Machines** \_\_\_\_\_

## FRANCHISE AGREEMENT

This Agreement is made between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”), and Franchisee effective as of the date signed by Bodenvy Franchising (the “Effective Date”).

### **Background Statement:**

A. Bodenvy Franchising and its affiliates, including but not limited to, Bodenvy, LLC; Bodenvy Holdings, LLC; and Bodenvy Dr. Phillips, LLC, have created and own a system (the “System”) for developing and operating businesses which offer non-medical body sculpting, contouring, and weight management programs and services under the trade name “Bodenvy”.

B. The System includes (1) methods, procedures, and standards for developing and operating a Bodenvy business, (2) plans, specifications, equipment, signage, and trade dress for Bodenvy businesses, (3) particular products and services, (4) the Marks, (5) training programs, (6) business knowledge, (7) marketing plans and concepts, and (8) other mandatory or optional elements as determined by Bodenvy Franchising from time to time.

C. The parties desire that Bodenvy Franchising license the Marks and the System to Franchisee for Franchisee to develop and operate a Bodenvy business on the terms and conditions of this Agreement.

### **ARTICLE 1. DEFINITIONS**

“**Action**” means any action, suit, proceeding, claim, demand, governmental investigation, governmental inquiry, judgment or appeal thereof, whether formal or informal.

“**Approved Vendor**” means a supplier, vendor, or distributor of Inputs which has been approved by Bodenvy Franchising.

“**Body Sculpting Machine**” means CoolSculpting Machines, whether they be CoolSculpting® machines or our approved equivalents, that destroy or assist in shrinking or destroying fat cells, tighten skin, muscle toning, or reduce cellulite.

“**Business**” means the Bodenvy business owned by Franchisee and operated under this Agreement.,

“**Competitor**” means any business which offers body sculpting, skin tightening, or other similar fat or cellulite reduction services.

“**Confidential Information**” means all non-public information of or about the System, Bodenvy Franchising, and any Bodenvy business, including all methods for developing and operating the Business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

**“Gross Sales”** means the total dollar amount of all sales generated through the Business for a given period, including, but not limited to, payment for any services or products sold by Franchisee (including products and/or services approved by Franchisor after the execution of this Agreement), whether for cash, check, credit, store credit, or financing. Gross Sales does not include (i) bona fide refunds to customers, or (ii) sales taxes collected by Franchisee.

**“Input”** means any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Business.

**“Location”** means the location stated on the Summary Page. If no location is stated on the Summary Page, then the Location will be determined in accordance with Section 6.1.

**“Losses”** includes (but is not limited to) all losses; damages; fines; charges; expenses; lost profits; reasonable attorneys’ fees; travel expenses, expert witness fees; court costs; settlement amounts; judgments; loss of Bodenvy Franchising’s reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

**“Manual”** means Bodenvy Franchising’s confidential Brand Standards Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

**“Marketing Fund”** means the fund established by Bodenvy Franchising into which Marketing Fund Contributions are deposited.

**“Marks”** means the trade name and logo contained on the Summary Page, and all other trade names, trademarks, service marks and logos specified by Bodenvy Franchising from time to time for use in a Bodenvy business.

**“Owner”** means each person or entity which directly or indirectly owns or controls any equity of Franchisee. If Franchisee is an individual person, then “Owner” means Franchisee.

**“Privacy Information”** means all information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Privacy Information includes but is not limited to, the following if it identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household: identifiers such as a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, social security number, driver’s license or state identification card number, passport number, signature, physical characteristics or description, telephone number, insurance policy number, bank account number, credit card number, debit card number or any other financial information, medical information or health insurance information; characteristics of protected classifications under state or federal law; commercial information, including records of personal property, products or services purchased, obtained or considered, or other purchasing or consuming histories or tendencies; biometric information; Internet or other electronic network activity information including, but not limited to, browsing history, search history, and information regarding a consumer’s interaction with an internet website, application, or advertisement; geolocation data; audio or electronic information; professional or employment-

related information; protected health information or patient records (which may be protected under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and the Health Information for Economic and Clinical Health Act (“HITECH”) and also by the laws of the State where Franchisee operates its business); education information that is not publicly available personally identifiable information as defined in the Family Educational Rights and Privacy Act (20 USC § 1232g; 34 CFR Part 99); and inferences drawn from any of the information identified in this subsection to create a profile about a consumer reflecting the consumer’s preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities and aptitudes. Privacy Information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

“**Remodel**” means a refurbishment, renovation, and remodeling of the Location to conform to the building design, exterior facade, trade dress, signage, fixtures, furnishings, equipment, decor, color schemes, presentation of the Marks, and other System Standards in a manner consistent with the image then in effect for a new Bodenvy business.

“**Required Vendor**” means a supplier, vendor, or distributor of Inputs which Bodenvy Franchising requires franchisees to use.

“**System Standards**” means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by Bodenvy Franchising, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, customer service, data protection and privacy, design (such as construction, decoration, layout, furniture, fixtures and signs), environmental protection and sustainability, equipment, inventory, maintenance, marketing and public relations, minimum numbers and types of personnel, operating days, operating hours, presentation of Marks, product and service offerings, quality of products and services (including any guaranty and warranty programs), reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, point-of-sale systems, back-office systems, information management systems, security systems, video monitors, other software, backup and archiving systems, communications systems (including email, audio, and video systems), payment acceptance systems (including credit and debit card systems, check verification services, and other payment systems, as well as any compliance programs relating to those systems), and internet access, as well as upgrades, supplements, and modifications thereto), temporary operational changes due to special circumstances (such as a pandemic), uniforms, and vehicles.

“**Territory**” means the territory stated on the Summary Page. If no territory is stated on the Summary Page, then the Territory is determined in accordance with Section 6.1.

“**Transfer**” means for Franchisee (or any Owner) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the Business, (ii) this Agreement, (iii) any direct or indirect ownership interest in the Business, or (iv) control of the Business.

## ARTICLE 2. GRANT OF LICENSE

**2.1 Grant.** Bodenvy Franchising grants to Franchisee the right to operate a Bodenvy business solely at the Location. If no Location is stated on the Summary Page when this Agreement is signed, then the parties will determine the Location in accordance with Section 6.1. Franchisee shall develop, open and operate a Bodenvy business at the Location for the entire term of this Agreement.

**2.2 Protected Territory.** Except as provided in Section 6, Bodenvy Franchising shall not establish, operate, nor license the establishment or operation of, another Bodenvy business within the Territory selling the same or similar goods or services under the same or similar trademarks or service marks as a Bodenvy business, except as otherwise provided herein. Bodenvy Franchising retains the right to:

- (i) establish and license others to establish and operate Bodenvy businesses outside the Territory, notwithstanding their proximity to the Territory or their potential impact on the Business;
- (ii) operate and license others to operate businesses anywhere that do not sell the same or similar goods or services under the same or similar trademarks or service marks as a Bodenvy business;
- (iii) sell and license others to sell products and services in the Territory through channels of distribution (including the internet) other than Bodenvy outlets; and

**2.3 Franchisee Control.** Franchisee represents that Attachment 1 (i) identifies each owner, officer and director of Franchisee, and (ii) describes the nature and extent of each owner's interest in Franchisee. If any information on Attachment 1 changes (which is not a Transfer), Franchisee shall notify Bodenvy Franchising within 10 days.

**2.4 Principal Executive.** Franchisee agrees that the person designated as the "Principal Executive" on the Summary Page is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. The Principal Executive does not have to serve as a day-to-day general manager of the Business, but the Principal Executive must devote substantial time and attention to the Business. If the Principal Executive dies, becomes incapacitated, transfers his/her interest in Franchisee, or otherwise ceases to be the executive primarily responsible for the Business, Franchisee shall promptly designate a new Principal Executive, subject to Bodenvy Franchising's reasonable approval.

**2.5 Guaranty.** If Franchisee is an entity, then Franchisee shall have each Owner sign a personal guaranty of Franchisee's obligations to Bodenvy Franchising, in the form of Attachment 3.

**2.6 No Conflict.** Franchisee represents to Bodenvy Franchising that Franchisee and each of its Owners (i) are not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) are not a direct or indirect owner of any Competitor, and (iii) are not listed or "blocked" in connection with, and are not in violation under, any anti-terrorism law, regulation, or executive order.



### ARTICLE 3. TERM

**3.1 Term.** This Agreement commences on the Effective Date and continues for 10 years.

**3.2 Successor Agreement.** When the term of this Agreement expires, Franchisee may enter into a successor agreement for up to four additional periods of 5 years each, subject to the following conditions prior to each expiration:

- (i) Franchisee notifies Bodenvy Franchising of the election to renew between 90 and 180 days prior to the end of the term;
- (ii) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with Bodenvy Franchising (or any of its affiliates) at the time of election and at the time of renewal;
- (iii) Franchisee has made or agrees to make (within a period of time acceptable to Bodenvy Franchising) renovations and changes to the Business as Bodenvy Franchising requires (including a Remodel, if applicable) to conform to the then-current System Standards;
- (iv) Franchisee and its Owners execute Bodenvy Franchising's then-current standard form of franchise agreement and related documents (including personal guaranty), which may be materially different than this form (including, without limitation, higher and/or different fees), except that the form of the franchise agreement will be amended to provide that Franchisee will not pay another initial franchise fee and to provide that Franchisee will not receive more renewal or successor terms than stated in this Agreement;
- (v) Franchisee pays a renewal fee of \$2,500; and
- (vi) Franchisee and each Owner executes a general release (on Bodenvy Franchising's then-standard form) of any and all claims against Bodenvy Franchising, its affiliates, and their respective owners, officers, directors, agents and employees.

### ARTICLE 4. FEES

**4.1 Initial Franchise Fee.** Upon signing this Agreement, Franchisee shall pay an initial franchise fee in the amount stated on the Summary Page. This initial franchise fee is not refundable under any circumstances.

**4.2 Grand Opening Marketing Fee.** No later than 90 days after the signing due upon signing of lease, Franchisee shall pay a Grand Opening Marketing Fee of \$9,000. This fee is not refundable.

**4.3 Royalty Fee.** Franchisee shall pay Bodenvy Franchising a monthly royalty fee (the "Royalty Fee") equal to 7% of Gross Sales. The Royalty Fee for any given month is due on the 5th of the following month.

#### **4.4 Marketing Contributions.**

(a) Marketing Fund Contribution. Franchisee shall pay Bodenvy Franchising a minimum contribution to the Marketing Fund (the “Marketing Fund Contribution”) equal to five hundred dollars (\$500) for up to two (2) CoolSculpting Machines. For each additional Body Sculpting Machine beyond two (2), Franchisee shall pay an additional Marketing Fund Contribution equal to two hundred dollars (\$200). All Marketing Fund Contributions shall be paid at the same time as the Royalty Fee.

(b) Market Cooperative Contribution. If the Business participates in a Market Cooperative, then Franchisee shall contribute to the Market Cooperative a percentage of Gross Sales (or other amount) determined by the Market Cooperative.

**4.5 Technology Fee.** Bodenvy Franchising reserves the right to charge Franchisee a fee (the “Technology Fee”) in exchange for software and other technology-related services and products provided by or through Bodenvy Franchising. The Technology Fee does not have to be a pass-through of Bodenvy Franchising’s exact costs. Bodenvy Franchising has no liability or obligation to Franchisee with respect to any third-party software or other technology-related services and products that Bodenvy Franchising provides to Franchisee. The Technology Fee for a given period is due and payable at the same time as the Royalty Fee, unless Bodenvy Franchising determines otherwise. Bodenvy Franchising may add, remove, or alter the software or technology products or services that it provides. Bodenvy Franchising may change Technology Fee after at least 30 days’ notice. As of the date of this Agreement, the Technology Fee is five hundred dollars (\$500) per month and is due with the Royalty Fee. The Technology Fee begins when a Franchisee opens for business.

**4.6 Replacement / Additional Training Fee.** If Franchisee sends an employee to Bodenvy Franchising’s training program after opening, Bodenvy Franchising may charge its then-current training fee. As of the date of this Agreement, the training fee is four hundred fifty dollars (\$450) per day.

**4.7 Non-Compliance Fee.** Bodenvy Franchising may charge Franchisee five hundred dollars (\$500) for any instance of non-compliance with the System Standards or this Agreement (other than Franchisee’s non-payment of a fee owed to Bodenvy Franchising) which Franchisee fails to cure after thirty (30) days’ notice. Thereafter, Bodenvy Franchising may charge Franchisee seven hundred fifty dollars (\$750) per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of Bodenvy Franchising’s internal cost of personnel time attributable to addressing the non-compliance, and it is not a penalty or estimate of all damages arising from Franchisee’s breach. The non-compliance fee is in addition to all of Bodenvy Franchising’s other rights and remedies (including default and termination under Section 14.2).

**4.8 Reimbursement.** Bodenvy Franchising may (but is never obligated to) pay on Franchisee’s behalf any amount that Franchisee owes to a supplier or other third party. If Bodenvy Franchising does so or intends to do so, Franchisee shall pay such amount plus a 10% administrative charge to Bodenvy Franchising within fifteen (15) days after invoice by Bodenvy Franchising accompanied by reasonable documentation.

#### 4.9 Payment Terms.

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Marketing Fund Contribution, Technology Fee, and any other amounts owed to Bodenvy Franchising by pre-authorized bank draft or in such other manner as Bodenvy Franchising may require. Franchisee shall comply with Bodenvy Franchising's payment instructions.

(b) Calculation of Fees. Franchisee shall report monthly Gross Sales to Bodenvy Franchising by the 4th of the following month. If Franchisee fails to report monthly Gross Sales, then Bodenvy Franchising may withdraw estimated Royalty Fees and Marketing Fund Contributions equal to 125% of the last Gross Sales reported to Bodenvy Franchising, and the parties will true-up the actual fees after Franchisee reports Gross Sales. Franchisee acknowledges that Bodenvy Franchising has the right to remotely access Franchisee's point-of-sale system to calculate Gross Sales. All financial reporting for the prior month is due on the 4th month and payable on the 5th day via ACH of each month. You will provide us with our reconciliation report supported by the sole bank account used to receive all funds paid into your location. If upon the 6th day of the month the financial report is not submitted, we will withdraw estimated royalty fees and marketing fund contributions based on 125% of the most recent gross sales you reported. Any disputed amounts will be resolved by the 15th day of the month.

(c) Late Fees and Interest. If Franchisee does not make a payment on time, Franchisee shall pay a \$100 "late fee" plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law).

(d) Insufficient Funds. Bodenvy Franchising may charge \$50 for any payment returned for insufficient funds (or, if such amount exceeds the maximum allowed by law, then the fee allowed by law).

(e) Costs of Collection. Franchisee shall repay any costs incurred by Bodenvy Franchising (including reasonable attorney fees) in attempting to collect payments owed by Franchisee.

(f) Application. Bodenvy Franchising may apply any payment received from Franchisee to any obligation and in any order as Bodenvy Franchising may determine, regardless of any designation by Franchisee.

(g) Obligations Independent; No Set-Off. The obligations of Franchisee to pay to Bodenvy Franchising any fees or amounts described in this Agreement are not dependent on Bodenvy Franchising's performance and are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

(h) Taxes. Franchisee will be responsible for all sales taxes, use taxes, and other taxes imposed on the fees payable by Franchisee to Bodenvy Franchising or its affiliates and on services or goods furnished to Franchisee by Bodenvy Franchising or its affiliates, unless the tax is an income tax assessed on Bodenvy Franchising or its affiliate for doing business in the state where the Business is located.

## ARTICLE 5. ASSISTANCE

**5.1 Manual.** Bodenvy Franchising shall make its Manual available to Franchisee.

### **5.2 Pre-Opening Assistance.**

(a) Selecting Location. Bodenvy Franchising shall provide its criteria for Bodenvy locations to Franchisee. Bodenvy Franchising will review and advise Franchisee regarding potential locations submitted by Franchisee.

(b) Development. To the extent Bodenvy Franchising deems appropriate, Bodenvy Franchising shall advise Franchisee regarding the layout, design, and build-out of the Business.

(c) Vendors. To the extent applicable, Bodenvy Franchising shall provide its specifications and list of Approved Vendors and/or Required Vendors for equipment, signs, fixtures, opening inventory, and supplies, and items needed to open and operate the business.

(d) Business Plan Review. If requested by Franchisee, Bodenvy Franchising shall review and advise on Franchisee's pre-opening business plan and financial projections after completion of the franchise agreement. **Franchisee acknowledges that Bodenvy Franchising accepts no responsibility for the performance of the Business.**

(e) Pre-Opening Training. Bodenvy Franchising shall make available its standard pre-opening training to the Principal Executive and up to one other team member, at Bodenvy Franchising's headquarters and/or at a Bodenvy business designated by Bodenvy Franchising. Bodenvy Franchising shall not charge any fee for this training. Franchisee is responsible for its own travel, lodging, meal, and other out-of-pocket expenses. Bodenvy Franchising reserves the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the program.

(f) Market Introduction Plan. Provided that Franchisee pays the Grand Opening Marketing Fee, Bodenvy Franchising shall develop and implement Franchisee's initial market introduction plan. Franchisee must follow Bodenvy Franchising's instructions related to that plan.

(g) On-Site Opening Assistance. Bodenvy Franchising shall have a representative support Franchisee's business opening with between 4 and 5 days of onsite opening training and assistance, at Bodenvy Franchising's expense.

### **5.3 Post-Opening Assistance.**

(a) Advice, Consulting, and Support. If Franchisee requests, Bodenvy Franchising shall provide advice to Franchisee (by telephone or electronic communication) regarding improving and developing Franchisee's business, and resolving operating problems Franchisee encounters, to the extent Bodenvy Franchising deems reasonable. If Bodenvy Franchising provides in-person support in response to Franchisee's request, Bodenvy Franchising may charge its then-current fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).

(b) Pricing. Upon request, Bodenvy Franchising shall provide recommended prices for products and services offered by franchisees of the System.

(c) Procedures. Bodenvy Franchising shall provide Franchisee with Bodenvy Franchising's recommended administrative, bookkeeping, accounting, and inventory control procedures. Bodenvy Franchising may make any such procedures part of required (and not merely recommended) System Standards.

(d) Marketing. Bodenvy Franchising shall manage the Marketing Fund.

(e) Internet. Bodenvy Franchising shall maintain a website for Bodenvy, which will include Franchisee's location (or territory) and telephone number.

## ARTICLE 6. LOCATION, DEVELOPMENT, AND OPENING

**6.1 Determining Location and Territory.** If the Location and Territory are not stated on the Summary Page:

(i) Franchisee shall find a potential Location within the Development Area described on the Summary Page. Franchisee shall submit its proposed Location to Bodenvy Franchising for acceptance, with all related information and documents Bodenvy Franchising may request. If Bodenvy Franchising does not accept the proposed Location in writing within 30 days, then it is deemed rejected.

(ii) When Bodenvy Franchising accepts the Location, it will issue a Location Acceptance Letter in the form of Attachment 2 which states the Location and Territory. Bodenvy Franchising shall determine the Territory in its good faith discretion, substantially in accordance with Item 12 of the Franchise Disclosure Document.

(iii) **Bodenvy Franchising's advice regarding or acceptance of a site is not a representation or warranty that the Business will be successful, and Bodenvy Franchising has no liability to Franchisee with respect to the location of the Business.**

**6.2 Lease.** In connection with any lease between Franchisee and the landlord of the Location: (i) if requested by Bodenvy Franchising, Franchisee must submit the proposed lease to Bodenvy Franchising for written approval, (ii) the term of the lease (including renewal terms) must be for a period of as the same not less than the term of this Agreement, and (iii) Franchisee shall use commercially reasonable efforts to obtain the landlord's signature to a rider to the lease in the form required by Bodenvy Franchising.

**6.3 Development.** Franchisee shall construct (or remodel) and finish the Location in conformity with Bodenvy Franchising's System Standards. If required by Bodenvy Franchising, Franchisee shall engage the services of an architect licensed in the jurisdiction of the Location. Franchisee shall not begin any construction or remodeling work without first obtaining Bodenvy Franchising's approval of Franchisee's plans. Bodenvy Franchising may, but is not required to, inspect Franchisee's construction or remodeling progress at any reasonable time. Franchisee shall not rely upon any information provided or opinions expressed by Bodenvy Franchising or its representatives regarding any architectural, engineering, or legal matters (including without

limitation the Americans With Disabilities Act) in the development and construction of the Business, and Bodenvy Franchising assumes no liability with respect thereto. Bodenvy Franchising's inspection and/or approval to open the Business is not a representation or a warranty that the Business has been constructed in accordance with any architectural, engineering, or legal standards.

**6.4 New Franchisee Training.** Franchisee's Principal Executive, general manager, and sales representative (if such person is not also the Principal Executive) must complete Bodenvy Franchising's training program (as well as passing an examination as required by Bodenvy Franchising) for new franchisees to Bodenvy Franchising's satisfaction at least four weeks before opening the Business.

#### **6.5 Conditions to Opening.**

(a) Franchisee shall notify Bodenvy Franchising at least 30 days before Franchisee intends to open the Business to the public. Before opening, Franchisee must satisfy all of the following conditions: (1) Franchisee is in compliance with this Agreement, (2) Franchisee has obtained all applicable governmental permits and authorizations, (3) the Business conforms to all applicable System Standards, (4) Bodenvy Franchising has inspected and approved the Business, (5) Franchisee has hired sufficient employees, (6) Franchisee's officers and employees have completed all of Bodenvy Franchising's required pre-opening training; and (7) Bodenvy Franchising has given its written approval to open, which will not be unreasonably withheld.

(b) Corporate Structure/Legal Compliance. Bodenvy Franchising may require Franchisee to engage, at Franchisee's expense: (i) a qualified healthcare attorney to provide Franchisee with guidance with respect to the establishment and ongoing operation of the Business, and (ii) information technology providers to ensure that Franchisee's point of sale system and computer system are compliant with applicable privacy standards and HIPAA requirements. As a condition to granting its consent to open, Franchisor has the right to review and approve the corporate structure of the Business and any agreement and other documentation prepared in connection with the formation and operation of the Business, including without limitation, any management agreement that may be applicable to the Business or to Franchisee. Franchisee shall provide Franchisor with a written description of its proposed corporate structure and copies of all proposed documentation relating to its formation and operation at least 30 days before Franchisee intends to open the Business to the public. Franchisee shall reimburse Franchisor's reasonable attorneys' and/or healthcare consultant fees if Franchisor determines at any time, in its sole discretion, that it is necessary for Franchisor to retain legal counsel or consultation to review and/or provide guidance with respect to the structure or operation of the Business. **Bodenvy Franchising's review or approval of Franchisee's structure and related documents does not mean that Franchisee's proposed corporate structure and related documents comply with applicable laws or are otherwise appropriate for the Business. Franchisee is solely responsible for compliance with all laws related to the operation of the Business.**

**6.6 Opening Date.** Franchisee shall open the Business to the public on or before the date stated on the Summary Page.

## ARTICLE 7. OPERATIONS

**7.1 Compliance with Manual and System Standards.** Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all other System Standards, as they are now or hereafter established. Franchisee acknowledges and agrees that the products and services offered under the Marks have a reputation for excellence and that Franchisee's compliance with all System Standards is of the utmost importance to Bodenvy Franchising.

**7.2 Compliance with Law.** Franchisee and the Business shall comply with all laws, rules, ordinances, and regulations applicable to Franchisee or to the Business. Franchisee and the Business shall obtain and keep in force all governmental permits and licenses necessary for the Business.

**7.3 Products, Services, and Methods of Sale.** Franchisee shall offer all products and services, and only those products and services, from time to time prescribed or approved by Bodenvy Franchising in the Manual or otherwise in writing. Franchisee shall make sales only to retail customers, and only at the Location. Unless otherwise approved or required by Bodenvy Franchising, Franchisee shall not make sales by any other means, including without limitation by wholesale, by delivery, by mail order or over the internet, or at temporary or satellite locations. Franchisee shall maintain sufficient levels of inventory at all times. Franchisee shall provide all products and perform all services in a high-quality manner that meets or exceeds the customer's reasonable expectations and all applicable System Standards. Franchisee shall implement any guaranties, warranties, or similar commitments regarding products and/or services that Bodenvy Franchising may require.

**7.4 Prices.** Franchisee acknowledges that the System Standards determined by Bodenvy Franchising may include the minimum, maximum, and/or exact prices that franchisees may charge for products or services sold (except to the extent such authority is limited or prohibited by applicable law). In addition, Bodenvy Franchising reserves the right to have Franchisee comply with any pricing requirements set forth by the manufacturers of CoolSculpting Machines.

### **7.5 Personnel.**

(a) Management. The Business must at all times be under the on-site supervision of the Principal Executive or a general manager who has completed Bodenvy Franchising's training program and completed an examination as required by Bodenvy Franchising.

(b) Service. Franchisee shall cause its personnel to render competent and courteous service to all customers and members of the public.

(c) Appearance. Franchisee shall cause its personnel to comply with any dress attire, uniform, personal appearance, and hygiene standards set forth in the Manual.

(d) Qualifications. Bodenvy Franchising may set minimum qualifications for categories of employees employed by Franchisee.

(e) **Sole Responsibility.** Franchisee is solely responsible for all hiring decisions and all terms and conditions of employment of all of its personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and Bodenvy Franchising are not joint employers, and no employee of Franchisee will be an agent or employee of Bodenvy Franchising. Within seven days of Bodenvy Franchising's request, Franchisee and each of its employees shall sign an acknowledgment form stating that Franchisee alone (and not Bodenvy Franchising) is the employee's sole employer. Franchisee shall use its legal name on all documents with its employees and independent contractors, including, but not limited to, employment applications, time cards, pay checks, and employment and independent contractor agreements, and Franchisee shall not use the Marks on any of these documents.

**7.6 Post-Opening Training.** Bodenvy Franchising may at any time require that the Principal Executive, General Manager, and/or any other employees complete training programs, in any format and in any location determined by Bodenvy Franchising. Bodenvy Franchising may charge a reasonable fee for any training programs. Bodenvy Franchising may require Franchisee to provide training programs to its employees. If a training program is held at a location which requires travel by the Principal Executive or any other employee, then Franchisee shall pay all travel, living and other expenses.

**7.7 Software.** Without limiting the generality of Section 7.1 or Section 8.1, Franchisee shall acquire and use all software and related systems required by Bodenvy Franchising. Franchisee shall enter into any subscription and support agreements that Bodenvy Franchising may require. Franchisee shall upgrade, update, or replace any software from time to time as Bodenvy Franchising may require. Franchisee shall protect the confidentiality and security of all software systems, and Franchisee shall abide by any System Standards related thereto. Franchisee shall give Bodenvy Franchising unlimited access to Franchisee's point of sale system and other software systems used in the Business, by any means designated by Bodenvy Franchising.

**7.8 Customer Complaints.** Franchisee shall use its best efforts to promptly resolve any customer complaints. Bodenvy Franchising may take any action it deems appropriate to resolve a customer complaint regarding the Business, and Bodenvy Franchising will ~~may~~ require Franchisee to reimburse Bodenvy Franchising for any expenses.

**7.9 Evaluation and Compliance Programs.** Franchisee shall participate at its own expense in programs required from time to time by Bodenvy Franchising for obtaining customer evaluations, reviewing Franchisee's compliance with the System, and/or managing customer complaints, which may include (but are not limited to) a customer feedback system, customer survey programs, and mystery shopping. Bodenvy Franchising shall share with Franchisee the results of these programs, as they pertain to the Business. Franchisee must meet or exceed any minimum score requirements set by Bodenvy Franchising for such programs. Bodenvy Franchising may set minimum scores that Franchisee must receive from the public on internet review sites (such as Yelp or Google). Franchisee will share with Bodenvy Franchising all findings, reports etc.

**7.10 Payment Systems.** Franchisee shall accept payment from customers in any form or manner designated by Bodenvy Franchising (which may include, for example, cash, specific credit and/or



debit cards, check, gift cards, electronic fund transfer systems, internal or external financing, and mobile payment systems). Franchisee shall purchase or lease all equipment and enter into all business relationships necessary to accept payments as required by Bodenvy Franchising. Franchisee must at all times comply with payment card industry data security standards (PCI-DSS).

**7.11 Gift Cards, Loyalty Programs, and Incentive Programs.** At its own expense, Franchisee shall sell or otherwise issue gift cards, certificates, or other pre-paid systems, and participate in any customer loyalty programs, membership/subscription programs, or customer incentive programs, designated by Bodenvy Franchising, in the manner specified by Bodenvy Franchising in the Manual or otherwise in writing. Franchisee shall honor all valid gift cards and other pre-paid systems, regardless of whether issued by Franchisee or another Bodenvy business. If Franchisee honors a gift card or other pre-paid system sold by another location, or vice versa, Bodenvy Franchising and Franchisee will cooperate so that the cash received is fairly allocated to the location where that gift card or other pre-paid system is redeemed (subject to fees and charges). Franchisee shall comply with all procedures and specifications of Bodenvy Franchising related to gift cards, certificates, and other pre-paid systems, or related to customer loyalty, membership/subscription, or customer incentive programs.

**7.12 Maintenance and Repair.** Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all of the property of the Business in good repair. In addition, Franchisee shall promptly perform all work on the physical property of the Business as Bodenvy Franchising may prescribe from time to time, including but not limited to periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn-out signage, floor coverings, furnishings, equipment and décor. Franchisee acknowledges that the System Standards may include requirements for cleaning, maintenance, replacement, and repair.

**7.13 Remodeling.** In addition to Franchisee's obligations to comply with all System Standards in effect from time to time, Bodenvy Franchising may require Franchisee to undertake and complete a Remodel of the Location to Bodenvy Franchising's satisfaction. Franchisee must complete the Remodel in the time frame specified by Bodenvy Franchising. Bodenvy Franchising may require Franchisee to submit plans for Bodenvy Franchising's reasonable approval prior to commencing a required Remodel. Bodenvy Franchising's right to require a Remodel is limited as follows: (i) the Remodel will not be required in the first two or last two years of the term (except that a Remodel may be required as a condition to renewal of the term or a Transfer), and (ii) a Remodel will not be required more than once every five years from the date on which Franchisee was required to complete the prior Remodel.

**7.14 Meetings.** The Principal Executive shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls) that Bodenvy Franchising requires, including any national or regional brand conventions. Franchisee shall not permit the Principal Executive to fail to attend more than three consecutive required meetings.

## **7.15 Insurance.**

(a) Franchisee shall obtain and maintain insurance policies in the types and amounts as specified by Bodenvy Franchising in the Manual. If not specified in the Manual, Franchisee shall maintain at least the following insurance coverage:

- (i) “Special” causes of loss coverage forms, including fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business, for full repair and replacement value (subject to a reasonable deductible);
- (ii) Business interruption insurance covering at least 12 months of income;
- (iii) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage, written on an “occurrence” policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$3,000,000 aggregate limit;
- (iv) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000;
- (v) Workers Compensation coverage as required by state law; and
- (vi) Professional Liability coverage, written on an “occurrence” policy form in an amount of not less than \$1,000,000 per occurrence and \$3,000,000 aggregate limit (Professional Liability coverage must include sexual abuse coverage of not less than \$1,000,000 per occurrence and \$1,000,000 in aggregate as well)

(b) Franchisee’s policies (other than Workers Compensation) must (1) list Bodenvy Franchising and its affiliates as an additional insured, (2) include a waiver of subrogation in favor of Bodenvy Franchising and its affiliates, (3) be primary and non-contributing with any insurance carried by Bodenvy Franchising or its affiliates, and (4) stipulate that Bodenvy Franchising shall receive 30 days’ prior written notice of cancellation.

(c) Franchisee shall provide Certificates of Insurance evidencing the required coverage to Bodenvy Franchising prior to opening and upon annual renewal of the insurance coverage, as well as at any time within 15 days after request from Bodenvy Franchising.

**7.16 Obligations to Third Parties.** Franchisee shall pay all vendors and suppliers in a timely manner. Franchisee shall pay all taxes when due. If Franchisee borrows money, it shall comply with the terms of its loan and make all loan payments when due. If Franchisee leases the Location, Franchisee shall comply with its lease for the Location and make all rent payments when due.

**7.17 Public Relations.** Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding Bodenvy, the Business, or any particular incident or occurrence related to the Business, without Bodenvy Franchising’s prior written approval, which will not be unreasonably withheld.

**7.18 Association with Causes.** Franchisee shall not in the name of the Business (i) donate money, products, or services to any charitable, political, religious, or other organization or cause, or (ii) act in support of any such organization or cause, without Bodenvy Franchising's prior written approval, which will not be unreasonably withheld.

**7.19 No Other Activity Associated with the Business.** Franchisee shall not engage in any business or other activity at the Location other than operation of the Bodenvy Business. Franchisee shall not use assets of the Business for any purpose other than the Business. If Franchisee is an entity, the entity shall not own or operate any other business except Bodenvy businesses.

**7.20 No Third-Party Management.** Franchisee shall not engage a third-party management company to manage or operate the Business without the prior written approval of Bodenvy Franchising, which will not be unreasonably withheld.

**7.21 Identification.** Franchisee must identify itself as the independent owner of the Business in the manner prescribed by Bodenvy Franchising. Franchisee must display at the Business signage prescribed by Bodenvy Franchising identifying the Location as an independently owned franchise.

**7.22 Privacy Practices.**

(a) With respect to Privacy Information, Franchisee must comply with all of their obligations under applicable privacy laws, including any local, state, or federal data privacy or data security law or regulation.

(b) Franchisee shall not sell any Privacy Information. Franchisee further agrees to not access, use, or process the Privacy Information except in the furtherance of its obligations under this Agreement, but in all times, in compliance with applicable privacy laws.

(c) To the extent Bodenvy Franchising does not have the then-current ability to address requests made under any applicable privacy law by individuals that are the subject of any of the Privacy Information, Franchisee shall, upon Bodenvy Franchising's request, provide reasonable assistance to Bodenvy Franchising in responding to such requests.

**7.23 Communication.** Franchisee shall respond promptly to requests for communication from Bodenvy Franchising, and in any event within three business days.

**7.24 Business Practices.** Franchisee, in all interactions with customers, employees, vendors, governmental authorities, and other third parties, shall be honest and fair. Franchisee shall comply with any code of ethics or statement of values from Bodenvy Franchising. Franchisee shall not take any action which injures or is likely to injure the goodwill associated with the Marks.

**7.25 Displays.** You agree to place or display at the interior and exterior of the Location only those signs, décor items, emblems, lettering, logos and display materials that we approve in writing from time to time which may include our then-current phone number (800-BEST-BOD). Additionally, we may require that you display materials regarding the Bodenvy franchise offering in the interior of the Location.

**7.26 CoolSculpting Machines.** Once the Business is opened and during the term of this Agreement, the Business shall at all times maintain and use with the public the number of CoolSculpting Machines as identified on the Summary Page. Franchisee shall not change the number of CoolSculpting Machines maintained or used at the Business without first obtaining Bodenvy Franchising's permission. In the event that the Business does not maintain or use with the public at least this number of CoolSculpting Machines for a period of 10 business days, without first obtaining Bodenvy Franchising's consent, Bodenvy Franchising shall have the right to reduce size or scope of the Territory as Bodenvy Franchising deems reasonable, in addition to any other remedies Bodenvy Franchising may have under this Agreement.

## **ARTICLE 8. SUPPLIERS AND VENDORS**

**8.1 Generally.** Franchisee shall acquire all Inputs required by Bodenvy Franchising from time to time in accordance with System Standards. Bodenvy Franchising may require Franchisee to purchase or lease any Inputs from Bodenvy Franchising, Bodenvy Franchising's designee, Required Vendors, Approved Vendors, and/or under Bodenvy Franchising's specifications. Bodenvy Franchising may change any such requirement or change the status of any vendor. To make such requirement or change effective, Bodenvy Franchising shall issue the appropriate System Standards.

**8.2 Alternate Vendor Approval.** If Bodenvy Franchising requires Franchisee to purchase a particular Input only from an Approved Vendor or Required Vendor, and Franchisee desires to purchase the Input from another vendor, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by Bodenvy Franchising. Bodenvy Franchising may approve or disapprove the alternative vendor in its sole discretion. Bodenvy Franchising may condition its approval on such criteria as Bodenvy Franchising deems appropriate, which may include evaluations of the vendor's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Bodenvy Franchising shall provide Franchisee with written notification of the approval or disapproval of any proposed new vendor within 30 days after receipt of Franchisee's request.

**8.3 Alternate Input Approval.** If Bodenvy Franchising requires Franchisee to purchase a particular Input, and Franchisee desires to purchase an alternate to the Input, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by Bodenvy Franchising. Bodenvy Franchising may approve or disapprove the alternative Input in its sole discretion. Bodenvy Franchising shall provide Franchisee with written notification of the approval or disapproval of any proposed alternate Input within 30 days after receipt of Franchisee's request.

**8.4 Purchasing.** Bodenvy Franchising may negotiate prices and terms with vendors on behalf of the System. Bodenvy Franchising may receive rebates, payments or other consideration from vendors in connection with purchases by franchisees. Bodenvy Franchising has the right (but not the obligation) to collect payments from Franchisee on behalf of a vendor and remit the payments to the vendor and to impose a reasonable markup or charge for administering the payment program. Bodenvy Franchising may implement a centralized purchasing system. Bodenvy Franchising may establish a purchasing cooperative and require Franchisee to join and participate in the purchasing cooperative on such terms and conditions as Bodenvy Franchising may determine.

**8.5 No Liability of Franchisor.** Bodenvy Franchising shall not have any liability to Franchisee for any claim or loss related to any product provided or service performed by any Approved Vendor or Required Vendor, including any product or service provided by an affiliate of Bodenvy Franchising and including, without limitation, defects, delays, or unavailability of products or services.

**8.6 Product Recalls.** If Bodenvy Franchising or any vendor, supplier, or manufacturer of an item used or sold in Franchisee's Business issues a recall of such item or otherwise notifies Franchisee that such item is defective or dangerous, Franchisee shall immediately cease using or selling such item, and Franchisee shall at its own expense comply with all instructions from Bodenvy Franchising or the vendor, supplier, or manufacturer of such item with respect to such item, including without limitation the recall, repair, and/or replacement of such item.

## ARTICLE 9. MARKETING

**9.1 Approval and Implementation.** Franchisee shall not conduct any marketing, advertising, or public relations activities (including in-store marketing materials, websites, online advertising, social media marketing or presence, and sponsorships) that have not been approved by Bodenvy Franchising. Bodenvy Franchising may (but is not obligated to) operate all "social media" accounts on behalf of the System, or it may permit franchisees to operate one or more accounts. Franchisee must comply with any System Standards regarding marketing, advertising, and public relations, including any social media policy that Bodenvy Franchising may prescribe. Franchisee shall implement any marketing plans or campaigns determined by Bodenvy Franchising.

**9.2 Use by Bodenvy Franchising.** Bodenvy Franchising may use any marketing materials or campaigns developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, perpetual, royalty-free license to Bodenvy Franchising for such purpose.

**9.3 Marketing Fund.** Bodenvy Franchising has established a Marketing Fund to promote the System on a local level. If Bodenvy Franchising has established a Marketing Fund:

(a) Separate Account. Bodenvy Franchising shall hold the Marketing Fund Contributions from all franchisees in one or more bank accounts separate from Bodenvy Franchising's other accounts.

(b) Use. Bodenvy Franchising shall use the Marketing Fund only for marketing, advertising, and public relations materials, programs and campaigns (including at local, regional, national, and/or international level) for Bodenvy, and related overhead. The foregoing includes such activities and expenses as Bodenvy Franchising reasonably determines, and may include, without limitation: development and placement of advertising and promotions; sponsorships; contests and sweepstakes; development of décor, trade dress, Marks, and/or branding; development and maintenance of brand websites; social media; internet activities; e-commerce programs; search engine optimization; market research; public relations, media or agency costs; trade shows and other events; printing and mailing; and administrative and overhead expenses related to the Marketing Fund (including the compensation of Bodenvy Franchising's employees working on marketing and for accounting, bookkeeping, reporting, legal, collections, and other expenses related to the Marketing Fund).

(c) Discretion. Franchisee agrees that expenditures from the Marketing Fund need not be proportionate to contributions made by Franchisee or provide any direct or indirect benefit to Franchisee. The Marketing Fund will be spent at Bodenvy Franchising's sole discretion, and Bodenvy Franchising has no fiduciary duty with regard to the Marketing Fund.

(d) Contribution by Other Outlets. Bodenvy Franchising is not obligated to (i) have all other Bodenvy businesses (whether owned by other franchisees or by Bodenvy Franchising or its affiliates) contribute to the Marketing Fund, or (ii) have other Bodenvy businesses that do contribute to the Marketing Fund contribute the same amount or at the same rate as Franchisee.

(e) Surplus or Deficit. Bodenvy Franchising may accumulate funds in the Marketing Fund and carry the balance over to subsequent years. If the Marketing Fund operates at a deficit or requires additional funds at any time, Bodenvy Franchising may loan such funds to the Marketing Fund on reasonable terms.

(f) Financial Statement. Bodenvy Franchising shall prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of Bodenvy Franchising's fiscal year and shall provide the financial statement to Franchisee upon written request.

**9.4 Market Cooperatives.** Bodenvy Franchising may establish market advertising and promotional cooperative funds ("Market Cooperative") in any geographical areas. If a Market Cooperative for the geographic area encompassing the Location has been established at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Market Cooperative. If a Market Cooperative for the geographic area encompassing the Location is established during the term of this Agreement, Franchisee shall become a member of such Market Cooperative within 30 days of notice from Bodenvy Franchising. Bodenvy Franchising shall not require Franchisee to be a member of more than one Market Cooperative. If Bodenvy Franchising establishes a Market Cooperative:

(a) Governance. Each Market Cooperative will be organized and governed in a form and manner, and shall commence operations on a date, determined by Bodenvy Franchising. Bodenvy Franchising may require the Market Cooperative to adopt bylaws or regulations prepared by Bodenvy Franchising. Unless otherwise specified by Bodenvy Franchising, the activities carried on by each Market Cooperative shall be decided by a majority vote of its members. Bodenvy Franchising will be entitled to attend and participate in any meeting of a Market Cooperative. Any Bodenvy business owned by Bodenvy Franchising in the Market Cooperative shall have the same voting rights as those owned by its franchisees. Each Business owner will be entitled to cast one vote for each Business owned, provided, however, that a franchisee shall not be entitled to vote if it is in default under its franchise agreement. If the members of a Market Cooperative are unable or fail to determine the manner in which Market Cooperative monies will be spent, Bodenvy Franchising may assume this decision-making authority after 10 days' notice to the members of the Market Cooperative.

(b) Purpose. Each Market Cooperative shall be devoted exclusively to administering regional advertising and marketing programs and developing (subject to Bodenvy Franchising's approval) standardized promotional materials for use by the members in local advertising and promotion.

(c) Approval. No advertising or promotional plans or materials may be used by a Market Cooperative or furnished to its members without the prior approval of Bodenvy Franchising pursuant to Section 9.1. Bodenvy Franchising may designate the national or regional advertising agencies used by the Market Cooperative.

(d) Funding. The majority vote of the Market Cooperative will determine the dues to be paid by members of the Market Cooperative, including Franchisee, but not less than 1% and not more than 5% of Gross Sales.

(e) Enforcement. Only Bodenvy Franchising will have the right to enforce the obligations of franchisees who are members of a Market Cooperative to contribute to the Market Cooperative.

(f) Termination. Bodenvy Franchising may terminate any Market Cooperative. Any funds left in a Market Cooperative upon termination will be transferred to the Marketing Fund.

**9.5 Required Spending.** Once the Business opens to the public, Franchisee shall spend on marketing the Business at least the greater of: (i) 22% of Gross Sales; and (ii) the Minimum Marketing Spend. The Minimum Marketing Spend shall be:

<b>Month</b>	<b>Minimum Marketing Spend (per Body Sculpting Machine)</b>
The month during which the Business opens through the third full month following the opening of the Business	\$12,500 (which is prorated for any partial month)
The fourth full month after the Opening of the Business the ongoing required marketing spend for media	You must maintain the spending amount for months 1 - 3 at a minimum.

Bodenvy Franchising (or its affiliate) have the discretion to determine in good faith what activities constitute “marketing” under this Section. If Franchisee contributes to a Market Cooperative, the amount of the contribution will be counted towards Franchisee’s required spending under this Section. If Bodenvy Franchising (or its affiliate) coordinates these expenditures, Franchisee shall pay Bodenvy Franchising (or its affiliate) an administrative fee of three thousand dollars (\$3,000) per month if you have two (2) or less CoolSculpting Machines. If you have more than two (2) or less CoolSculpting Machine, then you must pay an additional one thousand dollars (\$1,000) for each CoolSculpting Machine in excess of two (2). If Bodenvy Franchising elects to have one of its affiliates provide such services, Bodenvy Franchising reserves the right to require Franchisee to enter into a separate contract such affiliate that is consistent with this Section. Within 10 days after request by Bodenvy Franchising, Franchisee shall furnish proof of its compliance with this Section.

**9.6 Telemarketing.** Beginning on the opening of your business, you must employ or utilize telemarketers to perform telemarketing services for the Business in such amounts and in such manner as provided in the System Standards; however, unless Bodenvy Franchising requires otherwise in the future, Franchisee may comply with this section by hiring employees, retaining independent contractors, or outside vendors, including an affiliate of Bodenvy Franchising. The

current requirement is that Franchisee to engage at least one person, per Body Sculpting Machine, who dedicates at least 26 hours per week to telemarketing. Within 10 days after request by Bodenvy Franchising, Franchisee shall furnish proof of its compliance with this Section.

## **ARTICLE 10. RECORDS AND REPORTS**

**10.1 Systems.** Franchisee shall use such customer data management, sales data management, administrative, bookkeeping, accounting, and inventory control procedures and systems as Bodenvy Franchising may specify in the Manual or otherwise in writing.

### **10.2 Reports.**

(a) Financial Reports. Franchisee shall provide such periodic financial reports as Bodenvy Franchising may require in the Manual or otherwise in writing, including:

- (i) a financial reporting form on the 4th of the month. Plus a monthly profit and loss statement and balance sheet for the Business within 30 days after the end of each calendar month;
- (ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within 90 days after the end of each calendar year; and
- (iii) any information Bodenvy Franchising requests in order to prepare a financial performance representation for Bodenvy Franchising's franchise disclosure document, within 30 days after request.

(b) Legal Actions and Investigations. Franchisee shall promptly notify Bodenvy Franchising of any Action or threatened Action by any customer, governmental authority, or other third party against Franchisee or the Business, or otherwise involving Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as Bodenvy Franchising may request.

(c) Government Inspections. Franchisee shall give Bodenvy Franchising copies of all inspection reports, warnings, certificates, and ratings issued by any governmental entity with respect to the Business, within three days of Franchisee's receipt thereof.

(d) Other Information. Franchisee shall submit to Bodenvy Franchising such other financial statements, budgets, forecasts, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that Bodenvy Franchising may reasonably request. Bodenvy Franchising acknowledges that all personnel records of the Business belong to Franchisee and that this Agreement does not grant Bodenvy Franchising the right to access personnel records of Franchisee's employees.

**10.3 Initial Investment Report.** Within 120 days after opening for business, Franchisee shall submit to Bodenvy Franchising a report detailing Franchisee's investment costs to develop and open the Business, with costs allocated to the categories described in Item 7 of Bodenvy



Franchising's Franchise Disclosure Document and with such other information as Bodenvy Franchising may reasonably request.

**10.4 Business Records.** Franchisee shall keep complete and accurate books and records reflecting all expenditures and receipts of the Business, with supporting documents (including, but not limited to, payroll records, payroll tax returns, register receipts, production reports, sales invoices, bank statements, deposit receipts, canceled checks and paid invoices) for at least three years. Franchisee shall keep such other business records as Bodenvy Franchising may specify in the Manual or otherwise in writing.

**10.5 Records Audit.** Bodenvy Franchising may examine and audit all books and records related to the Business (other than personnel records of Franchisee's employees), and supporting documentation, at any reasonable time. Bodenvy Franchising may conduct the audit at the Location and/or require Franchisee to deliver copies of books, records and supporting documentation to a location designated by Bodenvy Franchising. Franchisee shall also reimburse Bodenvy Franchising for all costs and expenses of the examination or audit if (i) Bodenvy Franchising conducted the audit because Franchisee failed to submit required reports or was otherwise not in compliance with the System, or (ii) the audit reveals that Franchisee understated Gross Sales by 3% or more for any 4-week period.

## ARTICLE 11. FRANCHISOR RIGHTS

**11.1 Manual; Modification.** The Manual, and any part of the Manual, may be in any form or media determined by Bodenvy Franchising. Bodenvy Franchising may supplement, revise, or modify the Manual, and Bodenvy Franchising may change, add or delete System Standards at any time in its discretion. Bodenvy Franchising may inform Franchisee thereof by any method that Bodenvy Franchising reasonably deems appropriate (which need not qualify as "notice" under Section 18.9). In the event of any dispute as to the contents of the Manual, Bodenvy Franchising's master copy will control.

**11.2 Inspections.** Bodenvy Franchising may enter the premises of the Business from time to time at any reasonable time (including during normal business hours) and conduct an inspection. Franchisee shall cooperate with Bodenvy Franchising's inspectors. Bodenvy Franchising will use reasonable efforts to not disrupt Franchisee's business operations during any such inspection. The inspection may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions, monitoring sales activity, speaking with employees and customers, and removing samples of products, supplies and materials. Bodenvy Franchising may videotape and/or take photographs of the inspection and the Business. Bodenvy Franchising may set a minimum score requirement for inspections, and Franchisee's failure to meet or exceed the minimum score will be a default under this Agreement. Without limiting Bodenvy Franchising's other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any deficiencies noted during an inspection. If Bodenvy Franchising conducts an inspection because of a governmental report, customer complaint or other customer feedback, or a default or non-compliance with any System Standard by Franchisee (including following up a previous failed inspection), then Bodenvy Franchising may charge all out-of-pocket expenses plus its then-current inspection fee to Franchisee.

**11.3 Bodenvy Franchising’s Right to Cure.** If Franchisee breaches or defaults under any provision of this Agreement, Bodenvy Franchising may (but has no obligation to) take any action to cure the default on behalf of Franchisee, without any liability to Franchisee, including entering the premises of the Business and curing the default without notice to Franchisee. Franchisee shall reimburse Bodenvy Franchising for its costs and expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee.

**11.4 Right to Discontinue Supplies Upon Default.** While Franchisee is in default or breach of this Agreement, Bodenvy Franchising may (i) require that Franchisee pay cash on delivery for products or services supplied by Bodenvy Franchising, (ii) stop selling or providing any products and services to Franchisee, and/or (iii) request any third-party vendors to not sell or provide products or services to Franchisee. No such action by Bodenvy Franchising shall be a breach or constructive termination of this Agreement, change in competitive circumstances, or similarly characterized, and Franchisee shall not be relieved of any obligations under this Agreement because of any such action. Such rights of Bodenvy Franchising are in addition to any other right or remedy available to Bodenvy Franchising.

**11.5 Business Data.** All customer data collected or generated by the Business and all data collected or generated by the point-of-sale system (other than data regarding employees) is deemed to be Confidential Information and is exclusively owned by Bodenvy Franchising. Bodenvy Franchising hereby licenses such data back to Franchisee without charge solely for Franchisee’s use in connection with the Business for the term of this Agreement. Franchisee must give Bodenvy Franchising independent access to any and all information that will be generated or stored in the computer systems of Franchisee and/or the Business, and Franchisee must give Bodenvy Franchising login access and administrative rights to all software utilized in the Business. Franchisee must also agree to permit Bodenvy Franchising to have access to all information relevant to the CoolSculpting Machines provided by or maintained by the manufacturer or servicer of such CoolSculpting Machines. There is no contractual limitation on Bodenvy Franchising’s right to access this information. In addition, Bodenvy Franchising has the right to share any such data or information with others, including vendors of marketing, operations, and scheduling software, as deemed appropriate by Bodenvy Franchising.

**11.6 Innovations.** Franchisee shall disclose to Bodenvy Franchising all ideas, plans, improvements, concepts, methods, and techniques relating to the Business (collectively, “Innovations”) conceived or developed by Franchisee or its employees, agents, or contractors. Bodenvy Franchising will automatically own all Innovations, and it will have the right to use and incorporate any Innovations into the System, without any compensation to Franchisee. Franchisee shall execute any documents reasonably requested by Bodenvy Franchising to document Bodenvy Franchising’s ownership of Innovations.

**11.7 Communication Systems.** If Bodenvy Franchising provides email accounts and/or other communication systems to Franchisee, then Franchisee acknowledges that it has no expectation of privacy in the assigned email accounts and other communications systems, and Franchisee authorizes Bodenvy Franchising to access such communications.

**11.8 Communication with Employees.** Franchisee irrevocably authorizes Bodenvy Franchising to communicate with Franchisee’s employees and contractors on any matter related

to the System or the Business. Franchisee will not prohibit any employee or contractor from communicating with Bodenvy Franchising on any matter related to the System or the Business.

**11.9 Communications with Landlords and Lenders.** Franchisee irrevocably authorizes Bodenvy Franchising to communicate with Franchisee's landlord(s) and lender(s), or prospective landlord(s) and lender(s), about matters relating to the Business, and to provide information about the Business to them.

**11.10 Delegation.** Bodenvy Franchising may delegate any duty or obligation of Bodenvy Franchising under this Agreement to an affiliate or to a third party.

**11.11 System Variations.** Bodenvy Franchising may vary or waive any System Standard for any one or more Bodenvy franchises due to the peculiarities of the particular site or circumstances, density of population, business potential, population of trade area, existing business practices, applicable laws or regulations, or any other condition relevant to the performance of a franchise or group of franchises. Franchisees are not entitled to the same variation or waiver.

**11.12 Franchisor's Discretion.** Bodenvy Franchising may engage in any activity not expressly prohibited by this Agreement. Whenever this Agreement provides that Bodenvy Franchising has a certain right, that right is absolute and the parties intend that Bodenvy Franchising's exercise of that right will not be subject to any limitation or review. Bodenvy Franchising has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement. Whenever Bodenvy Franchising agrees to exercise its rights reasonably or in good faith, Bodenvy Franchising will have satisfied its obligations whenever it exercises reasonable business judgment in making a decision or exercising its rights. Bodenvy Franchising's decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if Bodenvy Franchising's decision or action is intended, in whole or significant part, to promote or benefit the System or the Bodenvy brand generally even if the decision or action also promotes Bodenvy Franchising's financial or other individual interest. Examples of items that will promote or benefit the System or the Bodenvy brand include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System and Bodenvy outlets.

**11.13 Temporary Public Safety Closure.** If Bodenvy Franchising discovers or becomes aware of any aspect of the Business which, in Bodenvy Franchising's opinion, constitutes an imminent danger to the health or safety of any person, then immediately upon Bodenvy Franchising's order, Franchisee must temporarily cease operations of the Business and remedy the dangerous condition. Bodenvy Franchising shall have no liability to Franchisee or any other person for action or failure to act with respect to a dangerous condition.

## ARTICLE 12. MARKS

**12.1 Authorized Marks.** Franchisee shall use no trademarks, service marks or logos in connection with the Business other than the Marks. Franchisee shall use all Marks specified by

Bodenvy Franchising, and only in the manner as Bodenvy Franchising may require. Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement. All use of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill arising due to Franchisee's operation of the Business, will inure to the exclusive benefit of Bodenvy Franchising.

**12.2 Change of Marks.** Bodenvy Franchising may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after Bodenvy Franchising makes any such change (not to exceed 90 days), Franchisee must comply with the change, at Franchisee's expense.

### **12.3 Infringement.**

(a) Defense of Franchisee. If Franchisee has used the Marks in accordance with this Agreement, then (i) Bodenvy Franchising shall defend Franchisee (at Bodenvy Franchising's expense) against any Action by a third party alleging infringement by Franchisee's use of a Mark, and (ii) Bodenvy Franchising shall indemnify Franchisee for expenses and damages if the Action is resolved unfavorably to Franchisee.

(b) Infringement by Third Party. Franchisee shall promptly notify Bodenvy Franchising if Franchisee becomes aware of any possible infringement of a Mark by a third party. Bodenvy Franchising may, in its sole discretion, commence or join any claim against the infringing party.

(c) Control. Bodenvy Franchising shall have the exclusive right to control any prosecution or defense of any Action related to possible infringement of or by the Marks.

**12.4 Name.** If Franchisee is an entity, it shall not use the word "Bodenvy" or any confusingly similar words in its legal name.

## **ARTICLE 13. COVENANTS**

**13.1 Confidential Information.** With respect to all Confidential Information, Franchisee shall (a) adhere to all procedures prescribed by Bodenvy Franchising for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business, (c) not use any such information in any other business or in any manner not specifically authorized in writing by Bodenvy Franchising, (d) exercise the highest degree of diligence and effort to maintain the confidentiality of all such information during and after the term of this Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Franchisee acknowledges that all Confidential Information is owned by Bodenvy Franchising (except for Confidential Information which Bodenvy Franchising licenses from another person or entity). This Section will survive the termination or expiration of this Agreement indefinitely.

### **13.2 Covenants Not to Compete.**

(a) Restriction – In Term. During the term of this Agreement, neither Franchisee, any Owner, nor any spouse of an Owner (the "Restricted Parties") shall directly or indirectly have any

ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after this Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), no Restricted Party shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor within thirty miles of Franchisee’s Territory or within thirty miles of the territory of any other Bodenvy business operating on the date of expiration, termination, or transfer, as applicable. If this Agreement is terminated before the Territory is determined, then the area of non-competition will be the Development Area and within thirty miles territory of any other Bodenvy business operating on the date of termination. If a given Bodenvy business does not have a defined territory, then for purposes of this Section its territory will be deemed to be a 3-mile radius.

(c) Interpretation. The parties agree that each of the foregoing covenants is independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any arbitrator or court, then the parties intend that the arbitrator or court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Bodenvy Franchising. Franchisee agrees that the existence of any claim it may have against Bodenvy Franchising shall not constitute a defense to the enforcement by Bodenvy Franchising of the covenants of this Section. If a Restricted Party fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

**13.3 Covenant Against Solicitation.** Franchisee covenants that, except as otherwise approved in writing by Bodenvy Franchising, Franchisee shall not, for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement, regardless of the cause for termination, or upon transfer of this Agreement or the Franchised Business, and continuing for two (2) years thereafter (and in case of any violation of this covenant, for two (2) years after the violation ceases), either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation:

(a) Divert or attempt to divert any present or prospective business or customer of any Bodenvy business to any Competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System;

(b) Employ or seek to employ any person who is at the time employed by Bodenvy Franchising and/or any of its Affiliates or by any other franchisee of Bodenvy Franchising, or otherwise encourage such person to leave his or her employment.

**13.4 General Manager and Key Employees.** If requested by Bodenvy Franchising, Franchisee shall cause its general manager and other key employees reasonably designated by Bodenvy Franchising to sign Bodenvy Franchising’s then-current form of confidentiality and non-compete agreement (unless prohibited by applicable law).

## ARTICLE 14. DEFAULT AND TERMINATION

**14.1 Termination by Franchisee.** Franchisee may terminate this Agreement only if Bodenvy Franchising violates a material provision of this Agreement and fails to cure or to make substantial progress toward curing the violation within 30 days after receiving written notice from Franchisee detailing the alleged default. Termination by Franchisee is effective 10 days after Bodenvy Franchising receives written notice of termination.

### **14.2 Termination by Bodenvy Franchising.**

(a) Subject to 10-Day Cure Period. Bodenvy Franchising may terminate this Agreement if Franchisee does not make any payment to Bodenvy Franchising when due, or if Franchisee does not have sufficient funds in its account when Bodenvy Franchising attempts an electronic funds withdrawal, and Franchisee fails to cure such non-payment within 10 days after Bodenvy Franchising gives notice to Franchisee of such breach.

(b) Subject to 30-Day Cure Period. If Franchisee breaches this Agreement in any manner not described in subsection (a) or (c), and Franchisee fails to cure such breach to Bodenvy Franchising's satisfaction within 30 days after Bodenvy Franchising gives notice to Franchisee of such breach, then Bodenvy Franchising may terminate this Agreement.

(c) Without Cure Period. Bodenvy Franchising may terminate this Agreement by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

- (i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or breaches any representation in this Agreement;
- (ii) Franchisee knowingly submits any false report or knowingly provides any other false information to Bodenvy Franchising;
- (iii) a receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors, or Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for 30 days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within 45 days, or Franchisee is adjudicated as bankrupt;
- (iv) Franchisee fails to open for business by the date specified on the Summary Page;
- (v) Franchisee loses possession of the Location;
- (vi) Franchisee or any Owner commits a material violation of Section 7.2 (compliance with laws) or Section 13.1 (confidentiality), violates Section 13.2 (non-compete) or Article 15 (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;

- (vii) Franchisee ceases operation of the Business for more than five consecutive days, or Bodenvy Franchising reasonably concludes that Franchisee has ceased operation of the Business;
- (viii) Franchisee or any Owner slanders or libels Bodenvy Franchising or any of its employees, directors, or officers;
- (ix) Franchisee refuses to cooperate with or permit any audit or inspection by Bodenvy Franchising or its agents or contractors, or otherwise fails to comply with Section 10.5 or Section 11.2;
- (x) the Business is operated in a manner which, in Bodenvy Franchising's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within 48 hours after becoming aware of the danger (due to notice from Bodenvy Franchising or otherwise);
- (xi) Franchisee has received two or more notices of default and Franchisee commits another breach of this Agreement, all in the same 12-month period;
- (xii) Bodenvy Franchising (or any affiliate) terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee (or its affiliate) (provided that termination of a Multi-Unit Development Agreement with Franchisee or its affiliate shall not give Bodenvy Franchising the right to terminate this Agreement);
- (xiii) Franchisee or any Owner is charged with, pleads guilty or no-contest to, or is convicted of a felony; or
- (xiv) Franchisee or any Owner is accused by any governmental authority or third party of any act, or if Franchisee or any Owner commits any act or series of acts, that in Bodenvy Franchising's opinion is reasonably likely to materially and unfavorably affect the Bodenvy brand.

**14.3 Effect of Termination.** Upon termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition (Section 13.2(b)), confidentiality (Section 13.1), indemnity (Article 16), and dispute resolution (Article 17), will remain in effect, and Franchisee must immediately:

- (i) pay all amounts owed to Bodenvy Franchising based on the operation of the Business through the effective date of termination or expiration;
- (ii) return to Bodenvy Franchising all copies of the Manual, Confidential Information and any and all other materials provided by Bodenvy Franchising to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items (to the extent in the possession or control of Franchisee); and delete all Confidential Information and proprietary materials from electronic devices;

- (iii) notify the telephone, internet, email, electronic network, directory, and listing entities of the termination or expiration of Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks, and authorize their transfer to Bodenvy Franchising or any new franchisee as may be directed by Bodenvy Franchising, and Franchisee hereby irrevocably appoints Bodenvy Franchising, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing; and
- (iv) cease doing business under any of the Marks.

**14.4 Remove Identification.** Within 30 days after termination or expiration, Franchisee shall at its own expense "de-identify" the Location so that it no longer contains the Marks, signage, or any trade dress of a Bodenvy business, to the reasonable satisfaction of Bodenvy Franchising. Franchisee shall comply with any reasonable instructions and procedures of Bodenvy Franchising for de-identification. If Franchisee fails to do so within 30 days after this Agreement expires or is terminated, Bodenvy Franchising may enter the Location to remove the Marks and de-identify the Location. In this event, Bodenvy Franchising will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by Bodenvy Franchising.

**14.5 Liquidated Damages.** If Bodenvy Franchising terminates this Agreement based upon Franchisee's default (or if Franchisee purports to terminate this Agreement except as permitted under Section 14.1), then within 10 days thereafter Franchisee shall pay to Bodenvy Franchising a lump sum (as liquidated damages and not as a penalty) calculated as follows: (x) the average monthly Royalty Fees and Marketing Fund Contributions that Franchisee owed to Bodenvy Franchising under this Agreement for the last 12 full months that Franchisee operated the Business (disregarding any fee waivers or reductions granted to Franchisee); multiplied by (y) the lesser of (1) 24 or (2) the number of months remaining in the then-current term of this Agreement. If Franchisee had not operated the Business for at least 12 full months, then (x) will equal the average monthly Royalty Fees and Marketing Fund Contributions that Franchisee owed to Bodenvy Franchising during the full months that Franchisee operated the Business. The "average Royalty Fees and Marketing Fund Contributions that Franchisee owed to Bodenvy Franchising" shall be based on the obligations stated in Article 4, and shall not be discounted or adjusted due to any deferred or reduced Royalty Fees and Marketing Fund Contributions agreed to by Bodenvy Franchising unless this Section 14.5 is specifically amended. Franchisee acknowledges that a precise calculation of the full extent of Bodenvy Franchising's damages under these circumstances is difficult to determine and the method of calculation of such damages as set forth in this Section is reasonable. Franchisee's payment to Bodenvy Franchising under this Section will be in lieu of any direct monetary damages that Bodenvy Franchising may incur as a result of Bodenvy Franchising's loss of Royalty Fees and Marketing Fund Contributions that would have been owed to Bodenvy Franchising after the date of termination; however, such payment shall be in addition to all damages and other amounts arising under Section 14.3 and Section 14.4, Bodenvy Franchising's right to injunctive relief for enforcement of Article 13, and any attorneys' fees and other costs and expenses to which Bodenvy Franchising is entitled under this Agreement. Except



as provided in this Section, Franchisee's payment of this lump sum shall be in addition to any other right or remedy that Bodenvy Franchising may have under this Agreement or otherwise.

**14.6 Purchase Option.** When this Agreement expires or is terminated, Bodenvy Franchising will have the right (but not the obligation) to purchase any or all of the assets related to the Business, and/or to require Franchisee to assign its lease or sublease to Bodenvy Franchising. To exercise this option, Bodenvy Franchising must notify Franchisee no later than 30 days after this Agreement expires or is terminated. The purchase price for all assets that Bodenvy Franchising elects to purchase will be the lower of (i) the book value of such assets as declared on Franchisee's last filed tax returns or (ii) the fair market value of the assets. If the parties cannot agree on fair market value within 30 days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. Bodenvy Franchising's purchase will be of assets only (free and clear of all liens), and the purchase will not include any liabilities of Franchisee. The purchase price for assets will not include any factor or increment for any trademark or other commercial symbol used in the business, the value of any intangible assets, or any goodwill or "going concern" value for the Business. Bodenvy Franchising may withdraw its exercise of the purchase option at any time before it pays for the assets. Franchisee will sign a bill of sale for the purchased assets and any other transfer documents reasonably requested by Bodenvy Franchising. If Bodenvy Franchising exercises the purchase option, Bodenvy Franchising may deduct from the purchase price: (a) all amounts due from Franchisee; (b) Franchisee's portion of the cost of any appraisal conducted hereunder; and (c) amounts paid or to be paid by Bodenvy Franchising to cure defaults under Franchisee's lease and/or amounts owed by Franchisee to third parties. If any of the assets are subject to a lien, Bodenvy Franchising may pay a portion of the purchase price directly to the lienholder to pay off such lien. Bodenvy Franchising may withhold 25% of the purchase price for 90 days to ensure that all of Franchisee's taxes and other liabilities are paid. Bodenvy Franchising may assign this purchase option to another party.

## ARTICLE 15. TRANSFERS

**15.1 By Bodenvy Franchising.** Bodenvy Franchising may transfer or assign this Agreement, or any of its rights or obligations under this Agreement, to any person or entity, and Bodenvy Franchising may undergo a change in ownership and/or control, without the consent of Franchisee.

**15.2 By Franchisee.** Franchisee acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Bodenvy Franchising entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience, and business ability. Accordingly, Franchisee shall not conduct or undergo a Transfer without providing Bodenvy Franchising at least 60 days prior notice of the proposed Transfer, and without obtaining Bodenvy Franchising's consent. In granting any such consent, Bodenvy Franchising may impose conditions, including, without limitation, the following:

- (i) Bodenvy Franchising receives a transfer fee equal to \$10,000 plus any broker fees and other out-of-pocket costs incurred by Bodenvy Franchising;
- (ii) the proposed Transferee and its owners have completed Bodenvy Franchising's franchise application processes, meet Bodenvy Franchising's then-applicable

standards for new franchisees, and must be approved by Bodenvy Franchising as franchisees;

- (iii) the proposed Transferee is not a Competitor;
- (iv) the proposed Transferee executes Bodenvy Franchising's then-current form of franchise agreement and any related documents, which form may contain materially different provisions than this Agreement (provided, however, that the form will be amended to provide that proposed assignee will not be required to pay an initial franchise fee);
- (v) all owners of the proposed Transferee provide a guaranty in accordance with Section 2.5;
- (vi) Franchisee has paid all monetary obligations to Bodenvy Franchising and its affiliates, and to any lessor, vendor, supplier, or lender to the Business, and Franchisee is not otherwise in default or breach of this Agreement or of any other obligation owed to Bodenvy Franchising or its affiliates;
- (vii) the proposed Transferee and its owners and employees undergo such training as Bodenvy Franchising will ~~may~~ require;
- (viii) Franchisee, its Owners, and the Transferee and its owners execute a general release of Bodenvy Franchising in a form satisfactory to Bodenvy Franchising; and
- (ix) the Business fully complies with all of Bodenvy Franchising's most recent System Standards.

**15.3 Transfer for Convenience of Ownership.** If Franchisee is an individual, Franchisee may Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership after at least 15 days' notice to Bodenvy Franchising, if, prior to the Transfer: (1) the transferee provides the information required by Section 2.3; (2) Franchisee provides copies of the entity's charter documents, by-laws (or operating agreement) and similar documents, if requested by Bodenvy Franchising, (3) Franchisee owns all voting securities of the corporation or limited liability company, and (4) Franchisee provides a guaranty in accordance with Section 2.5.

**15.4 Transfer upon Death or Incapacity.** Upon the death or incapacity of Franchisee (or, if Franchisee is an entity, the Owner with the largest ownership interest in Franchisee), the executor, administrator, or personal representative of that person must Transfer the Business to a third party approved by Bodenvy Franchising (or to another person who was an Owner at the time of death or incapacity of the largest Owner) within nine months after death or incapacity. Such transfer must comply with Section 15.2.

**15.5 Bodenvy Franchising's Right of First Refusal.** Before Franchisee (or any Owner) engages in a Transfer (except under Section 15.3, to a co-Owner, or to a spouse, sibling, or child of an Owner), Bodenvy Franchising will have a right of first refusal, as set forth in this Section. Franchisee (or its Owners) shall provide to Bodenvy Franchising a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of Bodenvy Franchising's receipt

of such copy, Bodenvy Franchising will have the right, exercisable by notice to Franchisee, to purchase the assets subject of the proposed Transfer for the same price and on the same terms and conditions (except that if some or all of the purchase price is not payable in cash, Bodenvy Franchising may pay the equivalent value in cash for the purchase price). If Bodenvy Franchising does not exercise its right of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Article.

**15.6 No Sublicense.** Franchisee has no right to sublicense the Marks or any of Franchisee's rights under this Agreement.

**15.7 No Lien on Agreement.** Franchisee shall not grant a security interest in this Agreement to any person or entity. If Franchisee grants an "all assets" security interest to any lender or other secured party, Franchisee shall cause the secured party to expressly exempt this Agreement from the security interest.

## ARTICLE 16. INDEMNITY

**16.1 Indemnity.** Franchisee shall indemnify and defend (with counsel reasonably acceptable to Bodenvy Franchising) Bodenvy Franchising, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against Bodenvy Franchising and/or any Indemnatee directly or indirectly related to, or alleged to arise out of, the operation of the Business. Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnatee from Actions which Franchisee proves arose solely as a result of any Indemnatee's intentional misconduct or negligence. Any delay or failure by an Indemnatee to notify Franchisee of an Action shall not relieve Franchisee of its indemnity obligation except to the extent (if any) that such delay or failure materially prejudices Franchisee. Franchisee shall not settle an Action without the consent of the Indemnatee. This indemnity will continue in effect after this Agreement ends.

**16.2 Assumption.** An Indemnatee may elect to assume the defense of any Action subject to this indemnification, and control all aspects of defending the Action, including negotiations and settlement, at Franchisee's expense. Such an undertaking shall not diminish Franchisee's obligation to indemnify the Indemnitees.

## ARTICLE 17. DISPUTE RESOLUTION

### 17.1 Arbitration.

(a) Disputes Subject to Arbitration. Except as expressly provided in subsections (c) and (d), any controversy or claim between the parties (including any controversy or claim arising out of or relating to this Agreement or its formation and including any question of arbitrability) shall be resolved by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, including the Optional Rules for Emergency Measures of Protection. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction.

(b) Location. The place of arbitration shall be the city and state where Bodenvy Franchising's headquarters are located.

(c) Injunctive Relief. Either party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy or right to arbitrate under this Agreement, seek from any court having jurisdiction any interim or provisional injunctive relief.

(d) Intellectual Property Claims. Either party may bring a claim involving an alleged infringement of any of Bodenvy Franchising's intellectual property rights in a court authorized to hear such claims under Section 17.5 of this Agreement.

(e) Confidentiality. All documents, information, and results pertaining to any arbitration or lawsuit will be confidential, except as required by law or as required for Bodenvy Franchising to comply with laws and regulations applicable to the sale of franchises.

(f) Performance During Arbitration or Litigation. Unless this Agreement has been terminated, Bodenvy Franchising and Franchisee will comply with this Agreement and perform their respective obligations under this Agreement during the arbitration or litigation process.

**17.2 Damages.** In any controversy or claim arising out of or relating to this Agreement, each party waives any right to punitive or other monetary damages not measured by the prevailing party's actual damages, except damages expressly authorized by federal statute and damages expressly authorized by this Agreement.

**17.3 Waiver of Class Actions.** The parties agree that any claims will be arbitrated, litigated, or otherwise resolved on an individual basis, and waive any right to act on a class-wide basis.

**17.4 Time Limitation.** Any arbitration or other legal action arising from or related to this Agreement must be instituted within two years from the date of the conduct or event that forms the basis of the arbitration or other legal action. The foregoing time limit does not apply to claims (i) by Bodenvy Franchising related to non-payment of Royalty Fees and other amounts owed by Franchisee, (ii) for indemnity under Article 16, or (iii) related to unauthorized use of Confidential Information or the Marks.

**17.5 Venue Other Than Arbitration.** For any legal proceeding not required to be submitted to arbitration, the parties agree that such proceeding will be brought in the United States District Court where Bodenvy Franchising's headquarters is then located. If there is no federal jurisdiction over the dispute, the parties agree that any such legal proceeding will be brought in the court of record of the state and county where Bodenvy Franchising's headquarters is then located. Each party consents to the jurisdiction of such courts and waives any objection that it, he or she may have to the laying of venue of any proceeding in any of these courts.

**17.6 Legal Costs.** In any legal proceeding (including arbitration) related to this Agreement or any guaranty, the non-prevailing party shall pay the prevailing party's attorney fees, costs and other expenses of the legal proceeding. "Prevailing party" means the party, if any, which prevailed upon the central litigated issues and obtained substantial relief.

**17.7 Franchisor Personnel.** The provisions of this Article 17 will apply to any Action by Franchisee or its Owners against Bodenvy Franchising's officers, directors, shareholders, members, employees, and/or agents. Nothing in this Agreement authorizes any Action against Bodenvy Franchising's officers, directors, shareholders, members, employees, and/or agents or makes those persons liable for Bodenvy Franchising's conduct.

## **ARTICLE 18. MISCELLANEOUS**

**18.1 Relationship of the Parties.** The parties are independent contractors, and neither is the agent, partner, joint venturer, or employee of the other. Bodenvy Franchising is not a fiduciary of Franchisee. Bodenvy Franchising does not control or have the right to control Franchisee or its Business. Any required specifications and standards in this Agreement and in the System Standards exist to protect Bodenvy Franchising's interest in the System and the Marks, and the goodwill established in them, and not for the purpose of establishing any control, or duty to take control, over the Business. Bodenvy Franchising has no liability for Franchisee's obligations to any third party whatsoever.

**18.2 No Third-Party Beneficiaries.** Except as stated in Article 16 or Article 17, this Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, Bodenvy Franchising, and Bodenvy Franchising's affiliates.

**18.3 Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes all prior negotiations and representations. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made by Bodenvy Franchising in its franchise disclosure document.

**18.4 Modification.** No modification or amendment of this Agreement will be effective unless it is in writing and signed by both parties. This provision does not limit Bodenvy Franchising's rights to modify the Manual or System Standards.

**18.5 Consent; Waiver.** No consent under this Agreement, and no waiver of satisfaction of a condition or nonperformance of an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the consent or waiver. No waiver by a party of any right will affect the party's rights as to any subsequent exercise of that right or any other right. No delay, forbearance or omission by a party to exercise any right will constitute a waiver of such right.

**18.6 Cumulative Remedies.** Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

**18.7 Severability.** The parties intend that (i) if any provision of this Agreement is held by an arbitrator or court to be unenforceable, then that provision be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded, and (ii) if an unenforceable provision is modified or disregarded, then the rest of this Agreement will remain in effect as written.

**18.8 Governing Law.** The laws of the state of Florida (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any

Florida law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 18.8.

**18.9 Notices.** Any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (A) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (B) if to Bodenvy Franchising, addressed to 415 North Orlando Ave., Suite 104, Winter Park, FL 32789. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notices will be effective upon the earlier of: (i) receipt by the recipient, (ii) first rejection by the recipient, (iii) three business days after mailing if sent via registered or certified mail; or (iv) the next business day after mailing if sent via overnight courier. Notwithstanding the foregoing, Bodenvy Franchising may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication, in which case notice would be effective on Franchisee upon the delivery of the electronic mail or other electronic communication.

**18.10 Holdover.** If Franchisee continues operating the Business after the expiration of the term without a renewal agreement or successor franchise agreement executed by the parties in accordance with Section 3.2, then at any time (regardless of any course of dealing by the parties), Bodenvy Franchising may by giving written notice to Franchisee (the “Holdover Notice”) either (i) require Franchisee to cease operating the Business and comply with all post-closing obligations effective immediately upon giving notice or effective on such other date as Bodenvy Franchising specifies, or (ii) bind Franchisee to a renewal term of 5 years, collect the renewal fee this Agreement specified in Section 3.2(v), and deem Franchisee and its Owners to have made the general release of liability described in Section 3.2(vi).

**18.11 Joint and Several Liability.** If two or more people sign this Agreement as “Franchisee”, each will have joint and several liability.

**18.12 No Offer and Acceptance.** Delivery of a draft of this Agreement to Franchisee by Bodenvy Franchising does not constitute an offer. This Agreement shall not be effective unless and until it is executed by both Franchisee and Bodenvy Franchising.

*[Signatures on next page]*

Agreed to by:

FRANCHISOR:

BOD BRANDS FRANCHISING, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISEE:

*[if an individual:]*

\_\_\_\_\_  
Name: \_\_\_\_\_

Date: \_\_\_\_\_

*[if an entity:]*

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment 1 to Franchise Agreement**

**OWNERSHIP INFORMATION**

**1. Form of Ownership.** Franchisee is a (check one):

- \_\_\_\_\_ *Sole Proprietorship*
- \_\_\_\_\_ *Partnership*
- \_\_\_\_\_ *Limited Liability Company*
- \_\_\_\_\_ *Corporation*

State: \_\_\_\_\_

**2. Owners.** If Franchisee is a partnership, limited liability company or corporation:

Name	Shares or Percentage of Ownership

**3. Officers.** If Franchisee is a limited liability company or corporation:

Name	Title



**Attachment 2 to Franchise Agreement**

**LOCATION ACCEPTANCE LETTER**

To: \_\_\_\_\_

This Location Acceptance Letter is issued by Bod Brands Franchising, Inc. for your Bodenvy franchise in accordance with Section 6.1 of the Franchise Agreement.

1. The Location of the Business is:

\_\_\_\_\_

2. The Territory of the Business is:

\_\_\_\_\_

3. Number of CoolSculpting Machines: \_\_\_\_\_

BOD BRANDS FRANCHISING, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

### Attachment 3 to Franchise Agreement

#### GUARANTY AND NON-COMPETE AGREEMENT

This Guaranty and Non-Compete Agreement (this “Guaranty”) is executed by the undersigned person(s) (each, a “Guarantor”) in favor of Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”).

**Background Statement:** \_\_\_\_\_ (“Franchisee”) desires to enter into a Franchise Agreement with Bodenvy Franchising for the franchise of a Bodenvy business (the “Franchise Agreement”; capitalized terms used but not defined in this Guaranty have the meanings given in the Franchise Agreement). Guarantor owns an equity interest in Franchisee. Guarantor is executing this Guaranty in order to induce Bodenvy Franchising to enter into the Franchise Agreement.

Guarantor agrees as follows:

**1. Guaranty.** Guarantor hereby unconditionally guarantees to Bodenvy Franchising and its successors and assigns that Franchisee shall pay and perform every undertaking, agreement and covenant set forth in the Franchise Agreement and further guarantees every other liability and obligation of Franchisee to Bodenvy Franchising, whether or not contained in the Franchise Agreement. Guarantor shall render any payment or performance required under the Franchise Agreement or any other agreement between Franchisee and Bodenvy Franchising upon demand from Bodenvy Franchising. Guarantor waives (a) acceptance and notice of acceptance by Bodenvy Franchising of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Franchisee; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Franchisee or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law which requires that Bodenvy Franchising make demand upon, assert claims against or collect from Franchisee or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

**2. Confidential Information.** With respect to all Confidential Information, Guarantor shall (a) adhere to all security procedures prescribed by Bodenvy Franchising for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business, (c) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Bodenvy Franchising, (d) exercise the highest degree of diligence and make every effort to maintain the confidentiality of all such information during and after the term of the Franchise Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Guarantor acknowledges that all Confidential Information is owned by

Bodenvy Franchising or its affiliates (except for Confidential Information which Bodenvy Franchising licenses from another person or entity). Guarantor acknowledges that all customer data collected or generated by the Business and all data collected or generated by the point-of-sale system (other than data regarding employees) is Confidential Information belonging to Bodenvy Franchising. This Section will survive the termination or expiration of the Franchise Agreement indefinitely.

### **3. Covenants Not to Compete.**

(a) Restriction - In Term. During the term of the Franchise Agreement, Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after the Franchise Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer by Guarantor), Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor located within thirty miles of Franchisee’s Territory or within thirty miles of the territory of any other Bodenvy business operating on the date of expiration, termination, or transfer, as applicable. If the Franchise Agreement is terminated before the Territory is determined, then the area of non-competition will be the Development Area and within thirty miles the territory of any other Bodenvy business operating on the date of termination. If a given Bodenvy business does not have a defined territory, then for purposes of this Section its territory will be deemed to be a 3-mile radius.

(c) Interpretation. Guarantor agrees that each of the foregoing covenants is independent of any other covenant or provision of this Guaranty or the Franchise Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any court or arbitrator, then the parties intend that the court or arbitrator modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Bodenvy Franchising. Guarantor agrees that the existence of any claim it or Franchisee may have against Bodenvy Franchising shall not constitute a defense to the enforcement by Bodenvy Franchising of the covenants of this Section. If Guarantor fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

**4. Covenant Against Solicitation.** Guarantor covenants that, except as otherwise approved in writing by Bodenvy Franchising, Guarantor shall not, for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement, regardless of the cause for termination, or upon transfer of the Franchise Agreement or the Franchised Business, and continuing for two (2) years thereafter (and in case of any violation of this covenant, for two (2) years after the violation ceases), either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation:

(a) Divert or attempt to divert any present or prospective business or customer of any Bodenvy business to any Competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System;

(b) Employ or seek to employ any person who is at the time employed by Bodenvy Franchising or by any other franchisee of Bodenvy Franchising and/or any of its Affiliates, or otherwise encourage such person to leave his or her employment.

**5. Modification.** Guarantor agrees that Guarantor’s liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Franchise Agreement, (b) any extension of time, credit or other indulgence which Bodenvy Franchising may from time to time grant to Franchisee or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

**6. Governing Law; Dispute Resolution.** This Guaranty shall be governed by and construed in accordance with the laws of the state of Florida (without giving effect to its principles of conflicts of law). The parties agree that any Florida law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 5. The provisions of Article 17 (Dispute Resolution) of the Franchise Agreement apply to and are incorporated into this Guaranty as if fully set forth herein. Guarantor shall pay to Bodenvy Franchising all costs incurred by Bodenvy Franchising (including reasonable attorney fees) in enforcing this Guaranty. If multiple Guarantors sign this Guaranty, each will have joint and several liability.

Agreed to by:

\_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT C**

**MULTI-UNIT DEVELOPMENT AGREEMENT**

This Multi-Unit Development Agreement (this “MUDA”) is made between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”) on the Effective Date.

**Background Statement:** On the same day as they execute this MUDA, Bodenvy Franchising and Franchisee have entered into a Franchise Agreement for the franchise of a Bodenvy business (the “Franchise Agreement”; capitalized terms used but not defined in this MUDA have the meanings given in the Franchise Agreement). Bodenvy Franchising and Franchisee desire that Franchisee develop multiple Bodenvy businesses.

**1. Multi-Unit Commitment.**

(a) Development Schedule; Fee. Franchisee shall develop and open Bodenvy businesses on the following schedule:

<b>Store #</b>	<b>Deadline for Opening</b>	<b>Total # of Stores to be Open and Operating on Deadline</b>	<b>Initial Franchise Fee</b>
1		1	\$ _____
2		2	\$ _____
3		3	\$ _____
4		4	\$ _____
5		5	\$ _____
<b>Total Initial Franchise Fee:</b>			

(b) Payment. Upon execution of this MUDA, Franchisee shall pay the total Initial Franchise Fee to Bodenvy Franchising. The Initial Franchise Fee is non-refundable.

**2. Form of Agreement.** For Store #1, Franchisee and Bodenvy Franchising have executed the Franchise Agreement simultaneously with this MUDA. For each additional Bodenvy franchise, Franchisee shall execute Bodenvy Franchising’s then-current standard form of franchise agreement no later than three business days after Franchisee leases or acquires a location. This MUDA does not give Franchisee the right to construct, open, or operate a Bodenvy business, and Franchisee acknowledges that Franchisee may construct, open, and operate each Bodenvy business only pursuant to a separate franchise agreement executed pursuant to this MUDA for each such Bodenvy business.

**3. Development Area.** Franchisee shall locate each Bodenvy business it develops under this MUDA within the following area: \_\_\_\_\_ (the “Development Area”). During the term of this MUDA, Franchisor and its affiliates will not operate, or license others to operate, any new Bodenvy unit in the Development Area, provided that you are in compliance with the terms of this MUDA and any other agreements with us and our affiliates and you are current on all obligations due to us and our affiliates. This Section 3 does not prohibit us and our affiliates, from: (1) operating, and licensing others to operate, Bodenvy units in the Development Area that are open and operating or under development as of the Effective Date; (2) during the term of this MUDA, operating, and licensing others to operate, Bodenvy units at any location outside the Development Area; (3) after this MUDA terminates or expires, operating, and licensing others to operate, Bodenvy units at any location. Franchisee acknowledges that the development rights granted under this MUDA are non-exclusive and that, except as expressly provided in this Section 3, Franchisee has no exclusive territorial rights, protected territory or other right to exclude, control or impose conditions on the location or development of Bodenvy units under the Marks, on any sales or distribution of products under the Marks, or on Franchisor’s (and its affiliates’) business activities.

**4. Default and Termination.**

(i) Franchisee may terminate this MUDA at any time without penalty. Termination by Franchisee is effective 10 days after Bodenvy Franchising receives written notice of termination. If Franchisee terminates this MUDA pursuant to this Section 4(i) then Franchisee waives any right to a refund of any amounts previously paid to Franchisor.

(ii) Bodenvy Franchising may terminate this MUDA by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

(a) Franchisee fails to satisfy the development schedule; or

(b) Bodenvy Franchising has the right to terminate any franchise agreement between Bodenvy Franchising and Franchisee (or any affiliate thereof) due to Franchisee’s default thereunder (whether or not Bodenvy Franchising actually terminates such franchise agreement).

**5. Limitation of Liability.** Franchisee’s commitment to develop Bodenvy businesses is in the nature of an option only. If Bodenvy Franchising terminates this MUDA for Franchisee’s default, Franchisee shall not be liable to Bodenvy Franchising for lost future revenues or profits from the unopened Bodenvy businesses. Franchisee may terminate this MUDA at any time.

**6. Conditions.** Franchisee’s right to develop each Bodenvy franchise after the Store #1 is subject to the following:

(i) Franchisee must possess sufficient financial and organizational capacity to develop, open, operate, and manage each additional Bodenvy business, in the reasonable judgment of Bodenvy Franchising, and

- (ii) Franchisee must be in full compliance with all brand requirements at its open Bodenvy businesses, and not in default under any Franchise Agreement or any other agreement with Bodenvy Franchising.

**7. Dispute Resolution; Miscellaneous.**

(i) The laws of the State of Florida (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties.

(ii) The parties agree that any Florida law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 7.

(iii) Franchisee shall not Transfer this MUDA without the prior written consent of Bodenvy Franchising, and any Transfer without Bodenvy Franchising's prior written consent shall be void.

(iv) The provisions of Article 17 (Dispute Resolution) and Article 18 (Miscellaneous) of the Franchise Agreement apply to and are incorporated into this MUDA as if fully set forth herein.

*[Signatures on Next Page]*

Agreed to by:

FRANCHISOR:

BOD BRANDS FRANCHISING, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISEE:

*[if an individual:]*

\_\_\_\_\_  
Name: \_\_\_\_\_

*[if an entity:]*

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**EXHIBIT D**

**RIDER TO LEASE AGREEMENT**

Landlord: \_\_\_\_\_

Notice Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Tenant: \_\_\_\_\_

Leased Premises: \_\_\_\_\_

Franchisor: Bod Brands Franchising, Inc.

Notice Address: 415 North Orlando Ave.,

Suite 104, Winter Park, FL 32789

Telephone: (407) 867-1817

1. Use. Tenant is a franchisee of Franchisor. The Leased Premises shall be used only for the operation of a Bodenvy business (or any name authorized by Franchisor).

2. Notice of Default and Opportunity to Cure. Landlord shall provide Franchisor with copies of any written notice of default (“Default”) given to Tenant under the Lease, and Landlord grants to Franchisor the option (but not the obligation) to cure any Default under the Lease (should Tenant fail to do so) within 10 days after the expiration of the period in which Tenant may cure the Default.

3. Termination of Lease. Landlord shall copy Franchisor on any notice of termination of the Lease. If Landlord terminates the Lease for Tenant’s Default, Franchisor shall have the option to enter into a new Lease with Landlord on the same terms and conditions as the terminated Lease. To exercise this option, Franchisor must notify Landlord within 15 days after Franchisor receives notice of the termination of the Lease.

4. Termination of Franchise Agreement. If the Franchise Agreement between Franchisor and Tenant is terminated during the term of the Lease, then upon the written request of Franchisor, Tenant shall assign the Lease to Franchisor. Landlord hereby consents to the assignment of the Lease to Franchisor.

5. Assignment and Subletting. Notwithstanding any provision of the Lease to the contrary, Tenant shall have the right to assign or sublet the Lease to Franchisor or its affiliate, provided that no such assignment or sublease shall relieve Tenant or any guarantor of liability under the Lease unless otherwise agreed by Landlord. If Franchisor or its affiliate becomes the lessee of the Leased Premises, then Franchisor shall have the right to assign or sublease its lease to a franchisee of the Bodenvy brand. Any provision of the Lease which limits Tenant’s right to own or operate other Bodenvy outlets in proximity to the Leased Premises shall not apply to Franchisor or to its affiliates.

6. Authorization. Tenant authorizes Landlord and Franchisor to communicate directly with each other about Tenant and Tenant’s business.

7. Right to Enter. Upon the expiration or termination of the Franchise Agreement or the Lease, or the termination of Tenant's right of possession of the Leased Premises, Franchisor or its designee may, after giving reasonable prior notice to Landlord, enter the Leased Premises to remove signs and other material bearing Franchisor's brand name, trademarks, and commercial symbols, provided that Franchisor will be liable to Landlord for any damage Franchisor or its designee causes by such removal.

8. No Liability. By executing this Rider, Franchisor does not assume any liability with respect to the Leased Premises or any obligation as Tenant under the Lease.

Executed by:

LANDLORD:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

TENANT:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

BOD BRANDS FRANCHISING, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT E

### FORM OF GENERAL RELEASE

*[This is our current standard form of General Release. This document is not signed when you purchase a franchise. In circumstances such as a renewal of your franchise or as a condition of our approval of a sale of your franchise, we may require you to sign a general release.]*

This General Release (“Release”) is executed by the undersigned (“Releasor”) in favor of Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”).

**Background Statement:** *[describe circumstances of Release]*

Releasor agrees as follows:

- 1. Release.** Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the “Releasing Parties”)) hereby releases Bodenvy Franchising, its affiliates, and their respective directors, officers, shareholders, employees, franchise sellers, and agents (collectively, the “Released Parties”) from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement (collectively, “Claims”).
- 2. Covenant Not to Sue.** Releasor (on behalf of all Releasing Parties) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any Released Party with respect to any Claim.
- 3. Representations and Acknowledgments.** Releasor represents and warrants that: (i) Releasor is the sole owner of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor’s choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim.
- 4. Miscellaneous.** If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that Bodenvy Franchising reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof.

**5. State Addenda.**

**[Maryland Residents]:** This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

**[Washington Residents]:** A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the franchise agreement is in effect and where the parties are represented by independent counsel.

Agreed to by:

\_\_\_\_\_  
Name: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT F**  
**FINANCIAL STATEMENTS**

BOD BRANDS FRANCHISING, INC.

Balance Sheet as of December 31, 2022

TOGETHER WITH INDEPENDENT ACCOUNTANT AUDIT REPORT

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<u>Description</u>	<u>Page</u>
Independent Accountant Audit Report .....	3
Balance Sheet .....	4
Notes to Accompanied Financial Statements .....	5-7

**INDEPENDENT ACCOUNTANT AUDIT REPORT**

To the Management of BOD BRANDS FRANCHISING, INC.

We have audited the accompanying financial statements of BOD BRANDS FRANCHISING, INC. (the "Company"), which comprise the Balance Sheet as of December 31, 2022.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BOD BRANDS FRANCHISING, INC. of December 31, 2022, in accordance with accounting principles generally accepted in the United States of America.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

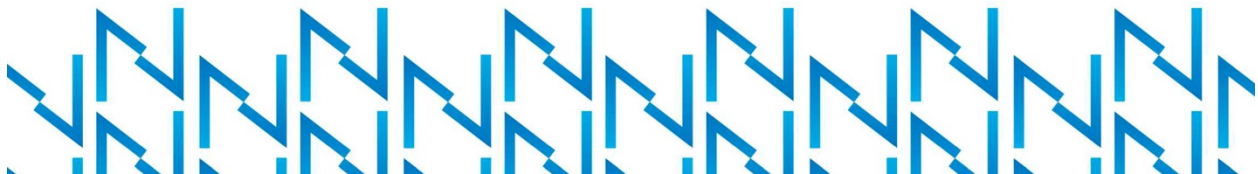
**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Omar Alnuaimi, CPA

Naperville, IL  
April 18, 2023





**BOD BRANDS FRANCHISING, INC.**  
**BALANCE SHEET**  
**AS OF DECEMBER 31, 2022**

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<u><b>ASSETS</b></u>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents		\$ 903,517
	TOTAL CURRENT ASSETS	903,517
<b>NON-CURRENT ASSETS</b>		
	TOTAL NON-CURRENT ASSETS	-
	TOTAL ASSETS	903,517
 <u><b>LIABILITIES AND OWNER'S EQUITY</b></u>		
<b>CURRENT LIABILITIES</b>		
Due to Related Party		188,234
Company Credit Card		5,788
	TOTAL CURRENT LIABILITIES	194,022
<b>NON-CURRENT LIABILITIES</b>		
	TOTAL NON-CURRENT LIABILITIES	-
	TOTAL LIABILITIES	194,022
<b>OWNER'S EQUITY</b>		
Retained Earnings (Deficit)		709,495
	TOTAL SHAREHOLDERS' EQUITY	709,495
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 903,517

*See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.*

BOD BRANDS FRANCHISING, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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**NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES**

BOD BRANDS FRANCHISING, INC. (the “Company”) was incorporated under the laws of the State of Florida for the purpose of offering franchise opportunities to entrepreneurs who want to own their own ‘Bodenvy’ location, as a franchise.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). As a result, the Company records revenue when earned and expenses when incurred. The Company has adopted the calendar year as its basis of reporting.

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Revenue Recognition

Revenues are primarily derived from franchise fees (one-time and recurring monthly fees). In accordance with Accounting Standards Codification (ASC) Topic 606, Revenue will be recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the seller’s price to the buyer is fixed or determinable, and collectability is reasonable assured. The determination of whether fees are fixed or determinable and collection is reasonable assured involves the use of assumptions. Arrangement terms and customer information are evaluated to ensure that these criteria are met prior to recognition of revenue.

Specifically for franchisors, The Financial Accounting Standards Board (FASB) has issued an Accounting Standards Update (ASU) to ASC 606, Franchisors—‘Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient’ in 2022 which provides a new practical expedient that permits private company franchisors to account for preopening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within the guidance. The Company has elected to adopt this new standard.

BOD BRANDS FRANCHISING, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

Unearned Revenue

The Company's primary performance obligation under the franchise agreement mainly includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including initial training and other such activities commonly referred to collectively as "pre-opening activities", which are recognized as a single performance obligation. The Company expects that certain pre-opening activities provided to the franchisee will not be brand specific and will provide the franchisee with relevant general business information that is separate and distinct from the operation of a company-branded franchise unit. The portion of pre-opening activities that will be provided that is not brand specific is expected to be distinct as it will provide a benefit to the franchisee and is expected not to be highly interrelated or interdependent to the access of the Company's intellectual property, and therefore will be accounted for as a separate distinct performance obligation. All other pre-opening activities are expected to be highly interrelated and interdependent to the access of the Company's intellectual property and therefore will be accounted for as a single performance obligation, which is satisfied by granting certain rights to access the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company will first allocate the initial franchise fees and the fixed consideration, under the franchise agreement to the stand-alone selling price of the training services that are not brand specific and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, which are not brand specific are recognized ratably as those services are rendered. Consideration allocated to pre-opening activities included under Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' is recognized when the related services have been rendered.

The remaining franchisee fee not allocated to pre-opening activities are recorded as Unearned Revenue and will be recognized over the term of the franchise agreement.

Income Taxes

The Company applies ASC 740 Income Taxes ("ASC 740"). Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial statement reported amounts at each period end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents the tax expense for the period, if any and the change during the period in deferred tax assets and liabilities.

Net operating losses will be carried forward to reduce taxable income in future years. Due to management's uncertainty as to the timing and valuation of any benefits associated with the net operating loss carryforwards, the Company has elected to recognize an allowance to account for them in

BOD BRANDS FRANCHISING, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

Income Taxes (cont.)

the financial statements but has fully reserved it. Under current law, net operating losses may be carried forward indefinitely.

Commitments and Contingencies

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations. As of December 31, 2022, the Company has not reported any lawsuit or known plans of litigation by or against the Company.

**NOTE C – CONCENTRATIONS OF RISK**

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

**NOTE D - TRANSACTIONS WITH RELATED PARTY**

The Due to Related Party account represents a loan due to a related affiliate. This loan is unsecured, has no stated interest rate, and any repayments are deferred with no stated repayment date. The proceeds of this loan were used to fund various operating expenses of the Company.

**NOTE E – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through April 18, 2023, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

**EXHIBIT G**

**BRAND STANDARDS MANUAL TABLE OF CONTENTS**

<b>Manual Section</b>	<b>Number of Pages</b>
Preface & Introduction	35
Establishing My Franchise Business	37
Personnel	48
Administrative Procedures	25
Daily Procedures	54
Selling & Marketing	22
<b>Total Number of Pages</b>	<b>221</b>

## EXHIBIT H

### CURRENT AND FORMER FRANCHISEES

#### Current Franchisees

Names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets:

None

Franchisees who had signed franchise agreements as of the end of our last fiscal year but are not yet open:

None

Note: We did not have any multi-unit developers at the close of our last fiscal year.

#### Former Franchisees

Name, city and state, and current business 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 the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

None

**EXHIBIT I**

**STATE ADDENDA TO DISCLOSURE DOCUMENT**

## CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

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

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT [www.dfpi.ca.gov](http://www.dfpi.ca.gov).

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES. THIS REQUIREMENT PLACES THE MARITAL ASSETS OF THE SPOUSES DOMICILED IN COMMUNITY PROPERTY STATES – ARIZONA, CALIFORNIA, IDAHO, LOUISIANA, NEVADA, NEW MEXICO, TEXAS, WASHINGTON AND WISCONSIN AT RISK IF YOUR FRANCHISE FAILS.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

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

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

3. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person



acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee 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.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

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

The Franchise Agreement requires application of the laws of Florida. This provision may not be enforceable under California law.

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.

4. The following paragraph is added at the end of Item 19 of the Disclosure Document:

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

**HAWAII ADDENDUM TO DISCLOSURE DOCUMENT**

In the State of Hawaii only, this Disclosure Document is amended as follows:

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

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

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

Registered agent in the state authorized to receive service of process:

Commissioner of Securities  
335 Merchant Street  
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. A franchise registration is effective or an offering circular is on file in the following states: \_\_\_\_\_
2. A proposed registration or filing is or will be shortly on file in the following states:  
\_\_\_\_\_
3. No states have refused, by order or otherwise to register these franchises.
4. No states have revoked or suspended the right to offer these franchises.
5. The proposed registration of these franchises has not been withdrawn in any state.

## **ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT**

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the "Act"), this Disclosure Document is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Act.

## **MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT**

In the State of Maryland only, this Disclosure Document is amended as follows:

The following is added to Item 17:

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

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

You have the right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.

The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.

## MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Minnesota only, this Disclosure Document is amended as follows:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor 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 (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) 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 (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

**THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

**THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7**

**DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

## NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In the State of New York only, this Disclosure Document is amended as follows:

1. The following information is added to the cover page of the Franchise Disclosure Document:

**INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY ST. 21ST FLOOR, NEW YORK, NY 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

2. The following is added at the end of Item 3:

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending

action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

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

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

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

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

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

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

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

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

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

8. The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of forum**”, and Item 17(w), titled “**Choice of law**”: The foregoing choice of law should not be



considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

## NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of North Dakota only, this Disclosure Document is amended as follows:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.
2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.
3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.
6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.
7. Waiver of Exemplary and Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.
8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

## **OHIO ADDENDUM TO DISCLOSURE DOCUMENT**

In the State of Ohio only, this Disclosure Document is amended by adding the following two cover pages to this Disclosure Document:

### **BOD BRANDS FRANCHISING, INC.**

#### **READ THIS DISCLOSURE DOCUMENT CAREFULLY**

**The state of Ohio has not reviewed and does not approve, recommend, endorse, or sponsor this or any franchise. If you have any questions about this franchise, the information contained in this disclosure document should be reviewed with an attorney or financial advisor before you sign any agreement.**

**The following disclosure document contains the disclosures required by Ohio law.**

In the State of Ohio only, this Disclosure Document is further amended as follows:

The following is added to Item 19:

**CAUTION**

**Some business opportunity plans have earned this amount. There is no assurance you will do as well. If you rely upon our figures, you must accept the risk of not doing as well.**

## **RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT**

In the State of Rhode Island only, this Disclosure Document is amended as follows:

Item 17, summary columns for (v) and (w) are amended to add the following:

Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

## **VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT**

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

The following statements are added to Item 17(h):

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

Item 17(t) is amended to read as follows:

Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

**WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT**

(See Exhibit J for Washington Addendum to Disclosure Document and Rider to Franchise Agreement)

**EXHIBIT J**

**STATE ADDENDA TO AGREEMENTS**



**ILLINOIS RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT  
DEVELOPMENT AGREEMENT**

This Rider amends the Franchise Agreement and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

- 1. Governing Law.** Illinois law governs the Agreement.
  
- 2. Waivers Void.** In conformance with Section 41 of the Illinois Franchise Disclosure Act, notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.
  
- 3. Jurisdiction.** In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to occur outside of Illinois.
  
- 4. Entire Agreement; No Disclaimer.** This Agreement and all related agreements executed simultaneously with this Agreement constitute the entire understanding of the parties and supersede any and all prior oral or written agreements between Bodenvy Franchising and Franchisee on the matters contained in this Agreement; but nothing in this Agreement or any related agreement is intended to disclaim the representations that Bodenvy Franchising made in the latest franchise disclosure document that Bodenvy Franchising furnished to Franchisee.
  
- 5. Effective Date.** This Rider is effective as of the date of the Agreement.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

BOD BRANDS FRANCHISING, INC.

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## INDIANA RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Franchise Agreement and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Indiana Acts” means the Indiana Franchise Act and the Indiana Deceptive Franchise Practices Act.

**2. Certain Provisions Modified.** Any provision of the Agreement which would have any of the following effects is hereby modified to the extent required for the Agreement to be in compliance with the Indiana Acts:

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or services or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by the Indiana Deceptive Franchise Practices Act or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subsection (5) does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase

notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subsection (7) includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any (A) advertising campaign or contest; (B) promotional campaign; (C) promotional materials; or (D) display decorations or materials; at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

BOD BRANDS FRANCHISING, INC.

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**MARYLAND RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT  
DEVELOPMENT AGREEMENT**

This Rider amends the Franchise Agreement and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Maryland Franchise Registration and Disclosure Law” means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.
- 2. Releases, Estoppels and Waivers of Liability.** 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. The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
- 3. Statute of Limitations.** Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.
- 4. Jurisdiction.** Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction in the State of Maryland.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

BOD BRANDS FRANCHISING, INC.

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## MINNESOTA RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Franchise Agreement and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Minnesota Act” means Minnesota Statutes, Sections 80C.01 to 80C.22.

**2. Amendments.** The Agreement is amended to comply with the following:

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor 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 (1) any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) 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 (2) that consent to the transfer of the franchise will not be unreasonably withheld.

The franchisor will protect the franchisee’s rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee’s right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state “No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues.”

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

BOD BRANDS FRANCHISING, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**NEW YORK RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT**

This Rider amends the Franchise Agreement and Multi-Unit Development Agreement] dated \_\_\_\_\_ (the “Agreement”), between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.
- 2. Waivers Not Required.** Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve Bodenvy Franchising or any other person from any duty or liability imposed by New York General Business Law, Article 33 (the “New York Franchise Law”).
- 3. Waivers of New York Law Deleted.** Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by Bodenvy Franchising with any provision of the New York Franchise Law, or any rule promulgated thereunder, is hereby deleted.
- 4. Governing Law.** Notwithstanding any provision of the Agreement to the contrary, the New York Franchise Law shall govern any claim arising under that law.
- 5. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

BOD BRANDS FRANCHISING, INC.

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Franchise Agreement and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Amendments.** The Agreement (and any Guaranty Agreement) is amended to comply with the following:

- (1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.
- (2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee’s business.
- (3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.
- (4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.
- (5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.
- (6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.
- (7) Waiver of Exemplary and Punitive Damages: The parties do not waive exemplary and punitive damages.
- (8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.
- (9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
- (10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.

**3. Effective Date.** This Rider is effective as of the Effective Date.



Agreed to by:

FRANCHISOR:

BOD BRANDS FRANCHISING, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**OHIO RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT**

This Rider amends the Franchise Agreement and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “BOPA” means the Ohio Business Opportunity Act, codified in Revised Code of Ohio, Title XIII, Chapter 1334.
- 2. Applicability of BOPA.** Franchisee acknowledges that Bodenvy Franchising is providing this Rider out of an abundance of caution, and that neither the execution of this Rider nor any other act of Bodenvy Franchising constitutes an intent that BOPA apply to the transaction between Bodenvy Franchising and Franchisee or an admission by Bodenvy Franchising that the transaction fails to comply in any material respects with the trade regulation rule of the federal trade commission, “disclosure requirements and prohibitions concerning franchising,” 16 C.F.R. 436.1 et seq.
- 3. No Delivery of Goods or Services during Cancellation Period.** Bodenvy Franchising will not commence delivery of any goods or provide any services during the time within which Franchisee may cancel the Agreement as provided in Section 5 below.
- 4. Jurisdiction and Venue.** In connection with the sale of the franchise, any provision in the Agreement restricting jurisdiction or venue to a forum outside of Ohio, or requiring the application of laws of another state, is void with respect to a claim otherwise enforceable under Sections 1334.01 to 1334.15 of the BOPA.
- 5. Cancellation.** You, the franchisee, may cancel the transaction at any time prior to midnight of the fifth business day after the date you sign this Agreement. See the attached notice of cancellation for an explanation of this right.
- 6. Agent for Service of Process.** The name and address of Bodenvy Franchising’s agent authorized to receive service of process in Ohio is [\_\_\_\_\_].

Agreed to by:

FRANCHISOR:

FRANCHISEE:

BOD BRANDS FRANCHISING, INC.

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**OHIO  
NOTICE OF CANCELLATION**

*[Insert Date Agreement Signed by FRANCHISEE]*

**You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten business days following Bod Brands Franchising, Inc.'s receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to Bodenvy Franchising at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of Bodenvy Franchising regarding the return shipment of the goods at Bodenvy Franchising's expense and risk. If you do make the goods available to Bodenvy Franchising and Bodenvy Franchising does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to Bodenvy Franchising, or if you agree to return them to Bodenvy Franchising and fail to do so, then you remain liable for the performance of all obligations under the Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Bod Brands Franchising, Inc., at 415 North Orlando Ave., Suite 104, Winter Park, FL 32789, or send an e-mail to Bodenvy Franchising at support@bodbrandsfranchising.com, not later than midnight of *[Insert date that is five business days after the date above]*.**

**I hereby cancel this transaction.**

**FRANCHISEE:**

\_\_\_\_\_

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**RHODE ISLAND RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT**

This Rider amends the Franchise Agreement and Multi-Unit Development Agreement dated \_\_\_\_\_ (the “Agreement”), between Bod Brands Franchising, Inc., a Florida corporation (“Bodenvy Franchising”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.
- 2. Jurisdiction and Venue.** Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.
- 3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

BOD BRANDS FRANCHISING, INC.

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT  
AND  
RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT  
AGREEMENT**

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.

Agreed to by:

FRANCHISOR:

BOD BRANDS FRANCHISING, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT K**

**EFT AUTHORIZATION FORM**

Bank Name: \_\_\_\_\_  
ABA#: \_\_\_\_\_  
Acct. #: \_\_\_\_\_  
Acct. Name: \_\_\_\_\_

Effective as of the date of the signature below, \_\_\_\_\_ (“Franchisee”) hereby authorizes Bod Brands Franchising, Inc. (“Franchisor”) or its designee to withdraw funds from the above-referenced bank account, electronically or otherwise, to make the following payments to Franchisor under the franchise agreement (the “Franchise Agreement”) between Franchisor and Franchisee: (1) all Royalty Fees; (2) all Marketing Fund Contributions; (3) all other fees authorized under the Franchise Agreement; and (4) any amounts charged by Franchisor or its affiliates in connection with equipment, inventory, supplies, and/or services that Franchisee purchases from Franchisor or its affiliates, as and when such amounts become due and owing to Franchisor and/or its affiliates. Franchisee acknowledges that Royalty Fees, Marketing Fund Contributions, and all other fees may be collected by Franchisor in the manner provided for in the Franchise Agreement. The parties further agree that all capitalized terms not specifically defined herein will be given the same definition as set forth in the Franchise Agreement.

Such withdrawals shall occur on a monthly basis, or on such other schedule as Franchisor shall specify in writing. This authorization shall remain in force and effect until terminated in writing by Franchisor. Franchisee shall provide Franchisor, in conjunction with this authorization, a voided check from the above-referenced account.

Agreed to by:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**PLEASE ATTACH A VOIDED BLANK CHECK FOR PURPOSES OF SETTING UP BANK AND TRANSIT NUMBERS**

**EXHIBIT L**

**CURRENT STANDARD FORMS**

Attached are current versions of some of our standard form contracts that you may be required to execute.



## Digital Marketing Agreement

This Digital Marketing Agreement (this “Agreement”), dated as of \_\_\_\_\_ (the “Effective Date”), is between:

Bod Brands Marketing, LLC.

281 W. Trotters Drive

Maitland, Fl. 32789

Hereby known as “BOD BRANDS”

AND

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Hereby known as “CLIENT”

WHEREAS, BOD BRANDS and CLIENT desire to establish a digital marketing agreement whereby BOD BRANDS will provide paid digital advertising to CLIENT. This Agreement may be modified from time to time in the form of a written instrument signed by both Parties (an “Amendment”). The terms of any Amendment executed during this Agreement will be subject to the terms of this Agreement unless otherwise stipulated in the Amendment.

### SCOPE OF ACTIVITIES.

BOD BRANDS will manage paid digital campaigns for CLIENT that may include Google, Facebook, Instagram, TikTok and/or other paid platforms. BOD BRANDS will provide the following management services: selection of digital platform(s), create advertisements, Update advertisements minimally each month, develop landing page(s), Integrate leads into BOD BRAND’s CRM database and implement a digital drip marketing campaign. BOD BRANDS will have the sole discretion and decision making for all the services provided in this agreement including but not limited to advertising creatives, timeline of advertisement updates, landing page design, offers for advertisements and the digital marketing campaign.

All leads created from this digital marketing agreement will be owned by BOD BRANDS. BOD BRANDS will use the leads generated by this agreement exclusively for CLIENT’s campaigns, and will NOT utilize these leads for any other purposes.

### Monthly “Spend”

The “spend” refers to the monthly budget that the CLIENT will pay directly to digital advertising platforms that may include, but not limited to Google, Facebook (Meta), YouTube, etc. Accounts will be set up with digital advertising platforms and the CLIENT’s credit card will be placed on file for digital advertising.

### **Management Fee**

BOD BRANDS will charge CLIENT a Management Fee for administering CLIENT SPEND as follows: \$3,000 for up to 2 CoolSculpting Machines and \$1,000 for each additional CoolSculpting Machine. The management fee will be paid directly to BOD BRANDS on a monthly basis.

### **TERM AND TERMINATION.**

The term of this Agreement shall be 10 years from the Effective Date unless terminated earlier pursuant to the provisions of this Agreement. BOD BRANDS may cancel this agreement at any time with a 30 day written notice to CLIENT. CLIENT may terminate this agreement with the approval of Bod Brands Franchising and an alternative digital marketing company and monthly spend is approved by Bod Brands Franchising.

### **GOVERNING LAW AND CHOICE OF FORUM.**

This Agreement is made under and construed according to the laws of the State of Florida irrespective of its conflict of laws statutes, rules, and principles. Regarding any legal proceedings arising out of or relating to this Agreement and any services offered to CLIENT by BODENVY, CLIENT and the BOD BRANDS agree to be subject solely to the Jurisdiction and venue of the US District Court for the Middle District of Florida located in Orange County Florida, or the courts of the State of Florida sitting in Orange County, Florida, and any appellate court from any thereof. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

### **JURY TRIAL AND CLASS ACTION WAIVERS.**

CLIENT AND BOD BRANDS AGREE TO WAIVE ALL RIGHTS TO A JURY TRIAL. IF PERMITTED BY APPLICABLE LAW, YOU WAIVE THE RIGHT TO LITIGATE IN COURT OR AN ARBITRATION PROCEEDING ANY DISPUTE AS A CLASS ACTION, EITHER AS A MEMBER OF A CLASS OR AS A REPRESENTATIVE, OR TO ACT AS A PRIVATE ATTORNEY GENERAL.

### **Limitations on Liability and Damages.**

The CLIENT acknowledges and agrees that there are no remedies for any lawsuits, claims or obligations on the Customer’s part against BOD BRANDS except for the return of 100% of fees paid for the last six (6) months for any breach of contract, tort or other claim for damages which shall be the Customer’s sole remedy or entitlement to damages. Customer expressly waives any and all other rights or claims for any type of compensatory, exemplary or punitive damages the Customer may have for any cause of action the CLIENT may have against BOD BRANDS for

BOD BRAND's errors or omissions now or in the future. CLIENT also acknowledges that BOD BRANDS is not responsible for, nor liable for any damages caused by anyone because of internet or computer security or internet services. There will be no selling or sharing of proprietary info. All info will be strictly confidential.

### **Elimination of Warranties.**

All express or implied warranties are waived and the Customer acknowledges that there are no express or implied warranties under this Agreement except for those specifically set forth in this Agreement.

### **CONFIDENTIALITY.**

CLIENT and BOD BRANDS may provide each other with confidential information and trade secrets, including without limitation, information on their respective organization, business, finances, personnel, services, systems, pricing structure, proprietary products and processes, transactions, and/or business relations (collectively, the "Information"). The term "Information" shall not include (i) information generally available to the public through no fault of the other Party, (ii) information which the other Party already had knowledge of, or (iii) information which has become part of the public domain through no fault of a Party. Each Party agrees to retain in confidence at all times and to require its employees, consultants, professional representatives, and agents to retain in confidence all information disclosed by the other Party. Each Party shall only use the other's information solely for the purpose of performing obligations under this Agreement, and only disclose the Confidential Information on a need-to-know basis, provided that, such party shall be liable for the acts of any third party who obtains the Confidential Information from such party. Each party shall take all necessary precautions in handling the Confidential Information of the other party and limit disclosures on a strict need-to-know basis. Further, the receiving Party may disclose information to the extent ordered to be disclosed by subpoena, other legal process or requirement of law, after first giving the Disclosing Party a reasonable opportunity to contest such disclosure requirement.

### **Entire Agreement.**

This Agreement constitutes the entire understanding and agreement between the parties with respect to the transactions contemplated and supersedes any and all prior or contemporaneous oral or written representation, understanding, agreement, or communication between the Parties concerning the subject matter hereof. Neither Party is relying upon any warranties, representations, assurances, or inducements not expressly set forth herein.

### **USE OF LIKENESS AND RECORDINGS.**

With CLIENT's permission, we sometimes record (pictures, photographs, audio, and video recordings, and digital images) the process of completing the Services strictly for legitimate business marketing purposes. If a recording of you has been made in connection to the Services, you hereby consent to all uses and displays, by us and our agents, of you throughout the world, for all Permitted Uses. You hereby forever release us and our directors, officers, employees, and

agents from any and all claims, actions, damages, losses, costs, expenses, and liability of any kind, arising under any legal or equitable theory whatsoever in connection with any Permitted Uses.

## **SEVERABILITY**

Each provision, paragraph, and subparagraph of this Agreement is separable from every other and constitutes a separate and distinct covenant. If any part of this Agreement is adjudged void or unenforceable, in whole or in part, such adjudication will not affect the validity of the remainder, and, where possible, the provision will be modified, retroactively to the commencement of this Agreement, to make it enforceable while providing as much of our originally intended benefit as possible.

## **Changes to Services.**

In an effort to improve BOD BRANDS(s) services to CLIENT, BOD BRANDS may change the digital platforms, advertisements, offer(s), landing page(s), etc. as deemed necessary. Changes, which may occur without notice, are at BOD BRANDS sole discretion.

## **Bill Date For Management Fees.**

The Fifth (5th) day of every month after prior months management services rendered except for the CSR Consultation Scheduling (Telemarketing) Services. The then-current Telemarketing Fee of \$5.00 per outbound dial (not to exceed \$5,000 multiplied by the number of CoolSculpting Machines used) is debited monthly on the 15th and the last day of each month.

## **MANAGEMENT FEE, LATE PAYMENT & METHOD OF PAYMENT:**

Any payments for digital advertising management not received by the due date may be subject to a late charge of \$100 per day late payment. The first payment is due on the Bill Date above. All monthly Management Fees will be paid via the attached Auto Pay Agreement payment method indicated. See the attached Auto Pay Agreement authorization form.

**Credit Card For CLIENTS' SPEND**

Card Type: \_\_\_\_\_

Card #: \_\_\_\_\_

Security Code: \_\_\_\_\_ Exp Date: \_\_\_\_\_

Zip Code: \_\_\_\_\_

**AUTHORIZATION**

IN WITNESS WHEREOF, you and we hereto sign this agreement intending to be bound by its terms and conditions as of the Effective Date.

CLIENT:

By signing below the above-named CLIENT accepts the terms of this agreement.

\_\_\_\_\_  
CLIENT Name

By: \_\_\_\_\_ Signature Date: \_\_\_\_\_

## Auto Pay Agreement

CLIENT: \_\_\_\_\_  
Business Name

Date: \_\_\_\_\_

Authorized Contact: \_\_\_\_\_

Contact Phone #: \_\_\_\_\_

**Auto Pay:** Bod Brands Marketing, LLC, hereinafter referred to as “BOD BRANDS,” offers CLIENT the ease and flexibility of a payment plan whereby it will automatically charge the provided credit card or debit the CLIENT’s commercial bank account on a pre scheduled basis as described below. Payments are typically processed on the first (1st) of every month (or the following business day, if the billing date falls on a non-banking day) for the agreed upon payment amounts.

---

### Payment Plan Details

Initial (One-Time) Payment:

Monthly Fee Range:

---

### Auto Pay Information

#### Auto Pay ACH Debit

Bank Routing #:

--	--	--	--	--	--	--	--	--	--

Bank Account # \_\_\_\_\_

Type of Account: \_\_\_\_\_

Account Holder’s Name: \_\_\_\_\_

Financial Institution Name: \_\_\_\_\_

Financial Institution Phone #: \_\_\_\_\_

CLIENT acting through the undersigned, authorizes Bod Brands, LLC. (BOD BRANDS) to deduct ACH debit the ‘Initial (One-Time) Payment’ and/or the Monthly Payment Amount, as indicated above. The ‘Initial (One-Time) Payment’ will be processed immediately and the ‘Monthly Fee Amount’ will be processed on the first (1st) day of every month. Actual Starting Bill Date is the first of next month.

---

CLIENT Signature

---

Date

**Inbound/Outbound Telemarketing Agreement**

This Inbound/Outbound Call Center Agreement (this “Agreement”), dated as of \_\_\_\_\_ (the “Effective Date”), is between:

Bod Brands Marketing, LLC.

281 W. Trotters Drive

Maitland, Fl. 32789

Hereby known as “BOD BRANDS”

AND

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Hereby known as “CLIENT”

WHEREAS, BOD BRANDS and CLIENT desire to establish an inbound/outbound telemarketing service agreement whereby BOD BRANDS will provide inbound/outbound call center services to CLIENT. This Agreement may be modified from time to time in the form of a written instrument signed by both Parties (an “Amendment”). The terms of any Amendment executed during this Agreement will be subject to the terms of this Agreement unless otherwise stipulated in the Amendment.

**SCOPE OF ACTIVITIES.**

BOD BRANDS’ customer service team will provide inbound and outbound appointment telemarketing services for CLIENT. These telemarketing services will focus exclusively on setting sales appointments for the CLIENT. The scope of this service will end when a sales prospect comes in for an appointment. BOD BRANDS will provide the following telemarketing services: hire and train telemarketers (employed by BOD BRANDS), take inbound calls from advertising provided by CLIENT, make outbound calls from a list provided by CLIENT, schedule appointments and enter them into the CLIENT’s appointment calendar, run drip campaigns and confirm sales appointments. BOD BRANDS will have the sole discretion and decision making for all the services provided in this agreement including but not limited to scripts, objection responses, pricing objection response, etc.

**RESCHEDULING, MOVING AND CANCELING APPOINTMENTS**

The CLIENT understands and agrees to the following: CLIENT will NOT contact sales appointments in an effort to confirm, re-schedule or move the appointment. CLIENT will transfer calls and digital messages to BOD BRANDS immediately when a sales appointment prospect

contacts your office to move or cancel an appointment. Any attempt by your office to contact sales appointments may significantly reduce the CLIENT's success.

### **APPOINTMENT SHOW-UP RATES**

The Appointment Show-Up rate is the percentage of appointments scheduled versus appointments that come in for their scheduled sales appointment. The CLIENT understands and agrees that the sales appointment show-up rate may be between 40% - 60%. Your show-up rate may vary significantly. Further, CLIENT acknowledges and agrees NOT to RESCHEDULE, MOVE OR CANCEL sales appointments.

### **SCHEDULE OF APPOINTMENTS**

BOD BRANDS must have available times to schedule sales appointments. CLIENT understands and agrees to provide the following: open for sales a minimum of 5 days a week, Every open day for sales scheduling should minimally be 10 hours a day. CLIENT understands that BOD BRANDS will make same day sales appointments. These same day appointments may be scheduled with no advance notice.

### **SERVICES OFFERED BY CLIENT**

CLIENT agrees and understands that BOD BRANDS will only focus on the core services offered by Bod Brands Franchising.

### **CHECK IN AND OUT CLIENTS FOR CONSULTATIONS**

CLIENT agrees and understands that every consultation (sales presentation) must be checked IN and OUT in CLIENT's scheduling software. BOD BRANDS makes the telemarketers accountable to reach goals. The check in and out process is critical to track consultations.

### **SOFTWARE.**

CLIENT agrees to give BOD BRANDS admin access to all software that is required to complete the services in this agreement including, but not limited to: CRM, Mindbody, Apiant, Quicker Notes, etc.

### **FEE FOR SERVICES.**

BOD BRANDS will charge the then-current Telemarketing Fee of \$5.00 per outbound dial (not to exceed \$5,000 multiplied by the number of CoolSculpting Machines used) is debited monthly on the 15th and the last day of each month.

### **TERM AND TERMINATION.**

The term of this Agreement shall be 10 years from the Effective Date unless terminated earlier pursuant to the provisions of this Agreement. BOD BRANDS may cancel this agreement at any time with a 30 day written notice to CLIENT. CLIENT may terminate this agreement with the approval of Bod Brands Franchising and an alternative digital marketing company and monthly spend is approved by Bod Brands Franchising.



## **GOVERNING LAW AND CHOICE OF FORUM.**

This Agreement is made under and construed according to the laws of the State of Florida irrespective of its conflict of laws statutes, rules, and principles. Regarding any legal proceedings arising out of or relating to this Agreement and any services offered to CLIENT by BODENVY, CLIENT and the BOD BRANDS agree to be subject solely to the Jurisdiction and venue of the US District Court for the Middle District of Florida located in Orange County Florida, or the courts of the State of Florida sitting in Orange County, Florida, and any appellate court from any thereof. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

## **JURY TRIAL AND CLASS ACTION WAIVERS.**

CLIENT AND BOD BRANDS AGREE TO WAIVE ALL RIGHTS TO A JURY TRIAL. IF PERMITTED BY APPLICABLE LAW, YOU WAIVE THE RIGHT TO LITIGATE IN COURT OR AN ARBITRATION PROCEEDING ANY DISPUTE AS A CLASS ACTION, EITHER AS A MEMBER OF A CLASS OR AS A REPRESENTATIVE, OR TO ACT AS A PRIVATE ATTORNEY GENERAL.

## **Limitations on Liability and Damages.**

The CLIENT acknowledges and agrees that there are no remedies for any lawsuits, claims or obligations on the Customer's part against BOD BRANDS except for the return of 100% of fees paid for the last three (3) months for any breach of contract, tort or other claim for damages which shall be the Customer's sole remedy or entitlement to damages. Customer expressly waives any and all other rights or claims for any type of compensatory, exemplary or punitive damages the Customer may have for any cause of action the CLIENT may have against BOD BRANDS for BOD BRAND's errors or omissions now or in the future. CLIENT also acknowledges that BOD BRANDS is not responsible for, nor liable for any damages caused by anyone because of internet or computer security or internet services. There will be no selling or sharing of proprietary info. All info will be strictly confidential.

## **Elimination of Warranties.**

All express or implied warranties are waived and the Customer acknowledges that there are no express or implied warranties under this Agreement except for those specifically set forth in this Agreement.

## **CONFIDENTIALITY.**

CLIENT and BOD BRANDS may provide each other with confidential information and trade secrets, including without limitation, information on their respective organization, business, finances, personnel, services, systems, pricing structure, proprietary products and processes, transactions, and/or business relations (collectively, the "Information"). The term "Information" shall not include (i) information generally available to the public through no fault of the other Party, (ii) information which the other Party already had knowledge of, or (iii) information which

has become part of the public domain through no fault of a Party. Each Party agrees to retain in confidence at all times and to require its employees, consultants, professional representatives, and agents to retain in confidence all information disclosed by the other Party. Each Party shall only use the other's information solely for the purpose of performing obligations under this Agreement, and only disclose the Confidential Information on a need-to-know basis, provided that, such party shall be liable for the acts of any third party who obtains the Confidential Information from such party. Each party shall take all necessary precautions in handling the Confidential Information of the other party and limit disclosures on a strict need-to-know basis. Further, the receiving Party may disclose information to the extent ordered to be disclosed by subpoena, other legal process or requirement of law, after first giving the Disclosing Party a reasonable opportunity to contest such disclosure requirement.

### **Entire Agreement.**

This Agreement constitutes the entire understanding and agreement between the parties with respect to the transactions contemplated and supersedes any and all prior or contemporaneous oral or written representation, understanding, agreement, or communication between the Parties concerning the subject matter hereof. Neither Party is relying upon any warranties, representations, assurances, or inducements not expressly set forth herein.

### **USE OF LIKENESS AND RECORDINGS.**

With CLIENT's permission, we sometimes record (pictures, photographs, audio, and video recordings, and digital images) the process of completing the Services strictly for legitimate business marketing purposes. If a recording of you has been made in connection to the Services, you hereby consent to all uses and displays, by us and our agents, of you throughout the world, for all Permitted Uses. You hereby forever release us and our directors, officers, employees, and agents from any and all claims, actions, damages, losses, costs, expenses, and liability of any kind, arising under any legal or equitable theory whatsoever in connection with any Permitted Uses.

### **SEVERABILITY**

Each provision, paragraph, and subparagraph of this Agreement is separable from every other and constitutes a separate and distinct covenant. If any part of this Agreement is adjudged void or unenforceable, in whole or in part, such adjudication will not affect the validity of the remainder, and, where possible, the provision will be modified, retroactively to the commencement of this Agreement, to make it enforceable while providing as much of our originally intended benefit as possible.

### **Changes to Services.**

In an effort to improve BOD BRANDS(s) services to CLIENT, BOD BRANDS may change the scripts, staff members, software and any other components deemed necessary by BOD BRANDS. Changes, which may occur without notice, are at BOD BRANDS sole discretion.

**Bill Date For Fees.**

The fifteenth (15th) day and last day of every month.

**LATE PAYMENT AND PAYMENT METHOD:**

All payments for inbound/outbound telemarketing services not received by the due date may be subject to a late charge of up to \$100 per day late payment. The first payment is due on the Bill Date above. All monthly Fees will be paid via the attached Auto Pay Agreement payment method indicated. See the attached Auto Pay Agreement authorization form.

**AUTHORIZATION**

IN WITNESS WHEREOF, you and we hereto sign this agreement intending to be bound by its terms and conditions as of the Effective Date.

CLIENT:

By signing below the above-named CLIENT accepts the terms of this agreement.

\_\_\_\_\_  
CLIENT Name

By: \_\_\_\_\_ Signature Date: \_\_\_\_\_

**Auto Pay Agreement**

CLIENT: \_\_\_\_\_ Date: \_\_\_\_\_  
Business Name

Authorized Contact: \_\_\_\_\_ Contact Phone #: \_\_\_\_\_

**Auto Pay:** Bod Brands Marketing, LLC, hereinafter referred to as “BOD BRANDS,” offers CLIENT the ease and flexibility of a payment plan whereby it will automatically debit the CLIENT’s commercial bank account on a pre scheduled basis as described below. Payments are typically processed on the first (1st) and fifteenth (15th) of every month (or the following business day, if the billing date falls on a non-banking day) for the agreed upon payment amounts.

**Payment Plan Details**

Initial (One-Time) Payment:

Monthly Fee Range:

**Auto Pay Information**

**Auto Pay ACH Debit**

Bank Routing #:

Bank Account # \_\_\_\_\_

Type of Account: \_\_\_\_\_

Account Holder’s Name: \_\_\_\_\_

Financial Institution Name: \_\_\_\_\_

Financial Institution Phone #: \_\_\_\_\_

CLIENT acting through the undersigned, authorizes Bod Brands, LLC. (BOD BRANDS) to deduct ACH debit the ‘Initial (One-Time) Payment’ and/or the Monthly Payment Amount, as indicated above. The ‘Initial (One-Time) Payment’ will be processed immediately and the ‘Monthly Fee Amount’ will be processed on the first (1st) and fifteenth (15th) day of every month. Actual Starting Bill Date is the first of next month.

\_\_\_\_\_

CLIENT Signature

Date



### Allergan Utilization Reporting

Bodenvy Franchisee agrees and understands that Allergan may provide Bodenvy Franchisee's utilization reports to Bod Brands Franchising, D/B/A/ Bodenvy Franchising. The utilization reports will be limited to the amount of consumables (CoolSculpting® cycles, CoolTone cycles and any consumables purchased) utilized by Bodenvy Franchisee. At no time will Allergan provide Bodenvy Franchisee's client demographic information. Further, Bodenvy Franchisee agrees that this agreement will be effective for 10 years from the date this agreement is signed.

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Bodenvy Franchisee

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Position

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Signature

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Date

## 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:

<b>State</b>	<b>Effective Date</b>
California	Pending
Hawaii	
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

## RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Bod Brands Franchising, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Bod Brands Franchising, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
James ("Jim") Kucik	415 North Orlando Ave., Suite 104, Winter Park, FL 32789	(407) 867-1817
Helena Kucik	415 North Orlando Ave., Suite 104, Winter Park, FL 32789	(407) 867-1817

Issuance Date: May 26, 2023

I received a disclosure document dated May 26, 2023, that included the following Exhibits:

- A. State Administrators and Agents for Service of Process
- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Multi-Unit Development Agreement
- D. Rider to Lease Agreement
- E. Form of General Release
- F. Financial Statements
- G. Brand Standards Manual Table of Contents
- H. Current and Former Franchisees
- I. State Addenda to Disclosure Document
- J. State Addenda to Agreements
- K. EFT Authorization Form
- L. Current Standard Forms

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date Received: \_\_\_\_\_

**Keep This Copy For Your Records**

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**Return This Copy To Us**