


FRANCHISE DISCLOSURE DOCUMENT

<p>E1FC, LLC An Ohio Limited Liability Company 6355 E. Kemper Road Suite 200 Cincinnati, OH 45241 513-847-0140 info@eagle1group.com www.eagle1group.com</p>	
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E1FC, LLC offers qualified persons the right to establish a home-based business-to-business marketing service (Business) in which the franchisee will sell our suite of services to local businesses. The services our “Customer Experience,” “Lead Generation,” and “Digital Marketing” solutions (the “Solutions”) where the Client can access inbound and outbound customer call-center services, market research and back-office processing, the creation and administration of loyalty incentive programs, and search engine optimization (SEO) and search engine marketing (SEM) for the Client’s online presence. Together the services we offer your Client are called the “Core Services.” We will provide you with our “Lead Generation Services” to generate leads within your “Protected Territory.” Once you complete a sale, we will deliver all of the Services to the Clients.

The total investment to begin operations of an E1FC franchise is between \$62,435 and \$70,735. This includes \$56,250 that must be paid to the franchisor or affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully. You must receive this disclosure document at least 14 calendar days before you can 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 government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact info@eagle1group.com at 6355 E. Kemper Rd., Suite 200, Cincinnati, OH 45241, 513-847-0140.

The terms of your contract will govern your franchise relationship. Do not 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, DC 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them (Exhibit A).

The issuance date is: March 7, 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
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits, or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit D
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit G includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only E1FC business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be an E1FC franchisee?	Item 20 or Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 terms and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising Generally

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

NOTICE REQUIRED BY THE STATE OF MICHIGAN

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

A prohibition of the right of a Franchisee to join an association of franchisees.

A requirement that a Franchisee assent to a release, assignment, novation, waiver, or estoppel that deprives a franchisee of rights and protections provided in this Act. This shall not preclude a franchisee, after entering into a Franchise Agreement, from settling all claims.

A provision that permits a franchisor to terminate a franchise before the expiration of its term except for good cause. Good cause shall include the franchisee's failure 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.

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 that 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 (a) the term of the franchise is less than five years, and (b) 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; or other advertising or another commercial symbol in the same area after the expiration of the franchise or the franchisee does not receive at least six months advance notice of franchisor's intent not to renew the franchise.

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.

A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from agreeing, at the time of arbitration or litigation, to conduct arbitration or litigation at a location outside this state.

A provision that permits a franchisor to refuse to permit a transfer of ownership of a franchise except for good cause. The 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:

The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

The franchisee's failure 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.

A provision that requires the franchisee to resell to the franchisor items 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 and has failed to cure the breach in the manner provided in subdivision (C).

A provision that permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless a 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 \$100,000.00, 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 franchisor's option, 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 ENFORCEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, and telephone (517) 373-7117.

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN

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E1FC, LLC
FRANCHISE DISCLOSURE DOCUMENT

ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Disclosure Document, the use of the words “we,” “us,” or similar pronouns means the Franchisor E1FC, LLC. “You” and similar pronouns mean the person or business entity, including your owners, stockholders, or partners, who are buying the rights to operate under the Franchise Agreement.

The Franchisor, Any Parents, and Its Predecessors and Affiliates

We are an Ohio limited liability company that was formed on January 13, 2021. We also do business under the names “E1FC” or “EagleONE.” Our principal business address is 6355 E. Kemper Rd., Suite 200, Cincinnati, OH 45241, 513-847-0140. We have been franchising since April 5, 2022. We do not operate a business of the type being offered here. We participate in no other line of business.

We have no parent or predecessor.

Our affiliate is EagleONE Insights, LLC (EagleONE Affiliate), which was formed as an Ohio limited liability company on May 1, 2017. Its address is the same as ours. Our EagleONE Affiliate will supply you with the “Solutions” and “Core Services” (defined below) you will sell to your Clients, including lead generation and appointment setting services, billing, collection, and similar services. It has also been operating the “sales-side” of its business in substantially the same manner as you will operate your Business since 2017. It also owns the trademarks found on the first page (Mark) it licenses to us to sublicense it to you. Our EagleONE Affiliate has not in the past and does not now offer franchises in this or any other line of business.

We may, in the future, have other affiliates with whom you may be required to work. Reference to an “Affiliate” means our EagleONE Affiliate and any future Affiliates.

The Business

We offer qualified persons the right to establish a home-based business-to-business marketing service (Business) using the Marks in which you will sell our suite of Services to local businesses. The Services include three separate solutions to help the Client: “Customer Experience Solutions,” “Lead Generation Solutions,” and “Digital Marketing Solutions.” These solutions may be referred to as a “Solutions” or the “Solutions.” Within the Solutions are 12 core services (a “Core Service” or the “Core Services”) that can be offered to a Client. The Core Services include inbound phone, chat, and email; outbound phone, chat, and email; market research; business process outsourcing (BPO) which helps the Client with their back-office accounting and similar services; outbound appointment setting; LinkedIn® marketing; email/text marketing; list search and generation; search engine optimization (SEO) and search engine marketing (SEM); social media content; and integration and loyalty program platforms. Once you complete a sale, our EagleONE Affiliate or we will deliver the Solutions and Core Services purchased by the Client.

This Franchise Disclosure Document (FDD) and the Franchise Agreement describe the terms and conditions under which we currently offer franchises to new franchisees. As the needs of the market change, we will occasionally offer franchises under different terms and conditions.

The “System” is our proprietary, confidential, and trade secret information that includes, without limitation, the manner and method of training that we deliver to you; the operations, standards, and procedures that you will use in the day-to-day operation of the Business; advertising programs; the economic and financial characteristics of the Business; the Solutions and Core Services; any copyrighted, trade secret or confidential information owned by us; Client information; the Proprietary Information; the Marks (as we may own them, or that may be sublicensed to you); the Manuals, and all other copyrighted, trade secret or confidential information owned by us. You must operate under our System. This definition may be supplemented by other language in this Franchise Agreement and by us from time to time.

Prior Business Experience

Our EagleONE Affiliate has operated the sales side of its business since 2017, which portion of its business is substantially similar to the Business you will operate. Our founders, Mike, and Diane Hutzel, have been working with marketing and call-center services since the 1990s and created and implemented all of the Solutions and Core Services in the EagleONE Affiliate’s business.

Competition and Laws Affecting the Business

The market for your services includes any business looking for help with online customer services, lead generation, and digital marketing. The market for your services is mature, non-seasonal, and well-developed, and you will be competing against other local and national marketing firms and call centers that offer the same or similar services as you may be offering.

Most states and local jurisdictions have laws, rules, regulations, and ordinances that may apply to any business’s operation, including requirements for obtaining a business license and reporting income for tax purposes. You must investigate and comply with applicable federal, state, county, and city laws and regulations. You alone are responsible for complying with all applicable laws and regulations.

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.

ITEM 2

BUSINESS EXPERIENCE

Member and Chief Executive Officer: Michael L. Hutzel, Jr.

Mr. Hutzel has been our Member and CEO since our inception. He is also a Member and the CEO of our Affiliates, which he has held from 2013 to the present. Through the Affiliates, Michael has built, tested, and now uses substantially all of the tools, services, and software you will use to operate your Business.

Member, Chief Operating Officer, and Chief Financial Officer: Diane J. Hutzel

Ms. Hutzel has been our Member, COO, and CFO since our inception. She is also a Member, COO, and CFO of our Affiliates, which positions she has held from 2014 to the present. Through the

Affiliates and as their chief operating officer, Diane has tested and used substantially all of the tools, services, and software you will use to operate your Business.

Chief Experience Officer (CXO): James R. Borum

Mr. Borum has been our CXO since our inception. He holds the same position for our Affiliates and has done so since February of 2018. From October 2013 to October 2017, James was the director of sales and business development at CleaResult of Austin, Texas, which offers its customers help with energy efficiency.

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

The initial franchise fee (IFF) is \$45,000.

Before you open, you must purchase from our approved vendor, an Affiliate, or us the “Opening Package” for \$2,250. (Opening Package Cost). The Opening Package includes a Dell® or similar PC-based laptop, which will be preloaded with the “EagleONE Technology Stack,” which includes (i) Microsoft 365 Business Premium® (which includes Word, Xcel, PowerPoint, email, and other office production modules), (ii) SalesNexus® which is an online program that provides Client relationship management and similar modules, (iii) LinkedIn Sales Navigator® that contains tools to help with social media advertising and Client retention; (iv) the “AI Platform” which is a source for email, calling and similar lists used to help in lead prospecting; and; (v) an email marketing platform. The Opening Package Cost includes paying the initial licensing fees for the online software listed. Also included will be a Plantronics® brand or similar headset and your initial inventory of business cards and stationery.

You will also pay us \$9,000 (at our then-current fee that is now \$3,000 per month, (the “Lead Generation Monthly Fee”)) for our “Lead Generation Services.” The Lead Generation Services uses our proprietary “EagleONE ProLink Program” designed to generate monthly lead solicitations on your behalf. You are responsible for contacting the leads and for converting them into Clients. We do not guarantee that any lead generated on your behalf will convert to a Client.

You and your second attendee must pass Initial Training to our satisfaction (Item 11). If you and your additional attendee fail to do so, we have the right to terminate the Franchise Agreement and will refund 50% of your IFF within ten business days of the termination. We will retain the balance to cover our marketing costs, training expenses, and overhead, plus a profit. Except as stated here, it is non-refundable.

Unless stated above, all fees are payable in one lump sum, are uniform, and are non-refundable.

The IFF, Opening Package Fee, and Lead Generation Monthly Fees are earned upon receipt and are used to compensate us for our marketing efforts, the creation, purchase, and distribution of the Opening Package advertising, lead solicitation, the preparation, and distribution of our Manuals and similar materials, our information technology, the creation of and delivery of our training, and a profit.

You pay an Affiliate or us no other fees or payments for services or goods before your Business opens.

ITEM 6

OTHER FEES

TYPE OF FEE (Note 1)	AMOUNT	DUE DATE	REMARKS
Royalty	The greater of 5% of the “Gross Sales” (Percentage Royalty) or \$300 (Minimum Royalty).	Note 2.	Note 2.
Franchisor Late Fee	Currently, \$100 per month.	As incurred.	Note 2.
Franchisee Late Fee	Currently, \$100 per month	As incurred.	You pay us if you fail to pay any amount due under the Franchise Agreement that we do not otherwise deduct from Gross Sales. We reserve the right to change the amount of this fee at any time after giving you no less than 60 days’ prior written notice.
Default Interest	1.25% per month, compounded monthly	As incurred.	If either of us is late in making a payment to the other, that party will pay Default Interest in addition to the Late Fee. Default Interest will never exceed the amount allowed under your state’s laws.
Lead Generation Monthly Fee	Currently, \$3,000 per month.	Deducted by us from Gross Sales	Note 3.
Local Advertising Fee	Currently none.	As incurred.	We do not now but may require you to spend an amount on local advertising in the future. We have no formula for determining when or what amount this may be, so we cannot quote it in this disclosure document. We will give you no less than 60 days’ prior written notice before imposing this fee. Once started, we reserve the right to increase the fee at any time and amount after giving you no less than 60 days’ prior written notice.

TYPE OF FEE (Note 1)	AMOUNT	DUE DATE	REMARKS
Regional Advertising Cooperative Fee	Currently none. If a Regional Advertising Program is established, you may be required to contribute up to 2% of your Gross Sales.	As incurred.	Payable to the cooperative. (Item 11).
EagleONE Technology Stack Fee	Currently, \$395 per month.	Deducted from Gross Revenue.	Payable to us monthly for the use of this technology. Note 4.
Additional Services Fee	Currently, \$295 per month for any hours after four.	Deducted by us from Gross Revenue.	Note 4
Additional Initial Training Attendee Fee	Currently, \$750 per person for online training.	14 days before the visit.	Note 5.
Supplemental Training Fee	Currently, \$500 per day plus all of our expenses.	As incurred	You will pay this fee if you request additional, supplemental, onsite, or other training, and we agree to provide it. We have the right to increase this fee by any amount without limitation after giving you no less than 60 days' prior written notice.
Conference Fee	None now.	As incurred.	We may have a conference in the future and may require tuition. We have no formula for determining when and in what amount this may be, so we cannot quote it in this disclosure document.
Missed Quota Additional Training Fee	None now.	As incurred.	If you fail to meet the Quota (Item 12), we may permit you to take additional training. If we do, we may charge a fee. We have no formula for determining when and in what amount this may be, so we cannot quote it in this disclosure document. We will give you no less than five days' prior written notice before assessing this fee or changing the amount.
Additional Seminars or Programs Fee	None now.	As incurred.	We may offer additional voluntary or mandatory conferences, seminars, or programs at a frequency we determine, for which we may charge this fee. We have no criteria for determining tuition and thus cannot now quote a fee. We will give you no less than 60 days prior written notice before we assess tuition.

TYPE OF FEE (Note 1)	AMOUNT	DUE DATE	REMARKS
Transfer Fee	50% of the then-current IFF charged to new franchisees. If we are not selling franchises at that time, this fee will be 50% of the most current IFF we charged.	At the time the transfer is to be completed.	Payable to us if you are permitted to transfer your rights to a third party.
Successor Franchise Fee	50% of our then-current IFF charged to new franchisees. If we are not selling franchises at that time, this fee will be 50% of the most current IFF we charged.	At the time of signing the new Franchise Agreement.	Payable to us if you are awarded Successor Franchise Rights at the end of the then-current term (Item 17(a) and (b)). You may be required to sign a Franchise Agreement with different terms from those found in your current Franchise Agreement.
System Modification; New Goods, Services, Fees, or Technology	As incurred.	As incurred.	Note 6.
Client Service Fee	All costs incurred by us in assisting your Clients, including our then-current "Client Service Fee," is now \$750 per incident.	As incurred.	Note 7.
Indemnification and Cost of Enforcement	Will vary.	As incurred.	You have to reimburse us if we are held liable for any claims arising from your Business, including any costs we incur to enforce the Franchise Agreement. Payable to us.
Insurance	Will vary.	As incurred.	For your mandatory insurance (Item 8).
Audit Fees	The then-current cost of an audit if one of us fails to keep accurate books and records.	As incurred.	Note 8
Approval of New or Substitute Vendor	Currently, \$250 per review.	As incurred.	We may charge a fee to review and approve a new or substitute vendor that you introduce to us. We may increase this fee at any time and in any amount after giving you no less than 60 days' prior written notice.
Taxes	Our costs.	As incurred.	See Note 9.
Insurance	Will vary.	As incurred.	See Note 10.

1. All fees paid to an Affiliate or us are payable in one lump sum, uniform, fully earned by us, and non-refundable except as stated in Item 5. Any interest charged by us will not exceed that allowed by your state law.

2. The Percentage Royalty and Minimum Royalty will be referred to as the "Royalty."

“Gross Sales” means the gross amount of money or money equivalent that is charged to your Client for any Solutions and Core Services, whether received in cash, in services in kind, from barter or exchange, on credit, or otherwise.

“Good Funds” means that your Client’s payment for all Solutions and Core Services has been delivered to us, has cleared all banking channels, and is available to distribute to you and us without any limitation. An Affiliate and we will not deliver the Solutions and Core Services unless Good Funds are confirmed. Due to delays that may occur through banking channels, the need to make a refund to a Client (if necessary), and other matters beyond our reasonable control, there is no guarantee that Good Funds will be available in the month in which the Gross Sales were recorded. If not, the amount of Gross Sales that has not cleared banking channels or is otherwise unavailable in one month will automatically be moved to the month in which that portion of the Gross Sales is converted into Good Funds. The calculations below will occur for that amount.

An Affiliate or we will collect all Gross Sales from your Clients through our payment portal. We reserve the right to change the collection method at any time after giving you reasonable written notice.

Once Good Funds are confirmed, on the last day of the month, we will calculate your Gross Sales, deduct the greater of the Percentage Royalty or the Minimum Royalty, and deduct any other funds that are to be withdrawn from Gross Sales (see this Item 6 and Item 7), and provide an accounting. After these calculations, we will pay you the remainder of the Gross Sales within 14 calendar days after the end of the month for which the calculation was made.

If we fail to deliver the funds to you on time, we will pay the Franchisor Late Fee and Default Interest in addition to any other rights you may have against us.

You have 15 calendar days after we pay you to object. If there is an accounting error, you and we will work in good faith to resolve the matter. If we cannot resolve the matter amicably, the matter will be resolved under the alternative dispute resolution terms of Article 16 of the Franchise Agreement, except that a face-to-face meeting identified in Article 16 will not be required.

If we do not receive your objection within 15 days, you will be deemed to have accepted the accounting for that month. Unless it is determined that we have grossly negligently, or intentionally misstated your Gross Sales during an annual audit, you will have no other right to claim we negligently misstated the amount paid to you.

3. The first three months of prepaid Lead Generation Services will be delivered monthly. Beginning with the fourth calendar month after you open, we will deduct in advance our then-current Lead Generation Monthly Fee from your Gross Sales. We will continue to supply the Lead Generation Services for the first 12 months after your Opening Date. After that, your participation is voluntary. We reserve the right to increase the Lead Generation Services Fee by any amount and at any time after giving you no less than 60 days’ prior written notice. Not all leads generated by this service will result in Clients, and some franchisees may have more leads converted to Clients than others. We offer no guarantee that any leads generated on your behalf will result in Clients. See also Item 11.

4. Updates to the software in the EagleONE Technology Stack will occur as needed. Currently, there is no fee for such updates, but that may change at any time. We have no formula for determining when or in what amount such fees could be, so we can’t quote the fee here. We will notify you in writing of such changes, which will be reflected in changes to the EagleONE Technology Stack Fee. We reserve the right to change the content of the EagleONE Technology Stack by adding, deleting, or

altering the content as we deem necessary and to change the fee in any amount and at any time after giving you no less than 60 days' prior written notice.

4. We will supply you with four hours each month of help with the Business's operations. After that, you will pay our then-current fee for additional monthly support. The support hours do not accrue from month to month if not used.

5. We allow two people to take Initial Training. If you wish for more to take it before or after you open, if you replace your "Designated Manager" or "Principal Operator" or upon transfer, you will pay our then-current Additional Initial Training Attendee Fee. The "Principal Operator" is the person designated by your Business entity to receive our training and operate the Business daily. The "Designated Manager" is the person, besides your Principal Operator or you, who acts as the general manager of the Business, has been trained by us, and who will operate the Business from day-to-day. We have the right to increase this fee by any amount without limitation after giving you no less than 60 days' prior written notice.

6. In the future, we may require all franchisees and you to add new goods, Solutions, and Core Services to those already sold through the Business, and we may require you to add new technology. If we do, you may incur additional expenses, costs, and fees, some of which may be due to us, an approved vendor, an Affiliate, or a third party for whom we collect the funds. If we introduce new lines of goods, services, or technology, we will notify you in writing and give you a reasonable time to comply with the changes.

7. If one of your Clients complains to us and we reasonably determine that we must fix the problem directly with the Client, you must reimburse us for all of our fees and costs and will pay our then-current Client Service Fee. We have the right to increase the Client Service Fee by any amount without limitation after giving you no less than 60 days' prior written notice.

8. You and we have the right to audit each other's books and records in reference to your operation of the Business and our fee-collection procedures. If either of us determines that the other has grossly negligently, or intentionally misstated its books, then in addition to the payment of the amount due and Default Interest, the party that was audited will also pay the other's audit fees. (Franchise Agreement, Article 3), and the breaching party will have breached a material term of the Franchise Agreement.

9. If assessed by your state, and except for our income taxes, you will reimburse us for all taxes we pay for products or services we furnish you, on our collection of the initial franchise fee, on the collection of royalties and advertising contributions, and the collection of similar fees or costs.

10. If you fail to get the insurance required for the Business's operations, we may buy it for you in our discretion. If we do, you will reimburse for the premiums. We have no formula for determining if this will occur or the amount of such premiums, and as a result, we cannot quote a fee here.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure (Note 1)	Amount	Method of Payment	When Due	To Whom Payment is to be Made
IFF (Note 2)	\$45,000	Lump-sum	At the signing of the Franchise Agreement	Us
Opening Package Cost	\$2,250	Lump-sum	At the signing of the Franchise Agreement	An Approved Vendor, An Affiliate, or Us
Lead Generation Services Fee (First Three Months)	\$9,000	Lump-sum	At the signing of the Franchise Agreement	Us.
EagleONE Technology Stack Fee (Note 3)	\$1,185	Monthly	First Three Months	Us.
Rent and Rental Improvements (Note 4)	\$0 to \$2,000	As incurred	Before opening	Landlord
Office Furniture, Fixtures, and Equipment (Note 4)	\$0 to \$300	As incurred	Before opening	Vendors
Cell Phone and Number Dedicated to the Business (Note 4)	0 to \$1,000	As incurred	Before opening	Vendors
Initial Training Expenses (Note 5)	\$0	As incurred	Before training	Airlines, Hotels, Restaurants
Grand Opening Cost	\$2,000	As incurred	Before opening	Third Parties.
Insurance and Professional Services (Note 6)	\$1,000 to \$2,000	As incurred	When incurred	Professionals
Additional Funds - 3 months (Note 7)	\$2,000 to \$6,000	As incurred	When incurred	Used for your personal expenses as needed
TOTAL (Note 8)	\$62,435 to \$70,835			

Notes

1. Fees payable to third parties may or may not be refundable depending on their policies over which we have no control. Except as stated in Item 5, all fees payable to an Affiliate or us are uniform, are payable in one lump sum, and are non-refundable.
2. This fee is uniform, is collected in one lump sum, and is non-refundable except as stated in Item 5.
3. This represents the first three months of the EagleONE Technology Stack Fee.

4. It is anticipated and intended that you will operate this Business from your home. You may choose to rent executive office space for which we have no criteria. If you decide to rent, your rent will depend on the location within your Protected Territory, the quality of the space, and other matters over which we have no control. This is an estimate for three months of rent at \$500 per month, plus a security deposit of \$500. You may also be required to pay for your utilities and a proportionate share of the landlord's maintenance, taxes, and insurance for the entire building, which are not factored into this line item. Your rent and fees could be significantly higher.

You must have a cell phone and telephone number dedicated to the Business. You may already have one. If not, you pay this amount to purchase the phone and activate the line. You will give us the contact information for the phone before you open it.

You will need a table, chair, filing cabinet, and similar home office equipment. We have no criteria for the furniture, fixtures, or equipment. You may already have sufficient equipment. If not, it could cost this amount.

5. All training is online, and there is no travel, food, or lodging cost.

6. You may wish to retain an attorney or other professional's services to help you set up your operations. You may spend more depending upon your location in the country and the professionals you choose. This also includes your approximate general liability insurance premium for the first year of operation. See Item 8.

7. The estimate of additional funds is for the first three months of capital. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the Business. This estimate of additional funds does not include an owner's salary or draw. The additional funds required will vary by your management skill, experience, business acumen, and sales effectiveness. Your need for additional funds will also vary depending on local economic conditions, the local market for your services, competition, and the sales level in your Protected Territory that you reach during this period. You may incur other or higher costs or fees.

8. In compiling these estimates, we have relied upon the experience and business acumen of our principals (Item 2), who have operated our EagleONE Affiliate's business, similar to the one offered to you.

An Affiliate or we do not finance any part of the initial investment.

You should carefully review these figures with a business advisor before making any decision.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases and System Changes

You must open and operate your Business under the System. The specifications necessary to operate under the System include standards you use to sell Clients' access to our Solutions and Core Services, standards for operation, criteria for performance, and purchases of required goods and services. These specifications were formulated by us.

We may communicate our standards, specifications, and purchase requirements directly to suppliers who wish to supply your goods or services.

We will communicate our standards and specifications to you during training, before you open, during periodic visits to your Business, and through the Manuals and periodic bulletins. We may issue new standards and specifications through written notices. Once you are notified, you must make the change that is specified.

We have the right, in our sole discretion, to vary required purchases, standards, or specifications based upon the needs of a region, a franchisee's qualifications, special circumstances, the demographics of a particular territory (Item 12), business potential, or any other condition which we deem to be of importance to the successful operation of any particular Business. We may also modify any specification as to any good, service, supply, fixture, equipment, inventory, computer hardware, software supplier, or the like, at any time and on a local, regional, or national basis. We will not be required to disclose or grant you a similar variance. We may change approved vendors at any time.

Required and Approved Suppliers

You must purchase the Opening Package only from our approved vendor, an Affiliate, or us. Our approved vendor, an Affiliate, or we are the only supplier of the Opening Package. We reserve the right to make changes to the Opening Package. If we do, the same will be disclosed to you before the Effective Date of the Franchise Agreement, and you will be given such time to review the change as is required by Applicable Law.

An Affiliate and we are the only Solutions and Core Services suppliers. Our Affiliate and we may add, delete, change, and amend any one or more of the Solutions or Core Services at any time after giving you no less than ten days' prior written notice, though we will not discontinue a Solution or Core Service for a Client until the Client's contract has expired or is terminated.

We are the only service that bills your Clients and collects their fees.

We are the only supplier of the EagleONE Technology Stack. You must use the EagleONE Technology Stack in the operation of your business.

We are the only supplier of the Lead Generation Services, for which you pay our Lead Generation Monthly Fee. Not all leads generated by this service will result in Clients, and some franchisees may have more leads converted to Clients than others. We offer no guarantee that any leads generated will result in Clients.

You will contribute 1% of your Gross Sales (Charity Contribution) to a nationally recognized charity in your Protected Territory. We must approve the charity before you make your first contribution. (Item 11). We reserve the right to designate a nationally recognized charity to whom this contribution must be made after giving you no less than 60 days' prior written notice. This will be withdrawn from the Gross Sales calculation each month.

You have the right to audit this process (Franchise Agreement, Article 3).

We will help coordinate your Grand Opening advertising.

We will conduct a criminal and credit background check before you are awarded franchise rights and during any Franchise Agreement term.

If we receive a Client complaint and determine it necessary to service your Client, you will pay us the Client Service Fee and all other costs and fees we incur. We are the only supplier of this service.

In the future, we may require all franchisees and you to add new goods, Solutions, and Core Services to those already sold through the Business, and we may require you to add new technology. If we do, you may incur additional expenses, costs, and fees, some of which may be due to an approved vendor, Affiliate, a third party for whom we collect the funds, or us. If we introduce new lines of goods, services, or technology, we will notify you in writing and give you 60 days to comply.

You may purchase any other equipment or materials from an approved source. The list of approved products and suppliers is published in the Manuals.

Except for the goods and services purchased from an Affiliate or us, our principals own no interest in any other supplier. Except as stated here, an Affiliate or we are not approved suppliers.

Insurance

Before opening the Business, you will purchase and maintain the following insurance with the following minimum limits:

a. General liability insurance having a combined annual single limit for any form of injury and property damage of \$1,000,000 per occurrence and \$2,000,000 in the aggregate;

b. Automobile liability insurance in reference to vehicles used in the operation of the Business, and automobile liability coverage for owned, non-owned, scheduled, and hired vehicles having limits for bodily injuries of \$500,000 per person and \$1,000,000 per accident and property damage limits of \$50,000 per occurrence;

c. Employer's liability and worker's compensation insurance as required by state law in the state in which the Business is found;

d. Business interruption insurance of not less than \$30,000.00 per month for loss of income and other expenses with a limit of not less than nine months of coverage;

e. Professional liability insurance with coverage of at least \$1,000,000 per occurrence and \$1,000,000 annual aggregate; and,

f. Excess liability umbrella coverage for general and automobile liability of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate; and,

g. Cyber liability insurance covering you against hacking, data breaches, and similar errors and omissions concerning your operations, malware, ransomware, and denial-of-service attacks of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate.

If you fail to get the above insurance and then maintain it throughout the franchise relationship, we have the option (but not the obligation) to secure it for you. In that case, you will reimburse us for our costs associated with securing the same.

Although we require certain insurance coverage and limits and may recommend other policies, we do not guarantee that the required or recommended insurance will be adequate to protect your assets fully.

You should consult an insurance professional to determine if additional coverage is needed. We reserve the right to change the mix of insurance and the policy limits. If we add new coverage or change limits, you will have 60 days to comply.

Approval of Alternative Suppliers

In some cases, you may wish to purchase a required good or service from a supplier that we have not previously approved. We do not maintain written criteria for approving suppliers, and thus, these criteria are not available to you or your proposed supplier. To obtain our approval, you must submit such information as we may reasonably require. You will pay our then-current fee for such services. We will evaluate the submitted information and provide written notice of our decision within 15 days. If no written notice is received, the approval is denied. We may grant or deny approval for any reason or no reason at all. We have no other process for approving suppliers other than as stated here.

We may revoke alternative suppliers' approval if we determine they no longer meet our quality standards.

Revenue from Franchisee Purchases

An Affiliate or we received no revenue or other material consideration from required purchases in 2022. An Affiliate and we reserve the right to realize such revenue at any time in the future.

The cost of services supplied through an Affiliate or us will represent 80% to 95% of your total purchases to establish the Business and approximately 80% to 90% of your total purchases during the operation of the Business.

We do not now but may, in the future, receive rebates and material benefits from vendors with whom you are to do business. We may share the rebates or material benefits, or not, in our sole discretion.

Cooperatives

Though there is none at this time, we may, in the future, develop a regional purchasing cooperative in your area. The purchasing cooperative's purpose will be to obtain all goods and services at a more competitive price. Upon the creation of the same, you must participate in the program. Any item carried by the cooperative will be of the same quality as then required by us.

Negotiated Prices

We have negotiated prices with some of our vendors for the benefit of the franchisees.

Material Benefits

We do not provide or withhold material benefits to you (including renewal rights or the right to open additional businesses) based on whether you purchase through the sources we designate or approve. However, purchases of unapproved services, using unapproved vendors, or supplying unapproved services will violate the Franchise Agreement, and you may be terminated as a result.

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 Franchise Disclosure Document.

<u>Obligation</u>	<u>Article in Franchise Agreement</u>	<u>Item in Disclosure Document</u>
(a) Site selection and acquisition/lease	2	Items 7 and 11
(b) Pre-opening purchase/leases	2	Item 8
(c) Site development and other pre-opening requirements	5	Items 6,7,11
(d) Initial and ongoing training	7	Item 11
(e) Opening	2	Item 11
(f) Fees	3	Items 5,6,7
(g) Compliance with standards and policies/operating manual	8	Item 11
(h) Trademarks and proprietary information	6	Items 13 and 14
(i) Restrictions on products/services offered	8	Items 11 and 16
(j) Warranty and Customer service requirements	8	Not Applicable
(k) Territorial development and sales quotas	3	Item 12
(l) Ongoing product/service purchases	8	Item 8
(m) Maintenance, appearance, and remodeling requirements	Not Applicable	Item 11
(n) Insurance	17	Items 7,8
(o) Advertising	3	Items 6,7,11
(p) Indemnification	14	Item 6
(q) Owner's participation/management/staffing	8	Items 11 and 15
(r) Records and reports	8	Item 11
(s) Inspections and audits	8	Item 6
(t) Transfer	9	Item 17
(u) Renewal	4	Item 17
(v) Post-termination obligations	11	Item 17
(w) Non-competition covenants	15	Item 17
(x) Dispute resolution	16	Item 17
(y) Other	16 and 18	Item 17

ITEM 10

FINANCING

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

ITEM 11

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

Except as stated below, E1FC, LLC is not required to provide you with any assistance.

Pre-Opening Assistance

Before you open, your Business, E1FC, LLC, will,

- a. assign you a "Protected Territory" (Item 12, and Franchise Agreement, Article 1);
- b. deliver the Opening Package and the Lead Generation Services (Franchise Agreement, Articles 2 and 3);
- c. help with the Grand Opening advertising (Franchise Agreement, Articles 2 and 5);
- d. provide you with "Initial Training" described in this Item 11 (Franchise Agreement, Articles and 7);
- e. if we have one, provide you with a list of approved suppliers for equipment, goods, and services (Franchise Agreement, Section 5.2);
- f. loan you one copy of all of the Manuals that you need to operate the Business (Franchise Agreement, Section 5.1);
- g. supply reasonable support by telephone, text, and email (Franchise Agreement, Section 5.2); and,

Your employees are not our employees, and you are solely responsible for hiring, training, and managing them from day to day.

We may suggest a pricing structure for the services you offer from time to time, but you are under no obligation to follow such suggestions. We do not set prices.

Post-Opening Assistance

During the operation of your Business, E1FC, LLC will,

- a. supply Lead Generation Services for the first 12 months of operation and then offer them to you after that if you wish to use them (Franchise Agreement, Article 3);
- b. bill your Clients for the Solutions and Services they purchased and that were delivered that month (Franchise Agreement, Article 3);
- c. collect all Gross Sales from your Clients, make the necessary deductions, and account for and remit the remaining Good Funds to you (Franchise Agreement, Article 3.);
- d. offer additional conferences, training seminars, or programs at a frequency we determine. Some of these seminars or programs may be mandatory, and we may charge tuition (Item 6 and Franchise Agreement, Section 5.3);

- e. if there are any, provide updates to the Manuals, the System, the Marks, and in reference to the training provided to you, at a frequency which we determine (Franchise Agreement, Section 5.3);
- f. review all promotional materials and advertising you wish to use (Franchise Agreement, Section 5.3);
- g. visit and inspect your Business, and use other methods to ensure that you and all other franchisees are delivering quality services and products that conform to the System (Franchise Agreement, Section 5.3);
- h. if created, provide promotional materials and advertising programs from time to time as we deem appropriate (Franchise Agreement, Section 5.3);
- i. offer up to four hours monthly of reasonable phone, text, and email assistance without charge. You will pay the then-current Additional Services Fee for any time after that (Franchise Agreement, Section 5.3); and,
- j. if appropriate, begin the Regional Marketing Cooperative (Franchise Agreement, Articles 2 and 5).

We may suggest a pricing structure for the services you offer from time to time, but you are under no obligation to follow such suggestions. We do not set prices.

Schedule for Opening

Franchisees typically open for business within 30 to 60 days after the Franchise Agreement is signed by you and us (Effective Date). In all events, you must open within 60 days of the Effective Date. (Opening Date). We may extend the Opening Date for a reasonable time (not to exceed 20 days) if factors beyond your reasonable control prevent you from meeting it, and you request an extension of time from us. The factors that affect the period required to open the Business may include obtaining financing, permitting, and licensing.

Optional Assistance

If you request onsite, additional, extraordinary, supplemental, or refresher courses or training and we agree to provide it, you will pay our then-current Supplemental Training Fee. Some of this training may be online or in person. You will also pay our costs for travel, lodging, and food if we come to you or your costs for travel, lodging, and food if you travel to us.

Lead Generation and Advertising

Lead Generation Services for Your Business

We will supply you with 12 full months of Lead Generations Services beginning on your Opening Date. You will pay for the first three months of Lead Generation Services before you open, and the Lead Generation Services will be delivered monthly during that period. Beginning with the fourth month after your Opening Date, you will pay the then-current Lead Generation Monthly Fee. After the mandatory 12 months of use expires, your participation is voluntary. We reserve the right to increase the Lead Generation Services Fee by any amount and at any time after giving you no less than 60 days' prior written notice.

The Lead Generation Services will be delivered in the month in which the Lead Generation Monthly Fee was collected.

Your Lead Generation Monthly Fees and those of all other franchisees will be deposited into a separate checking account, savings account, or any other account of our determination (Lead Generation Services Account). The Lead Generation Services Account is not a trust, and we assume no fiduciary duty in administering it. As the fee is used monthly, no fees will be carried to the next month or year.

The Lead Generation Services are delivered online and will be directed into your Protected Territory by deploying our EagleONE ProLink Program, which includes outbound cold calling, LinkedIn connection requests, additional follow-up messaging, and emails, all of which are done by an Affiliate or us on your behalf. These proprietary strategies are fueled by our AI platform for the best quality and accuracy in lead lists and searches. We reserve the right to change sources for leads or outsource our current Lead Generation Services at any time after giving you no less than 60 days' prior written notice.

We make no guarantee to you or any other franchisee that the expenditures from the Lead Generation Account will result in new Clients or sales or otherwise benefit you or any other franchisee directly or on a pro-rata basis. We assume no other direct or indirect liability or obligation to you to collect amounts due to the Lead Generation Account or for maintaining, directing, or administering the Lead Generation Account.

A company-owned or Affiliate-owned Business will not pay the Lead Generation Monthly Fee.

Upon your prior written request, we will make available an annual unaudited financial statement of your contribution to the Lead Generation Account no earlier than 120 days after our year-end.

We intend for the Lead Generation Services Fee to be continuous and perpetual, but we have the right to form, change, suspend (and subsequently reinstate), merge, or terminate it if necessary. We will not close the Lead Generation Account, however, until your contributions have been used for the purpose for which they were collected.

Advertising

Grand Opening

You will spend up to \$2,000 to fund your "Grand Opening" advertising, which you and we will coordinate before your Opening Date. Included in the Grand Opening are the requirements that you join one or more local chambers of commerce, put out one or more press releases within your Protected Territory, arrange for a "ribbon-cutting" ceremony at city hall or some other location, and similar marketing efforts. You must provide reasonable proof that the above has been completed within 30 days after your Opening Date.

Local Advertising

We do not now but may require you to spend a certain amount on local advertising in the future. We will give you no less than 60 days' prior written notice before imposing this fee. Once started, we reserve the right to increase the fee at any time and in any amount after giving you no less than 60 days' prior written notice.

You may choose to advertise in your Protected Territory at any time. Before placing ads in any media, including print or electronic, you must deliver the proposed copy to us. We will have 15 days to

review and approve it. The advertising is disapproved if you do not hear from us within that time. You cannot advertise outside your Protected Territory.

You cannot own, have, or host a website containing our Marks, our name, or any other information about the Business. You will have a landing page on our site.

Regional Advertising Cooperative

Upon 30 days prior written notice, we reserve the right to require you to allocate up to 2% of your Gross Sales for a regional advertising program (Regional Advertising Cooperative) to benefit you and all other Businesses within a market area. We have the right to determine the composition of the market areas included in a particular Regional Advertising Cooperative. If a Regional Advertising Cooperative is formed, we will require all franchisees located in the region to participate. Company-owned and Affiliate-owned Businesses will not contribute. The Regional Advertising Cooperative will be administered by the contributors to it. There will be no governing documents. All advertising for the Regional Advertising Cooperative will be prepared by a local, national, or international advertising agency or by us. The Regional Advertising Cooperative will prepare unaudited financial statements and will make them available to all Cooperative participants within 120 days of the year-end. We have the right to change, dissolve, reinstate, or merge any Regional Advertising Cooperatives.

Local Charity Contribution

You will contribute 1% of your Gross Sales (Charity Contribution) to a nationally recognized not-for-profit, non-religious, and non-political charity of your choice. We must approve the charity before you make your first contribution and may withhold approval if we believe in good faith that the charity will not reasonably represent your or our best interests or if it does not meet the above criteria. Once approved, you will make monthly contributions in your name and ours. You will account to us each calendar quarter. Your failure to make monthly contributions is a material breach of the Franchise Agreement for which no cure may be provided.

We collected no national advertising fees in 2022.

Computer Requirements

As part of the Opening Package, you will receive a Dell (or equivalent) PC-based laptop computer (Computer). The Computer will be preloaded with the EagleONE Technology Stack. The Computer's cost is included in the Opening Package and is not broken out as a separately purchased item. It cannot be substituted for another computer you may already own. The Opening Package costs \$2,250.

Updates to the software in the EagleONE Technology Stack will occur as needed. Currently, there is no fee for such updates, but that may change at any time. We have no formula for determining when or in what amount such fees could be, so we can't quote the fee here. We will notify you in writing of such changes, which will be reflected in changes to the EagleONE Technology Stack Fee. We reserve the right to change the content of the EagleONE Technology Stack by adding, deleting, or altering the content as we deem necessary and to change the fee in any amount and at any time after giving you no less than 60 days' prior written notice.

We may require you to update the Computer no more often than once every three years. If the update is required, you must load our then-current software package onto the Computer at your expense. We will give you 60 days' prior written notice before enforcing this requirement. This could cost between \$500 and \$1,000.

We do not provide any Computer maintenance services, and we do not currently require you to have a maintenance contract, though this may change at any time after we give you no less than 60 days' prior written notice. Yearly maintenance could cost you \$50 to \$100 per year to maintain.

You must maintain high-speed internet access to the Computer at all times.

Data from the Computer are uploaded to our server each time you use it, and we will have independent access to your databases at all times. There are no other contractual limitations on our right to access such information.

In the future, we may require you to use other proprietary software, web-based programs, or new or additional software modules that will be integrated into the then-current EagleONE Technology Stack, for which you will pay the then-current fees, costs, and licenses associated with each. We do not have a schedule for such additions and do not have a formula for determining the cost of any such change or additions. As a result, we cannot estimate any cost to you.

Manual and Table of Contents

We will loan you one copy of the Manual that contains our confidential, proprietary, and trade secret information. Though we loan it to you, it will always remain our property. It is part of the System and contains our confidential, proprietary, and trade secret information. Exhibit C to this Disclosure Document shows the Manual's Table of Contents. The Manual contains approximately 59 pages.

Location Selection

It is anticipated and expected that you will operate the Business out of your home (Franchised Location). We have no criteria or requirements for your Franchised Location except that it must be located in your Protected Territory.

Training

Initial Training

For the first franchise that you buy, you (if you are a sole proprietor or are the sole equity owner of the business-entity franchisee) and, if you have one, your Designated Manager or Principal Operator must complete our initial online training (Initial Training) to our reasonable satisfaction before you open.

If you wish for more than two people to attend Initial Training, you will pay our then-current Additional Initial Training Attendee Fee for each attendee plus their travel, room, and board, if applicable.

If one of the two people fails to pass Initial Training, the person will be allowed to take it again at the next available class. There will be no tuition charged for this. If this person fails to pass the second time, the person will not be permitted to perform any services that require interface with a Client. If the two people that take Initial Training before opening fail to complete the training to our reasonable satisfaction, both will be permitted to take it the second time for no additional tuition. If they both fail to pass Initial Training the second time, we have the right to terminate the Franchise Agreement, except that all restrictive and other covenants of the Franchise Agreement that must survive termination to remain enforceable will survive. In that case, we will refund 50% of the IFF.

Initial Training consists of approximately 40 hours of online training (available to you at any time) and 0 hours of on-the-job training. Access to the training will be through a passcode-protected portal on our website, the code for which will be given to you on or after the Effective Date.

The training materials include the Manuals and handouts and are delivered without charge.

Training consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Customer Experience Services	8 hours	0	Online
Lead Generation Service	8 hours	0	Online
Training on other Marketing Efforts	8 hours	0	Online
Sales Nexus CRM	8 hours	0	Online
Sales Training	8 hours.	0	Online
TOTAL	40	0	Online

Our trainers are Mike Hutzel and Diane Hutzel, who are listed in Item 2. Mike and Diane were the creators of all of the systems used by our Affiliate to operate its business, which is substantially similar to the one offered here. From 2017 to the present, each has trained the Affiliate’s employees on the operation of the Services and the sale and marketing of the Services to Clients of the Affiliate. From time to time, persons who are active in the operations and administrative side of our business and support staff may assist in the training.

If you replace your Principal Operator or Designated Manager or transfer the Business, the replacement must attend Initial Training. You will pay our then-current Additional Initial Training Attendee Fee for such training.

Missed Quota Additional Training

If you miss the Quota, we have the option, in our sole discretion, but not the obligation, to offer you additional training to help you reach the then-current Quota level. (Missed Quota Additional Training.) The training will be designed by us and may be online, in person, or a combination of both. When the training is designed, we will give you a written statement of who must attend, the content of this training (including the online and in-person components), the materials used, the length of such training, the identity and information of the trainers, and when the training will be held. As we custom design this training, we cannot estimate how long such training will take or what hours will be spent on each component. Such information will be delivered at the time the training is designed. We may charge our then-current Missed Quota Additional Training Fee, which will be due before training begins. If this training is offered and if the attendees fail such training, or after the training you fail to reach the then-current Quota, we have the right to terminate your rights under the Franchise Agreement, without the right to cure without any refunds.

Conference and Training Attendance

We may have an annual conference at any time in the future, and we may require attendance at such a conference and may require you to pay the then-current Conference Fee. You will also pay for travel, room, board, and other expenses incurred. When it is known, you will be provided with the

Conference Fee (if any), the duration of a meeting, its location, the identities of those who will present information at the meeting, and the content of any information. The conference will be held in a location to be determined by us.

In addition to the conference, and though we do not now, we may offer additional voluntary or mandatory seminars or programs at a frequency we determine, for which we may charge a fee. We may require your Principal Operator, Designated Manager, or you to attend. We will give you no less than 60 days prior written notice before collecting tuition. You will be responsible for all travel and living expenses associated with attendance at the same. When it is known, you will be provided with the duration of such a meeting, its location, the identities of those who will present information, and a statement of the content to be presented. The meetings will be held in a location to be determined by us.

ITEM 12

TERRITORY

You and we will define your Protected Territory before you execute the Franchise Agreement. The Protected Territory will have no particular demographics or geographic shape. It may be defined by ZIP Codes, streets, political boundaries such as a city or county, or any other metric. For so long as you are in compliance with your Franchise Agreement, we will not place a company-owned or Affiliate-owned Business or award a franchise within your Protected Territory. The size of your Protected Territory will not change if there is a fluctuation in the population or any other metric you and we use to define it.

You may market only in your Protected Territory but may service any Clients who contact you regardless of where they come. If there is an area contiguous to your Protected Territory in which there is no franchisee, company-owned, or Affiliate-owned Business, and with our permission, you may temporarily increase your Protected Territory to include that area until a franchisee, company-owned, or Affiliate-owned Business is assigned there. Once that occurs, you must cease operating there though you may continue to service the Clients you obtained.

You may relocate your Franchised Location anywhere within the Protected Territory without our permission, except that you must provide us the address and other contact information for the new Franchised Location.

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

You are required to meet a quota (Quota):

By the end of the first 12 full months after the Opening Date, you must have reached \$250,000 in Gross Sales. If the Opening Date is other than the first day of a month, the first 12 months will increase to include the number of days remaining in the month in which the Opening Date occurred.

By the end of 24 full months from your Opening Date, you must have \$ 1,000,000 in Gross Sales.

By the end of 36 full months after the Opening Date and for every 12 months after that through the end of the “Initial Term” (Item 17(a)), you must have \$2,000,000 in Gross Sales.

If you fail to maintain the Quota for any 12 months, we have the following rights, any of which will apply in our sole discretion and with the understanding that the choice of one remedy will not prohibit us from any other remedy at any time; it being understood that all remedies are cumulative:

- a. We may require you to attend the Franchisee Missed Quota Additional Training if, within six months after this training, you are unable to bring your Gross Sales to the Quota level then in place, we may (i) reduce the size of your Protected Territory in any manner we deem appropriate; (ii) allow a current franchisee, a newly-signed franchisee, or a company-owned or Affiliate-owned Business to begin selling Services in your Protected Territory; or (iii) terminate your franchise rights without any right to cure; or,
- b. We may reduce the size of your Protected Territory in any manner we deem appropriate; or,
- c. We may allow a current franchisee, a new franchisee, or a company-owned or Affiliate-owned Business to begin selling Services in your Protected Territory; or,
- d. We may terminate your franchise rights without any right to cure.

The Quota may change if Successor Franchise Rights are awarded.

Reservation of Rights

An Affiliate, and we reserve the right, among others, to,

- a. own, franchise, or operate businesses that are similar to your Business and use the Marks and the System at any location outside of the Protected Territory;
- b. use the Marks and the System to sell any products or services (which may be similar to those you sell) through alternate distribution channels within or outside the Protected Territory. Alternative channels of distribution include television or the Internet. You cannot use alternate distribution channels without our express permission, which may be granted or denied for any reason or no reason. We will not compensate you if we make sales through alternate channels of distribution;
- c. use and license others to use, either within the Protected Territory or in alternate channels of distribution, other trademarks, trade names, service marks, and logos that are not the same as or confusingly similar to our Marks that offer goods, services, and related products and services that may be similar to, or different from those used or offered through your Business;
- d. purchase, or be purchased by or merge or combine with any business, including a competitive business wherever located, so long as the survivor does not use trademarks, trade names, service marks, or logos that are the same as or confusingly similar to our Marks;
- e. acquire and convert to our System any businesses offering services and products similar to those offered by you, including such businesses operated by competitors or otherwise operated independently, or as part of, or in association with any other system or chain, whether franchised or corporately owned, and whether located inside or outside of the Protected Territory so long as any such business does not use trademarks, trade names, service marks, or logos that are the same as or confusingly similar to our Marks; and,
- f. retain all other rights not specifically granted to you.


Though we can use alternative channels of distribution to make sales of goods, items, and services associated with the System and the Marks, or associated with any other system or trademarks, service marks, trade names, logos, and the like, we have not done so as of the date of this disclosure document. We

reserve the right to do so at any time. We do not pay any compensation for soliciting or accepting orders inside your Protected Territory that were obtained through alternate channels of distribution.

ITEM 13

TRADEMARKS

Our EagleONE Affiliate has received registration on the Principal Registry of the United States Patent and Trademark Office (USPTO) as follows:

Registration Number	Description of Mark	Application Date
6,763,892	EAGLEONE	June 21, 2022
6,763,893		June 21, 2022

Our EagleONE Affiliate also claims common law rights to the above Marks.

We have a license with our EagleONE Affiliate to sublicense the Marks to you. The initial term of the license is for 30 years, with two 30-year renewals. We must maintain the goodwill of the Mark by monitoring your use of the Marks. If we lose the right to sublicense the unregistered Marks or Tradenames, our EagleOne Affiliate agrees that it will continue to license the Marks to you directly.

Except for the license, no currently effective agreements significantly limit our rights to use, license, or sublicense the Marks in any manner material to the franchise.

There are presently no effective material determinations of, and there is no pending material litigation involving the USPTO, any trademark administrator of any state or federal court, trial, and appeal board, or of any federal or state court concerning a claim of interference, infringement, opposition, or cancellation involving any of the Marks. There is no pending federal or state court litigation regarding our use or ownership rights in that Marks are material to the franchise. All required affidavits will be filed when required by law. There are no infringing uses or previous superior rights known to us that can materially affect your use of the Mark in the state where our headquarters is located or in any other state where your Business is to be located. Our EagleONE Affiliate has the right to control any administrative proceedings or litigation involving a Mark sublicensed to you.

You receive no other rights to the Marks except for the non-exclusive right to use them in your Business's operation. You must follow our rules when you use the Marks. You cannot use a name or Marks as part of a corporate name or with modifying words, designs, or symbols without our written permission, which may be granted or denied for any reason or no reason. You may not use any Marks in connection with the sale of any unauthorized products or services. Any unauthorized use of the Marks is a breach of the Franchise Agreement and an infringement of our rights and those of our Affiliate. You will not contest the Mark's validity or ownership, including any Marks we license or sublicense to you. You must not assist any other person in contesting the validity or ownership of the Marks.

Your usage of the Marks and any goodwill you establish is to our exclusive benefit, and you retain no rights in the Marks either during the term of the Franchise Agreement or on the transfer, expiration, or termination of the Franchise Agreement.

Our EagleONE Affiliate and we have the right, in our sole discretion, to determine whether to take action because of a possible infringement or illegal use. We may commence or prosecute such action in our name and may join you as a party to the action if we determine it reasonably necessary for the continued protection and control of the Marks and each component of the System and Proprietary Information. We will indemnify you under this paragraph so long as you were not the cause of the infringement or illegal use. You have no right to make a demand of us and have no right to prosecute any claim against the alleged infringer. You must cooperate with us in any way necessary in the event of such an infringement.

Our EagleONE Affiliate and we may commence or prosecute such action in our name and may join you as a party to the action if we determine it reasonably necessary for the continued protection and quality control of the Marks and each component of the System and Proprietary Information. We will indemnify you for any action under this paragraph unless the claim arises because of your action, inaction, or negligent use of the Marks or any component of the System or Proprietary Information. In that case, you will indemnify us.

If we, in our discretion, determine it necessary to modify or discontinue the use of a Mark or to develop additional or substitute marks, you will, within a reasonable time after receipt of written notice of such a modification or discontinuation from us, take such action, at your sole expense, as may be necessary to comply with such modification, discontinuation, addition, or substitution.

We have secured the following Internet domain names: **www.eagle1group.com**. Other domain names may be added at our discretion.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own any patents or copyright registrations that are material to the franchise.

We claim common law copyrights and copyright protection in and on all of the components of the System, including, but not limited to, the Manuals and related materials, training modules, and techniques, all advertisements in any medium, including the internet, and other promotional and written materials. Along with the Marks, every component of the System is our proprietary, trade secret, and confidential information. (“Proprietary Information,” Franchise Agreement, Articles 1 and 6). Any component of the System will be used by you only as described in the Franchise Agreement. We know of no System copyright infringement that could materially affect you. Except for the license identified in Item 13 and the Franchise Agreement, no other agreements limit your use of the System or any copyrighted materials.

We require you to maintain the confidentiality of each component of the System, our Marks, and our copyrighted materials and that you adopt reasonable procedures to prevent unauthorized disclosure of any such information.

We have the right to control any administrative proceedings or litigation involving our System or the copyrighted materials. If you learn of any claim against you for alleged infringement, unfair competition, or similar claims about the Marks, you must promptly notify us. We will take the action we deem necessary to defend you. We must indemnify you for any action against you by a third party based solely on alleged infringement, unfair competition, or similar claims. We have no obligation to defend or indemnify you if the claim against you is related to your use in violation of the Franchise Agreement.

If you learn of or believe that any other person or entity is using any component of the System or our copyrighted materials without our permission, you must immediately notify us in writing. We will take any action that we deem appropriate.

If we, in our sole discretion, determine it necessary to modify or discontinue the use of any portion of the System or the copyrighted materials or to develop additional or substitutes for that portion of the system or the copyrighted materials, you will, within a reasonable time after receipt of written notice of such modification or discontinuation from us, take such action, at your sole expense, as may be necessary to comply with such modification, discontinuation, addition, or substitution.

You may never, during the term of the Franchise Agreement, or at any time after the expiration, termination, or transfer of the Franchise Agreement, reveal any component of the Proprietary Information, Marks, or our System to any person or entity, and you cannot use it for any other business. You may not copy any portion of the System or the Marks unless we specifically authorize it in writing. All persons affiliated with you may be required to sign our then-current confidentiality agreement if we create such a document.

If you purchase the Franchise Agreement through a business entity or if you convert to a business entity other than a sole proprietorship, each individual who owns an interest in the business entity must sign a personal guaranty that includes an agreement that each signor will abide by all restrictive covenants and discharge all obligations of the franchisee under the Franchise Agreement.

In operating your Business, you will create a list of names and other identifying information of Clients that have used your services. (Client List). You agree that the Client List was obtained through the use of the System and the Marks. As a result, the Client List will remain the sole and exclusive property of the Franchisor. At the termination of this Franchise Agreement for any reason, said lists are the sole and exclusive property of the Franchisor without the obligation to pay you for it.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Your Principal Operator, Designated Manager, or you must complete our training and personally participate in your Business's day-to-day operation. It is always recommended that your Principal Operator or you operate the Business from day to day.

Your Designated Manager and Principal Operator must abide by all confidentiality requirements of the franchise agreement and may be required to sign our then-current confidentiality and non-competition agreement.

Your Designated Manager is not required to own any interest in the Business. The Principal Operator must own no less than 51% of the equity in the franchisee business entity.

If you purchase the Franchise Agreement through a business entity or if you convert to a business entity other than a sole proprietorship, each individual who owns an interest in the Business entity must sign a personal guaranty that includes an agreement that each signor will abide by all restrictive covenants and discharge all obligations of the franchisee under the Franchise Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell all of and only those services and products approved by us and may not use the Business, Systems, or Marks for any other purpose.

We have the right to add, delete, change, or supplement the types of services you provide, and there are no limits on our right to do so. If we add, delete, change, or supplement the types of services, we will provide you with no less than 60 days' written notice by which to comply.

You may advertise for Clients only within your Protected Territory but may service Clients regardless of from where they came. If you fail to meet the Quota, you may have your Protected Territory reduced, or we may terminate your Franchise Agreement. (Item 12).

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:

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Length of the franchise term	4	60 full months from the Effective Date, unless sooner terminated.
b. Renewal or extension of the term	4	Three additional 60-month terms if all obligations for Successor Franchise Rights are met.
c. Requirements for franchisee to renew or extend	4	You must provide notice, you must have no outstanding material defaults or money owed, you must not have had more than one default notice during any term, we have determined in our Reasonable Business Judgment to allow you to renew, you must sign the then-current Franchise Agreement (which may have terms materially different than those of your current Franchise Agreement), the guarantors and you must sign a general release and pay the renewal fee.
d. Termination by franchisee	Not Applicable	Franchisees may terminate under any grounds permitted by law.
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	10	We can terminate only if you default. See (g) and (h) below.
g. "Cause" defined - curable defaults	10	Subject to state law, failure to pay fees after five days' notice; 30 days to cure any defaults under the Franchise Agreement except those described in (h) below. We have the right to manage the business temporarily.
h. "Cause" defined - non-curable defaults	10	Non-curable defaults, abandonment, bankruptcy, felonies, material judgment against you, failed criminal background check, poor credit check, misuse of the Marks or Proprietary Information, breach of curable covenants more than three times during the Initial Term or one time during Successor Franchise Term, illegal transfer, violation of laws applying to business, criminal or civil convictions, material misrepresentations, failure to obtain permission, failure to pay taxes, underreporting, complaints against the business, disparagement of us, failure to add new goods or services, other violations of Franchise Agreement that contain their own cure provisions, failure to add new goods,

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		services or technology. We have the right to manage the business temporarily.
i. Franchisee’s obligations on termination/non-renewal	11	Obligations include deidentification, payment of amounts due, cessation of use of trademarks and Proprietary Information, and return of all materials (see r. below).
j. Assignment of contract by franchisor	9	No restriction on the franchisor’s right to assign.
k. “Transfer” by franchisee - defined	9	Sale, assignment, gift, pledge, mortgage, transfer because of dissolution of marriage, civil union or partnership, or other disposition of any part of the Franchise Agreement, franchise rights, ownership of the franchisee or the Business.
l. Franchisor approval of transfer by franchisee	9	Transferee has had a background check and has the necessary financial resources. We have a 30-day right of first refusal; the transferee pays for training (Item 6).
m. Conditions for franchisor approval of transfer	9	Must be in Compliance; must pay a fee; must not be in breach; new franchisee must qualify; you must have no outstanding defaults or money owed; you must provide the terms of the proposed transfer to us; the new franchisee must sign the current Franchise Agreement; new franchisee must attend training; and, you must have signed release.
n. Franchisor’s right of first refusal to acquire franchisee’s business	9	30 days on the same terms as the bona fide offer.
o. Franchisor’s option to purchase your Business	9	Our first-right option upon expiration, termination, or transfer is to purchase a part or all of the hard assets for fair market value.
p. Death or disability of franchisee	9	The estate must assign the franchise to approved transferee within 180 days of death or disability.
q. Non-competition covenants during the term of the franchise	15	No involvement in a competing business.
r. Non-competition covenants after the franchise is terminated or expires	15	No competing business for 36 full months within the Protected Territory, within the exclusive territory of another franchisee, company-owned or Affiliate-owned Business, or within 5 miles of the perimeter of the territory of another franchisee, company-owned or Affiliated-owned Business.
s. Modification of the agreement	15 and 18	No modifications generally, but Manuals are subject to change.
t. Integration/merger clause	18	Only the terms of the Franchise Agreement and its attachments are binding (subject to state law). Any representations or promises outside the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	10 and 16	Subject to state law, except for certain claims, all disputes will be subject to arbitration (if the mandatory face-to-face meeting and mediation do not resolve the issue). Meetings, mediation, and arbitration to be conducted within 15 miles of our then-current headquarters.
v. Choice of forum	10 and 16	Subject to state law, meeting/mediation/arbitration, or State/Federal Courts in the state where our then-current headquarters is located (now Cincinnati, Ohio.)
w. Choice of Law	10 and 16	Subject to state law, the state law of our then-current headquarters that is now Ohio.

ITEM 18

PUBLIC FIGURES

We currently do not use any public figures to promote the System. There is no compensation or other benefit given or promised to any public figure arising from either the use of the public figure in the name or symbol of the Franchise or the endorsement or recommendation of the Franchise by the public figure in advertisements. There are no public figures involved in our management.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Mike Hutzal at 6355 E. Kemper Rd., Suite C, Cincinnati, OH 45241, Ohio 80111, 513-847-0140, info@eagle1group.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1
Systemwide Outlet Summary For the Years 2020 through 2022**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the end of the Year	Column 5 Net Changes
Franchisee Owned				
	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Company-Owned*				
	2020	1	1	1
	2021	1	1	1
	2022	1	1	1
Total Outlets				
	2020	1	1	1
	2021	1	1	1
	2022	1	1	1

* Includes Affiliate-owned Business.

Table No. 2

Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor)

For the Years 2020 through 2022

Column 1 State	Column 2 Year	Column 3 Number of Transfers
None	2020	0
	2021	0
	2022	0
Total		
	2020	0
	2021	0
	2022	0

**Table No. 3
Status of Franchised Outlets For the Years 2020 through 2022**

Column 1 State	Column 2 Year	Column 3 Franchises at the Start of the Year	Column 4 Franchises Opened	Column 5 Terminations	Column 6 Non- renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operation - other reasons	Column 9 End of the Year
None	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 No. 4
Status of Company/Affiliate-Owned Outlets For the Years 2020 through 2022**

Column 1 State	Column 2 Year	Column 3 Outlets as the Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed	Column 7 Outlets sold to Franchisees	Column 9 Outlets at the End of the Year
Ohio	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Totals	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1

**Table No. 5
Projected Openings As Of December 31, 2022**

Column 1 State	Column 2 Franchise Agreements Signed but not Opened	Column 3 Projected new Franchise Outlets in the Next Fiscal Year	Column 4 Projected New Company- Owned Outlets in the Current Fiscal Year
Ohio	0	1	0
TOTALS	0	1	0

Exhibit D lists all franchisees' names and contact information as of December 31, 2022. Exhibit D also lists the name, city, state, and the 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 our most recently completed fiscal year, or who has not communicated with us within ten weeks of the issuance date of this Franchise Disclosure Document.

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

We have not signed confidentiality agreements with franchisees during the past three years. In some instances, current or former franchisees sign provisions restricting their ability to speak openly about their experience with E1FC, LLC. You may wish to speak with current and former franchisees, but be aware that all such franchisees will not be able to communicate with you.

Exhibit E lists, to the extent known, the names, addresses, telephone numbers, email addresses, and web addresses of each trademark-specific franchisee organization associated with the franchise system being offered that we have created, sponsored, or endorsed, and the independent franchisee organizations that have asked to be included in this disclosure document.

ITEM 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit G is our unaudited opening balance sheet as of December 31, 2022. THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED THEIR OPINION CONCERNING THEIR CONTENT OR FORM.

We have been in business for less than three years, so we cannot provide all financial reports otherwise required.

ITEM 22

CONTRACTS

Attached to this Disclosure Document are the following franchise-related contracts:

Exhibit B Franchise Agreement and all Exhibits to Franchise Agreement as follows:

Exhibit 1 Initial Franchise Fee and Statement of Ownership
Exhibit 2 Protected Territory and Franchised Location

Exhibit 3	Release for Criminal and Credit Check
Exhibit 4	General Release
Exhibit 5	Collateral Assignment of Contact and Electronic Information
Exhibit 6	State Addenda
Exhibit 7	Guaranty
Exhibit 8	Closing Acknowledgement

ITEM 23

RECEIPT

The Receipt is found at the end of this booklet as Exhibit I.

EXHIBIT A
STATE AGENCIES

Names and Addresses of State Regulatory Authorities and Registered Agents in States

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

California

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

Commissioner of Department of Financial Protection and Innovation
320 West Fourth Street, Suite 700
Los Angeles, California 90013

Commissioner of Department of Financial Protection and Innovation
2101 Arena Blvd.,
Sacramento, CA 95834.

(866) 275-2677

Connecticut

Connecticut Banking Commissioner
Department of Banking
Securities and Business Investments Division
260 Constitution Plaza
Hartford, Connecticut 06103
(860) 240-8299

Florida

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

Hawaii

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

Illinois

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Indiana

Indiana Secretary of State
Securities Division

302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

Kentucky

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

Maine

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

Maryland

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

Michigan

Michigan Department of Attorney General
Consumer Protection
Franchise Section P.O. Box 30213
Lansing, MI 48909

Street address for mailing or certified mail

525 W. Ottawa Street
G. Mennen Williams Bldg 1st Floor
Lansing, MI 48903

Minnesota

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

Nebraska

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

New York

Bureau of Investor Protection and Securities
New York State Department of Law
28 Liberty Street, 21st Floor

New York, New York 10005

North Carolina

Secretary of State
Securities Division
Old Revenue Complex
2 South Salisbury Street
Raleigh, North Carolina 27601

North Dakota

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

Rhode Island

Department of Business Regulation
1511 Pontiac Avenue, Building 68-2
Cranston, Rhode Island 02920

South Carolina

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

South Dakota

Division of Insurance
Securities Regulations
124 South Euclid, Suite 104
Pierre, South Dakota 57501

Texas

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

Utah

Utah Department of Commerce
Division of Consumer Protection
160 East Three Hundred South
P.O. Box 146704
Salt Lake City, Utah 84114-6704

Virginia

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, Ninth Floor

Richmond, Virginia 23219

Washington

Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, WA 98507-9033

Wisconsin

Administrator of the Division of Securities
4822 Madison Yards Way
Madison, Wisconsin 53705

LIST OF STATE AGENTS FOR SERVICE OF PROCESS

The following state agencies are designated as our agents for the service of process under the applicable state laws. We may register in one or more of these states.

California

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

Commissioner of Department of Financial Protection and Innovation
320 West Fourth Street, Suite 700
Los Angeles, California 90013

Commissioner of Department of Financial Protection and Innovation
2101 Arena Blvd.,
Sacramento, CA 95834
(866) 275-2677

Connecticut

Connecticut Banking Commissioner
Department of Banking
Securities and Business Investments Division
260 Constitution Plaza
Hartford, Connecticut 06103
(860) 240-8299

Hawaii

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

Illinois

Illinois Attorney General
500 South Second Street

Springfield, Illinois 62706

Indiana

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

Maryland

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

Michigan

Michigan Department of Attorney General
Consumer Protection
Franchise Section P.O. Box 30213
Lansing, MI 48909

Street address for mailing or certified mail

525 W. Ottawa Street
G. Mennen Williams Bldg 1st Floor
Lansing, MI 48903

Minnesota

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

New York

New York Secretary of the State
99 Washington Avenue
Albany, New York 12231

North Dakota

North Dakota Securities Department
State Capitol, Fifth Floor
600 East Boulevard
Bismarck, North Dakota 58505-0510

Rhode Island

Department of Business Regulation
1511 Pontiac Avenue, Building 68-2
Cranston, Rhode Island 02920

South Dakota

Division of Insurance
Securities Regulations

124 South Euclid, Suite 104
Pierre, South Dakota 57501

Virginia

Clerk, State Corporation Commission
1300 East Main Street, First Floor
Richmond, Virginia 23219

Washington

Director, Department of Financial Institutions
Securities Division
P.O. Box 9033
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Madison, Wisconsin 53705

Service of Process in Ohio:

**Diane Hutzell
6355 E. Kemper Road, Suite 200
Cincinnati, OH 45241**

EXHIBIT B
FRANCHISE AGREEMENT

E1FC, LLC
FRANCHISE AGREEMENT



THIS CONTRACT IS SUBJECT TO ARBITRATION

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EXHIBITS

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**E1FC, LLC
FRANCHISE AGREEMENT**

This Franchise Agreement (**Franchise Agreement**) is entered into and made effective as of the _____ day of _____, 20____, by and between E1FC, LLC, an Ohio limited liability company having a principal place of business at 6355 E. Kemper Road Suite 200 Cincinnati, OH 45241 (**Franchisor**), and _____ and _____ having a principal place of residence located at _____ (**Franchisee**).

RECITALS

You and we have agreed to enter into a franchise relationship subject to the terms of this Franchise Agreement. In deciding to execute this Franchise Agreement, you declare that you have thoroughly investigated and familiarized yourself with the essential aspects and purposes of this opportunity and have been advised by counsel, or have had the reasonable opportunity to be advised by counsel chosen by you, of the covenants of this Franchise Agreement, and you agree that your consistent and uniform operation of the “**Business**” using the “**System**” is essential;

NOW, THEREFORE, in consideration of the mutual covenants, agreements, terms, and conditions herein contained and the acts to be performed by each of us, you and we agree as follows.

COVENANTS

ARTICLE 1

**DEFINITIONS, GRANT OF FRANCHISE LICENSE, LICENSE, REASONABLE BUSINESS
JUDGMENT,
AND RESERVATION OF RIGHTS**

1.1 Definitions

Unless otherwise defined in the body of this Franchise Agreement, the following capitalized terms have the meaning set forth here.

“**ACH**” or “**Automated Clearing House**” refers to the process used for electronic bank-to-bank transfers of fees due to us.

“**Additional Initial Training**” means the delivery of Initial Training to a Person besides the two Persons allowed to take Initial Training. This training will also be delivered to a new Designated Manager, Principal Operator, or Transferee.

“**Additional Initial Training Attendee Fee**” means our then-current fee for Additional Training.

“**Additional Services**” means any help you request from us over the four hours per month that is given without charge.

“**Additional Services Fee**” means the then-current fee that we charge for the Additional Services.

“**Affiliate**” means an entity controlled by, controlling, or under common control with another entity. Our current Affiliate is EagleONE Insights, LLC (**EagleONE Affiliate**).

“**Applicable Laws**” subject to our jurisdictional, venue, and choice-of-law rights in Article 16, Applicable Law refers to all regulations, ordinances, statutes, rulings, orders, or the like that apply to the operation of your Business.

“**Audit Fees**” means the cost that you or we incur if we audit the books of the other and determine that the audited Party has intentionally or grossly negligently misstated its books.

“**Business**” or “**Franchised Business**” means the business you operate under this Franchise Agreement.

“**Change of Control**” means that (i) the natural person franchisee takes on a partner regardless of whether such partner is in control; (ii) a natural person franchisee converts to a business entity franchisee and then delivers more than 49% of the equity interest of such business entity to another Person; (iii) a business entity franchisee takes on any number of equity partners and delivers more than 49% of the equity interest to such Persons; or, (iv) the franchisee (whether a natural person or business entity) in any manner delivers control of the day-to-day operations of the Franchised Business to a Person who we have not first approved. We must first approve all Designated Managers.

“**Charity Contribution**” means the 1% of your Gross Sales that must be paid to a nationally recognized not-for-profit, non-religious, and non-political charity of your choice.

“**Claims**” has the meaning given to that term in Article 14.

“**Client**” means the commercial, governmental, and other businesses to whom you sell our Solutions and Core Services.

“**Client Service Fee**” means all costs and fees we incur, plus our then-current Client Service Fee if one of your Clients complains to us and if we determine it necessary for us to provide services to your Client.

“**Client List**” means the names and all contact information of your Clients.

“**Commission**” means the 12% Commission we pay you from the Gross Sales of each Sale you make.

“**Competitive Business**” is any business that offers a Person access to services that are the same as or competitively similar to the Solutions and Core Services we offer on the date that this Franchise Agreement expires, was terminated, or is Transferred.

“**Compliance**” means that you (i) are current in all respects under this Franchise Agreement and will be in Compliance at the time the action for which Compliance is required is to be completed; and (ii) have received written notice of the breach from us no more than one time during a Term.

“**Computer**” means the laptop delivered as part of the Opening Package, which will be preprogrammed with the EagleONE Technology Stack.

“Conference” means the annual conference we may hold.

“Conference Fee” means our then-current fee for attending the Conference.

“Core Services” means one or more services you sell to Clients that an Affiliate or we will fulfill. The Core Services are defined in the Manuals, by handouts, online, or another method, and disclosed to you on or after the Effective Date. We may add, delete, change, and amend any one or more of the Core Services at any time after giving you no less than ten days’ prior written notice, though we will not discontinue a Core Services for a Client that purchased it until that Client’s contract has expired or is terminated.

“Default Interest” is 1.25% per month, compounded monthly. Default Interest will never exceed the amount allowed under your state’s laws.

“Designated Manager” means the person besides your Principal Operator and you who has received our training and is authorized by you to operate the Business daily. The Designated Manager need not be an owner of any interest in the Business.

“Due Date” is the date on which we will pay your Commission to you less any other fees or costs permitted to be deducted from your Gross Sales.

“EagleONE Affiliate” means EagleONE Insights, LLC.

“EagleONE ProLink Services” means the then-current online and telephony-based lead generation services we provide as part of our Lead Generation Services.

“EagleONE Technology Stack” means the then-current software solutions that are preloaded onto the Opening Package laptop and include (i) Microsoft 365 Business Premium[®] (which includes Word, Xcel, PowerPoint, email, and other office production modules), (ii) SalesNexus[®], which is an online program that provides Client relationship management and similar modules, (iii) LinkedIn Sales Navigator[®] that contains tools to help with social media advertising and Client retention; (iv) the AI Platform which is a source for email, calling and similar lists used to help in lead prospecting, and; (v) an email marketing platform.

“EagleONE Technology Stack Fee” means the then-current fee we charge you to access the EagleONE Technology Stack.

“Effective Date” is the date that this Franchise Agreement is fully executed by you and us. There is no agreement, and this is not a contract between us until that date, regardless of the order that signatures were obtained.

“Event of Default” is a breach of any provision of Sections 10.1 through 10.3 of Article 10.

“Fair Market Value” means the value that a reasonable person under no duress or obligation would pay for the furniture, fixture, equipment, or item being sold by a seller under no duress or obligation. If you and we cannot agree on the Fair Market Value, an independent appraiser will determine the same. The appraisal will be done at our expense by an independent and disinterested appraiser selected by us. No goodwill will be considered in any such valuation.

“Force Majeure” means that except for monetary obligations that are due regardless of the existence of an event of Force Majeure, or as otherwise specifically provided in this Franchise Agreement, if either of us is delayed or prevented from the performance of any term, covenant or condition of this Franchise Agreement because of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, epidemic, pandemic, or similar county, statewide, national or international health emergency, insurrection, war, or other causes beyond the Party’s reasonable control, then performance will be excused for the shorter period of 45 days from the date of the inability to perform or for the period of the delay.

“Franchise Agreement” means this agreement.

“Franchise Disclosure Document” or “FDD” means the disclosure document that was delivered to you at least 14 calendar days (or any shorter or longer period required by a particular state) before you signed this Franchise Agreement or paid any money to us.

“Franchisee” means your Principal Operator, any Designated Manager, you, any Guarantor, any officers, directors, managers, members and the holders of any equitable interest in a business-entity Franchisee, your family members that actively participate in the Business, and all others who may take an active role in the operation of the Business in a manager or above position. The use of personal pronouns such as “you” means the Franchisee and includes all Persons identified in this definition.

“Franchisee Late Fee” means the then-current fee you will pay us if you fail to pay any amount due under the Franchise Agreement that we do not otherwise deduct from Gross Sales. We reserve the right to change the amount of this fee at any time after giving you no less than 60 days’ prior written notice.

“Franchised Location” means the Franchised Business’s physical location, the address of which is identified in Exhibit 2.

“Franchisor” means the entity identified above as the Franchisor, which definition also includes the Franchisor’s predecessors (if any), all Affiliates (if one or more Affiliates exist), any parent (if one exists), and the respective shareholders, directors, officers, managers, members, employees, and agents, and all successors and assignees of the Franchisor, its predecessor, parent, Affiliates or any other persons or entity so named in this definition.

“Franchisor Late Fee” means our then-current fee assessed for failure to make a payment timely. We may change this fee at any time after giving you no less than 60 days’ prior written notice, except that the fee will never be less than \$100 and will be payable no less than monthly.

“Good Funds” means that your Client’s payment for all Solutions and Core Services has been delivered to us, has cleared all banking channels, and is available to distribute to you and us without any limitation.

“Governmental Authority” means any local, municipal, county, state, or federal agency, a quasi-governmental agency, or authority that has jurisdiction over you or the operation of your Business.

“Grand Opening” means the celebration of the opening of the Business.

“Gross Sales” means the gross amount of money or money equivalent charged to your Client for any Solutions and Core Services, whether received in cash, in services in kind, from barter or exchange, on credit or otherwise.

“Indemnified Parties” has the meaning given to it in Article 14.

“Initial Franchise Fee” and “IFF” means the fee you pay us for the award of the rights granted under this Franchise Agreement.

“Initial Term” has the meaning given to it in Article 4.

“Initial Training” means the initial training we offer to you and one other person. (Article 7.)

“Involuntary Transfer” means any Transfer not approved by us and includes the loss of, transfer of, or assignment of, any interest in this Franchise Agreement; any of your interest in the Business; a substantial portion of the assets of the Business; or any interest in your business entity that is the Franchisee (except as permitted by this Franchise Agreement). An Involuntary Transfer also includes any transfer or assignment of any interest in you, this Franchise Agreement, or your franchise business entity as a result of any insolvency or bankruptcy proceeding; the foreclosure of any manner of lien or encumbrance against you, the Business, or the franchisee business entity; the taking of any interest in you, this Franchise Agreement or the franchisee business entity as a result of a divorce or separation, or in the case of a business entity any action by the equity owners or creditors the result of which is the loss of any equitable interest or any other interest. An Involuntary Transfer also occurs through any other means or method over which you have no control or against which you cannot substitute a bond or other monetary instrument to avoid such Involuntary Transfer.

“Lead Generation Account” is the account into which all Lead Generation Monthly Fees are deposited, as more fully set forth in Article 3.

“Lead Generation Services” are the marketing services we give you to generate Client leads on your behalf.

“Lead Generation Monthly Fee” means the then-current fee we charge to deliver the Lead Generation Services.

“Local Advertising Fee” means the then-current amount we may require you to spend on advertising in your Protected Territory.

“Manual” means the operations manuals (that may be more than one manual, booklet, or handout) delivered to you before you open for business, that may be amended from time to time, and which Manuals disclose the operating methods used in the Business.

“Marks” means all trademarks, trade names, logos, service marks, and similar commercial symbols that we require you to use to identify your Business.

“Minimum Royalty” is \$300.

“Missed Quota Additional Training” has the meaning given in Article 7.

“Missed Quota Additional Training Fee” means the then-current fee we charge if we permit you to take additional training because you missed the Quota. We will give you no less than five days prior written notice of the fee if we decide to charge it.

“Opening Date” means the date by which you must be open for business, as more fully defined in Article 2 below.

“Opening Package” is our then-current computer hardware and software package and other equipment or branded items you must purchase from us. The current content of the Opening Package is identified in our Manuals, through a handout, or as disclosed to you before the Effective Date by any other means.

“Opening Package Cost” means the current fee then being charged for the Opening Package, which is paid when you pay your IFF.

“Party” or the “Parties” means the Franchisor and the Franchisee.

“Percentage Royalty” means 5% of your Gross Sales.

“Permanent Disability” means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or does prevent the Principal Operator or you from supervising the management and operation of the Franchised Business for 120 days from the onset of such disability, impairment, or condition.

“Person” means a natural person, a business entity of any nature or kind, and the equity holders in any business entity.

“Principal Operator” means the Person authorized by the business-entity Franchisee to receive our training, to operate the Business, and to act as the contact between us. The Principal Operator must own no less than 51% of the equity in the franchisee business entity.

“Proposed Transferee” means the Person to whom you wish to Transfer an interest, as more fully described in Article 9.

“Proprietary Information” has the meaning given to it in Article 6.

“Protected Territory” means the geographic area you and we agree upon before you sign this Franchise Agreement. It will have no particular demographics or geographic shape. It may be defined by ZIP Codes, streets, political boundaries such as a city or county, or any other metric.

“Quota” has the meaning given in Article 2.

“Reasonable Business Judgment” Use of our Reasonable Business Judgment will mean that our determination on a given matter will prevail even in cases where other alternatives are also reasonable so long as we intend to benefit or are acting in a way that could reasonably benefit any component of the System or the Marks, any one or more of the franchisees, or any other aspect of the franchise system. Such decisions may include, but are not limited to, decisions that may enhance or protect the Marks and the System; increase client satisfaction; increase the use of the services all franchisees offer; and matters that correspond with franchisee satisfaction. We are not required to consider any particular franchisee’s

economic or other circumstances when exercising our Reasonable Business Judgment. Reasonable Business Judgment decisions will not affect all franchisees equally, and some will benefit while others will not. You and we intend that the exercise of our Reasonable Business Judgment will not be subject to limitation or review. If Applicable Law implies a covenant of good faith and fair dealing in this Franchise Agreement, you and we agree that such covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Franchise Agreement.

“Regional Advertising Program” has the meaning set forth in Article 3.

“Royalty” means the Percentage Royalty or the Minimum Royalty. If there is doubt, the reference to the **“Royalty”** will include both.

“Solutions” refers to one or more of our Customer Experience Solution, Lead Generation Solution, and Digital Marketing Solutions, each of which provides Core Services to your Clients.

“Successor Franchise Fee” is 50% of the then-current IFF charged to new franchisees. If we are not selling franchises at that time, this fee will be 50% of the most current IFF that we charged.

“Successor Franchise Rights” has the meaning given to it in Article 4.

“Successor Franchise Term” has the meaning given to it in Article 4.

“Supplemental Training” means additional, supplemental, onsite, or other training you request, and we agree to provide.

“Supplemental Training Fee” means the then-current fee we charge for Supplemental Training. We have the right to increase this fee by any amount without limitation after giving you no less than 60 days’ prior written notice.

“System” is our proprietary, confidential, and trade secret information that includes, without limitation, the manner and method of training that we deliver to you; the operations, standards, and procedures that you will use in the day-to-day operation of the Business; advertising programs; the economic and financial characteristics of the Business; the Solutions and Core Services; any copyrighted, trade secret or confidential information owned by us; Client information; the Proprietary Information; the Marks (as they may be owned by us, or that may be sublicensed by us); the Manuals, and all other copyrighted, trade secret or confidential information owned by us. You must operate under our System. This definition may be supplemented by other language in this Franchise Agreement and by us from time to time.

“Term” or “Terms” refers to the Initial Term or any Successor Franchise Term.

“Training” has the meaning given to it in Article 7.

“Transfer” has the meaning given to it in Article 9.

“Transfer Fee” is 50% of the then-current IFF charged to new franchisees. If we are not selling franchises at that time, this fee will be 50% of the most current IFF that we charged.

1.2 Grant of Franchise

a. We grant you, and you accept from us, the non-exclusive license and right to use the System in connection with establishing and operating one Business within the Protected Territory and through the Franchised location. You agree to use the Marks and the System as they may be changed, improved, and further developed by us from time to time, only under the terms of this Franchise Agreement. You will complete the Statement of Ownership found at Exhibit 1 and agree that it is current, complete, and accurate. You agree to update Exhibit 1 within 30 days of any change.

b. At the time you sign this Franchise Agreement, and if you are a business entity, you must deliver to us your articles of incorporation, articles of organization, partnership agreement, or similar organizational documents filed with your state and proof that the business entity is in good standing with such state.

c. **As a condition of the grant of your rights under this Franchise Agreement, you agree to be subject to an initial credit and criminal background checks before the Effective Date.** You further agree that we have the right to recheck your credit and criminal background during any Term of this Franchise Agreement. You agree to and will sign the then-current “**General Release.**” A copy of the current General Release is attached as Exhibit 3.

1.3 Scope of Franchise Operations

You will always comply with your obligations under this Franchise Agreement and will use your best efforts to promote and operate the Business. You will utilize the Marks, System, Proprietary Information, and Manuals to operate all aspects of the Business. The Business will offer all products and services we designate (which product and service mix may change from time to time), and you are restricted from offering or selling any products and services not previously approved in writing.

1.4 Reasonable Business Judgment

We will use our Reasonable Business Judgment to exercise our rights, obligations, and discretion, except where otherwise indicated. As part of its Reasonable Business Judgment and to respond timely to market conditions and Clients’ needs and wishes to the Businesses, we reserve the right to vary any System component in our sole and exclusive determination.

1.5 Reservation of Rights

An Affiliate, and we reserve the right, among others, to,

a. own, franchise, or operate businesses that are similar to your Business and uses the Marks and the System at any location outside of the Protected Territory;

b. use the Marks and the System to sell any products or services (which may be similar to those you will sell) through alternate distribution channels within or outside the Protected Territory. Alternative channels of distribution include television or the Internet. You cannot use alternate distribution channels without our express permission, which may be granted or denied for any reason or no reason. We will not compensate you if we make sales through alternate channels of distribution;

c. use and license others to use, either within the Protected Territory or in alternate channels of distribution, other trademarks, trade names, service marks, and logos that are not the same as or

confusingly similar to our Marks that offer goods, services, and related products and services that may be similar to, or different from those used or offered through your Business;

d. purchase, or be purchased by or merge or combine with any business, including a competitive business wherever located, so long as the survivor does not use trademarks, trade names, service marks, or logos that are the same as or confusingly similar to our Marks;

e. acquire and convert to our System any businesses offering services and products similar to those offered by you, including such businesses operated by competitors or otherwise operated independently, or as part of, or in association with any other system or chain, whether franchised or corporately owned, and whether located inside or outside of the Protected Territory so long as any such business does not use trademarks, trade names, service marks, or logos that are the same as or confusingly similar to our Marks; and,

f. retain all other rights not specifically granted to you.

g. Though we can use alternative channels of distribution within your Protected Territory to make sales of goods, items, and services associated with the System and the Marks, or associated with any other system or trademarks, service marks, trade names, logos, and the like, we have not done so as of the date of the FDD. We reserve the right to do so at any time.

1.6 Other Covenants Relating to the Grant of this License

a. WE BOTH AGREE TO WAIVE THE RIGHT TO A JURY TRIAL AND TO BE AWARDED EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES IN ANY ACTION BROUGHT IN REFERENCE TO THE RELATIONSHIP BETWEEN YOU AND US. SEE ALSO ARTICLE 10.

b. YOU AND WE ARE LIMITED TO BRINGING ANY ARBITRATION AGAINST THE OTHER WITHIN ONE YEAR OF THE DATE THAT THE FACTS THAT GAVE RISE TO THE CLAIM OCCURRED.

c. THIS FRANCHISE AGREEMENT DESCRIBES THE TERMS AND CONDITIONS ON WHICH WE CURRENTLY OFFER FRANCHISES TO NEW FRANCHISEES. WE MAY OFFER FRANCHISES UNDER DIFFERENT TERMS AND CONDITIONS TO ENHANCE, BUILD, AND PRESERVE THE SYSTEM.

d. You covenant, represent, and warrant as follows and acknowledge we are relying upon such covenants, representations, and warranties in making its decision to enter into this Franchise Agreement:

i. You acknowledge that you have received and have read this Franchise Agreement and all attached Exhibits. Specifically, we have advised you to seek out and use professional counsel of your choosing to interpret any terms, covenants, or conditions of this Franchise Agreement and advise on the relationship overall. It is your sole and exclusive obligation to obtain such counsel.

ii. You have adequate funding to purchase and operate the Business and are financially capable of undertaking the Business's opening and operation risks. You know of no circumstances that would lead to litigation against you in the future.

iii. All statements made by you in writing in connection with its application for this Franchise were, to the best of your knowledge, true when made and continue to be true as of the date of this Franchise Agreement.

iv. You are not a party to any litigation or legal proceedings other than those disclosed to us by you in writing.

v. You and your equity owners agree to comply with and assist us to the fullest extent possible in our efforts to comply with Anti-Terrorism Laws as defined below. As a result, you and your owners certify, represent, and warrant that, (A) none of their property or interests is subject to being “blocked” under any of the Anti-Terrorism Laws and that you and your owners are not otherwise in violation of any of the Anti-Terrorism Laws; (B) none of them is listed in the Annex to Executive Order 13224 (accessed at <http://www.treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html>); (C) it will refrain from hiring (or, if already employed, retain the employment of) any individual who is listed in the Annex; (D) it has no knowledge or information that, if generally known, would result in you, your owners, the employees, or anyone associated with you to be listed in the Annex to Executive Order 13224; (E) it is solely responsible for ascertaining what actions it must take to comply with the Anti-Terrorism Laws, and you specifically acknowledges and agrees that its indemnification responsibilities set forth in this Franchise Agreement pertain to its obligations under this subparagraph; and (F) any misrepresentation under this subparagraph or any violation of the Anti-Terrorism Laws by you, its owners, agents, and employees will constitute grounds for immediate termination of this Franchise Agreement and any other agreement you have entered into with our EagleONE Affiliate or us. For purposes of this Franchise Agreement, “Anti-Terrorism Laws” means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations, and other regulations found at 31 CFR 515, 595, 597, and any laws which now pertain or which may in the future pertain to the matters of this Section.

e. Your municipality, county, or state may require licenses or other business permits for you to operate your Business. You must investigate and comply with such Applicable Law.

f. We do not now but may, in the future, receive rebates and material benefits from vendors with whom you are to do business. We may share the rebates or material benefits, or not, in our sole discretion.

g. 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.

ARTICLE 2

OPENING DATE, PROTECTED TERRITORY, EQUIPMENT, AND ADDITIONAL RIGHTS

2.1 Opening Date

a. You must open within 60 days of the Effective Date. (**Opening Date**). We may extend the Opening Date for a reasonable time (not to exceed 20 days) if factors beyond your reasonable control prevent you from meeting the deadline and you request an extension of time from us.

b. Before the Opening Date, you must secure all permits, licenses, and insurance and provide us evidence of the same.

2.2 Franchised Location and Protected Territory

a. It is expected that you will operate your Business from your home (**Franchised location**). However, you may operate the Business from any location within your Permitted Territory. We have no criteria for your Franchised Location, and we do not review or approve any lease.

b. You and we will agree upon your Protected Territory before the Effective Date. For so long as you are in Compliance, we will not award a franchise within your Protected Territory and will not place a company-owned or Affiliate-owned Business there.

c. The size of your Protected Territory will not change if there is a fluctuation in the population or any other metric used by you and us to define it.

THE LOCATION OF YOUR BUSINESS AND THE FACT THAT YOU HAVE A PROTECTED TERRITORY DOES NOT IN ANY WAY GUARANTEE YOUR SUCCESS OR PROFITABILITY.

d. You may market only in your Protected Territory but may service any Clients who contact you regardless of from where they come. If there is an area contiguous to your Protected Territory in which there is no franchisee, company-owned, or Affiliate-owned Business, and with our permission, you may temporarily increase your Protected Territory to include that area until a franchisee, company-owned, or Affiliate-owned Business is assigned there. Once that occurs, you must cease operating there though you may continue to service the Clients you obtained.

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

2.3 Relocation

You may relocate your Franchised Location anywhere within the Protected Territory without our permission, except that you must provide us with the address and other contact information for the new Franchised Location.

2.4 Opening Package, EagleONE Technology Stack, and Other Furniture, Fixtures, and Equipment

a. You must purchase the Opening Package for the Opening Package Costs when you pay the IFF.

b. You must use the Computer System we supply and are not permitted to substitute the Computer with your computer hardware or tablets.

i. We may require you to update the Computer no more often than once every three years. If the update is required, you must load our then-current software package onto the Computer at your expense. We will give you 60 days' prior written notice before enforcing this requirement.

ii. We do not provide any Computer maintenance services, and we do not require you to have a maintenance contract, though this may change at any time after we give you no less than 60 days' prior written notice.

iii. You must maintain high-speed internet access to the Computer at all times.

iv. Data from the Computer are uploaded to our server each time you use it, and we will have independent access to your databases at all times. There are no other contractual limitations on our right to access such information.

v. In the future, we may require you to use other proprietary software, web-based programs, or new or additional software modules that will be integrated into the then-current EagleONE Technology Stack, for which you will pay the then-current fees, costs, and licenses associated with each.

c. You must use the EagleONE Technology Stack in the Business's operation and pay the EagleONE Technology Stack Fee. Updates to the software in the EagleONE Technology Stack will occur as needed. Currently, there is no fee for such updates, but that may change at any time. We have no formula for determining when or in what amount such fees could be, so we can't quote the fee here. We will notify you in writing of such changes, and the same will be reflected in changes to the EagleONE Technology Stack Fee. We reserve the right to change the content of the EagleONE Technology Stack by adding, deleting, or altering the content as we deem necessary and to change the fee in any amount and at any time after giving you no less than 60 days' prior written notice.

c. You must have a cell phone and telephone number dedicated only to the Business. You may already have one. If not, you must purchase one of any make or model. You will give us the contact information for the phone before you open.

d. You must also have a printer of any type. You may already have this equipment.

e. You will need a desk, chair, and other office furniture.

2.5 Quota

a. You are required to meet a quota (**Quota**).

i. By the end of the first 12 full months after the Opening Date, you must have reached \$250,000 in Gross Sales. If the Opening Date is other than the first day of a month, the first 12 months will increase to include the number of days remaining in the month in which the Opening Date occurred.

ii. By the end of 24 full months from your Opening Date, you must have \$1,000,000 in Gross Sales.

iii. By the end of 36 full months after the Opening Date and for every 12 months after that through the end of the Initial Term, you must have \$2,000,000 in Gross Sales.

b. If you fail to maintain the Quota for any 12 months, we have the following rights, any of which will apply in our sole discretion and with the understanding that the choice of one remedy will not prohibit us from any other remedy at any time; it being understood that all remedies are cumulative:

i. We may require you to attend the Franchisee Missed Quota Additional Training. If, within six months after this training, you are unable to bring your Gross Sales to the Quota level then in place, we may (A) reduce the size of your Protected Territory in any manner we deem appropriate; (B) allow a current franchisee, a newly-signed franchisee, or a company-owned or Affiliate-owned Business to begin selling Services in your Protected Territory; or (C) terminate your franchise rights without any right to cure; or,

ii. We may reduce the size of your Protected Territory in any manner we deem appropriate; or,

iii. We may allow a current franchisee, a new franchisee, or a company-owned or Affiliate-owned Business to begin selling Services in your Protected Territory; or,

iv. We may terminate your franchise rights without any right to cure.

c. The Quota may change when a Successor Franchise Rights Term is awarded.

ARTICLE 3

FEES, DELIVERY OF SERVICES, ADVERTISING AND REPORTING

3.1 Fees Paid to Us Before you Open

a. The IFF is stated in Exhibit 1 and is due when you sign this Franchise Agreement. You acknowledge that the IFF represents payment for the training and the initial grant of rights to use the Marks and System and that we have earned the IFF in full upon receipt.

b. At the time you pay the IFF, you must also,

i. purchase the Opening Package at the Opening Package Cost; and,

ii. pay the first three months of the Lead Generation Monthly Fee.

c. You and your second attendee must pass Initial Training to our satisfaction (Article 7). If you and your additional attendee fail to do so, we have the right to terminate the Franchise Agreement and will refund 50% of your IFF within ten business days of the termination. We will retain the balance to cover our marketing costs, training expenses, and overhead, plus a profit. Except as stated here, it is non-refundable.

3.2 Lead Generation Services

a. We will supply you with 12 full months of Lead Generations Services beginning on your Opening Date. You will pay for the first three months of Lead Generation Services before you open. Beginning in the fourth month after your Opening Date, you will pay the then-current Lead Generation

Monthly Fee. After the mandatory 12 months of use expires, your participation is voluntary. We reserve the right to increase the Lead Generation Monthly Fee by any amount and at any time after giving you no less than 60 days' prior written notice. Not all leads generated by this service will result in Clients, and some franchisees may have more leads converted to Clients than others. We offer no guarantee that any leads generated on your behalf will result in Clients.

b. **Lead Generation Services Procedure**

i. We will supply the Lead Generation Services for the first 12 months after your Opening Date. After that, your participation is voluntary.

ii. The first three months of prepaid Lead Generation Services will be delivered monthly. After that, the Lead Generation Services will be delivered in the month the Lead Generation Monthly Fee was collected.

iii. Your Lead Generation Monthly Fees and those of all other franchisees will be deposited into a separate checking account, savings account, or any other account of our determination (**Lead Generation Services Account**). The Lead Generation Services Account is not a trust, and we assume no fiduciary duty in administering it. As the fee is used monthly, no fees will be carried to the next month or year.

iv. The Lead Generation Services are delivered online and will be directed into your Protected Territory through the deployment of our EagleONE ProLink Program, which includes outbound cold calling, LinkedIn connection requests, additional follow-up messaging, and emails, all of which are done by an Affiliate or us on your behalf. These proprietary strategies are fueled by our AI platform for the best quality and accuracy in lead lists and searches. We reserve the right to change sources for leads or outsource our current Lead Generation Services at any time after giving you no less than 60 days' prior written notice.

v. We make no guarantee to you or any other franchisee that the expenditures from the Lead Generation Account will result in new Clients or sales or otherwise benefit you or any other franchisee directly or on a pro-rata basis. We assume no other direct or indirect liability or obligation to you to collect amounts due to the Lead Generation Account or for maintaining, directing, or administering the Lead Generation Account.

vi. Upon your prior written request, we will make available an annual unaudited financial statement of your contribution to the Lead Generation Account no earlier than 120 days after our year-end.

vii. We intend for the Lead Generation Services to be continuous and perpetual, but we have the right to form, change, suspend (and subsequently reinstate), merge, or terminate it if necessary. We will not close the Lead Generation Account, however, until your contributions have been used for the purpose for which they were collected.

3.3 Delivery of Solutions and Core Services

a. An Affiliate or we are the only Solutions and Core Services supplier.

b. The Solutions and Core Services will be delivered to your Client under the schedule on which your Client and you agreed.

c. Your Client will pay for the chosen Solutions and Services in advance, and we will calculate the Gross Sales at that time.

d. Our Affiliate or we may add, delete, change, and amend any one or more of the Solutions or Core Services at any time after giving you no less than ten days' prior written notice, though we will not discontinue a Solution or Core Service for a Client until that Client's contract has expired or is terminated.

3.4 Gross Sales, Good Funds, Royalty, and Payment

a. You must record all Client relationship management efforts, sales efforts, and sales made through your Business only on your Computer.

b. An Affiliate or we collect all Gross Sales from your Clients through our payment portal.

i. We reserve the right to change the collection method at any time after giving you reasonable written notice. An Affiliate or we will not deliver

ii. An Affiliate, and we will not deliver the Solutions and Core Services unless Good Funds are confirmed. Due to delays that may occur through banking channels, the need to make a refund to a Client (if necessary), and other matters beyond our reasonable control, there is no guarantee that Good Funds will be available in the month in which the Gross Sales were recorded. If not, the amount of Gross Sales that has not cleared banking channels or is otherwise unavailable in one month will automatically be moved to the month in which that portion of the Gross Sales is converted into Good Funds. The calculations below will occur for that amount.

iii. Once Good Funds are confirmed, on the last day of the month, we will calculate your Gross Sales, deduct the applicable Royalty and any other funds to be withdrawn from Gross Sales under this Franchise Agreement, and provide an accounting. After these calculations, we will pay you the remainder of the Gross Sales within 14 calendar days after the end of the month for which the calculation was made.

A. If we fail to deliver the funds to you on time, we will pay the Franchisor Late Fee and Default Interest in addition to any other rights you may have against us.

B. You have 15 calendar days after we pay you to object. If there is an accounting error, you and we will work in good faith to resolve the matter. If we cannot resolve the matter amicably, the matter will be resolved under the alternative dispute resolution terms of Article 16, except that a face-to-face meeting will not be required.

C. If we do not receive your objection within 15 days, you will be deemed to have accepted the accounting for that month. Unless it is determined that we have grossly, negligently, or intentionally misstated your Gross Sales during an annual audit (in which case you will have such rights stated below), you will have no other right to claim we negligently misstated the amount paid to you.

c. You and we have the right to audit the books and records of the other no more often than once each year to determine whether we grossly negligently, or intentionally underreported Gross Sales or you negligently or intentionally failed to record Gross Sales.

i. If it is determined that we grossly negligently, or intentionally underreported once during any Term, we will pay to recalculate Gross Sales, will pay the difference between what was originally calculated and what is owned, will pay the Franchisor Late Fee and Default Interest, and will pay your Audit Costs, and these will be your only remedies. If we grossly negligently or intentionally underreported more than once during any Term, in addition to the payment of the above, you will have such other remedies as are available under this Franchise Agreement.

ii. If it is determined that you negligently or intentionally underreported Gross Sales once during any Term, you will pay to recalculate Gross Sales, will pay all fees and costs deducted from Gross Sales, the Royalties due, the Franchisee Late Fee, Default Interest and our Audit Costs. If you negligently or intentionally underreported more than once during any Term, in addition to the payment of the above, we will have such other remedies as are available under this Franchise Agreement.

d. We have the right to change the payment method we use to deliver funds to you after giving you no less than 60 days' prior written notice.

3.5 Grand Opening, Local Advertising, Regional Advertising, and Local Charity Contribution

a. You will spend up to \$2,000 to fund your "**Grand Opening**" advertising, which you and we will coordinate before your Opening Date. Included in the Grand Opening are the requirements that you join one or more local chambers of commerce, put out one or more press releases within your Protected Territory, arrange for a "ribbon-cutting" ceremony at city hall or some other location, and similar efforts. You must provide reasonable proof that the above has been completed within 30 days after your Opening Date.

b. We do not now but may require you to spend a certain amount on "**Local Advertising**" in the future. (**Local Advertising Fee**). Before imposing this fee, we will give you no less than 60 days' prior written notice. Once started, we reserve the right to increase the fee at any time and in any amount after giving you no less than 60 days' prior written notice.

i. You may choose to advertise in your Protected Territory at any time. Before placing ads in any media, including print or electronic, you must deliver the proposed copy to us. We will have 15 days to review and approve it. The advertising is disapproved if you do not hear from us within that time. You cannot advertise outside of your Protected Territory.

ii. You cannot own, have, or host a website containing our Marks, our name, or any other information about the Business. You will have a landing page on our site.

c. Upon 30 days prior written notice, we reserve the right to require you to allocate up to 2% of your Gross Sales for a regional advertising program (**Regional Advertising Cooperative**) to benefit you and all other Businesses within a market area. We have the right to determine the composition of the market areas included in a particular Regional Advertising Cooperative. If a Regional Advertising Cooperative is formed, we will require all franchisees located in the region to participate. Company-owned and Affiliate-owned Businesses will not contribute. The Regional Advertising Cooperative will be administered by the

contributors to it. There will be no governing documents. All advertising for the Regional Advertising Cooperative will be prepared by a local, national, or international advertising agency or by us. The Regional Advertising Cooperative will prepare unaudited financial statements and will make them available to all Cooperative participants within 120 days of the year-end. We have the right to change, dissolve, reinstate, or merge any Regional Advertising Cooperatives.

d. You will contribute 1% of your Gross Sales (**Charity Contribution**) to a nationally recognized not-for-profit, non-religious, and non-political charity of your choice. We must approve the charity before you make your first contribution and may withhold approval if we believe in good faith that the charity will not reasonably represent your or our best interests or if it does not meet the above criteria. Once approved, you will make monthly contributions in your name and ours. You will account to us each calendar quarter. Your failure to make monthly contributions is a material breach of the Franchise Agreement for which no cure may be provided.

3.6 Records and Reports

a. You and we agree to retain all Computer records, account records, Client contact information, sales slips, orders, sales tax reports, and all of your other Business records and related background material for at least seven years following the end of the year in which the items were or should have been generated.

b. We may at any time require you to send us your quarterly financial statements (certified as being correct by you), employment taxation records (if you are required to pay such taxes), your year-end financial statements, and your yearly business tax returns. You will deliver the same within ten business days from the date of the written notice. Your failure to provide such records is a material breach for which no cure may be granted.

3.7 Other Fees and New Lines

a. If applicable, you will pay the Additional Initial Training Attendee Fee plus any costs we incur for travel, room, and board if we come to you and the Supplemental Training Fee.

b. You will pay our then-current Additional Services Fee for any help over the four hours per month already offered.

c. If you request onsite training, and we agree to provide it, you will pay our then-current onsite training fee plus all of our expenses in traveling to you. We have the right to increase this fee by any amount without limitation after giving you no less than 60 days' prior written notice.

d. You will be charged the Successor Franchise Fee and Transfer Fee.

e. We may charge our then-current fee for approving a new vendor.

f. Other fees identified elsewhere in this Franchise Agreement are due at the time stated.

g. We may, from time and in our sole discretion, assess other fees or costs to help operate your Business or the System or that may be assessed for any other reasonable purpose. When assessed, you will pay them as directed by us. They may be deducted from your Gross Sales.

g. If assessed by your state, and except for our income taxes, you will reimburse us for all taxes we pay for products or services we furnish you, on our collection of the initial franchise fee, on the collection of royalties and advertising contributions, and the collection of similar fees or costs.

h. In the future, we may require all franchisees and you to add new goods, Solutions, and Core Services to those already sold through the Business, and we may require you to add new technology. If we do, you may incur additional expenses, costs, and fees, some of which may be due to us, an approved vendor, an Affiliate, or a third party for whom we collect the funds. If we introduce new lines of goods, services, or technology, we will notify you in writing and give you 60 days to comply.

ARTICLE 4

TERM and SUCCESSOR FRANCHISE RIGHTS

4.1 Term

Unless earlier terminated, the “**Initial Term**” of this Franchise Agreement is for 60 full months from the Effective Date. If we are required by law to give you notice before the expiration or earlier termination of this Franchise Agreement, and if we fail to do so, this Franchise Agreement will remain in effect until we have given the required notice. If the Effective Date is other than the first day of a month, the Initial Term will be increased by the number of days remaining in the month in which the Effective Date occurred.

4.2 Successor Franchise Rights

At the end of the Initial Term, you have the option to renew your franchise rights for three additional 60-month terms (each a “**Successor Franchise Term**”) by acquiring Successor Franchise Rights for each Successor Franchise Term under the following conditions,

a. if we do not exercise our right to refuse to offer Successor Franchise Rights as permitted under 4.3 below;

b. you are in Compliance at the time you apply for each Successor Franchise Term;

c. **you will sign the then-current franchise agreement for each Successor Franchise Term, which franchise agreement may contain materially different terms and conditions from your original contract or the franchise agreement signed for the last Successor Franchise Term.** Such an agreement must be signed and delivered to us no later than 45 days before the end of the then-current Term. If it is not so delivered, then you will be deemed to have withdrawn your decision to purchase Successor Franchise Rights, and such rights will, after that, no longer be available to you;

d. you and any Guarantors sign the most current form of General Release, a copy of which current form is found at Exhibit 4. Notwithstanding the foregoing, claims arising from representations in the FDD are excluded from any release.

e. you pay the Successor Franchise Fee. The Successor Franchise Fee is earned when you pay it and is not refundable under any circumstances;

f. you exercise the option for Successor Franchise Rights by giving written notice of such exercise to us not earlier than one year or later than 180 days before the scheduled expiration of this Franchise Agreement; and

g. the Successor Franchise Rights under the new Franchise Agreement begin on the day following the end of the then-current Term.

4.3. Conditions of Refusal

a. We will not be obligated to offer you Successor Franchise Rights if you,

i. have received a fourth written notice of breach of any combination of terms, covenants, or conditions of this Franchise Agreement during the Initial Term, or one written notice of breach during the first Successor Franchise Term even though each such breach may have been timely cured;

ii. fail to comply with any of the conditions necessary to obtain Successor Franchise Rights as described in Section 4.2 above;

iii. are in breach of this Franchise Agreement at the time that you attempt to exercise your right to purchase Successor Franchise Rights, even if such breach is timely cured; or

iv. we have determined in good faith, and after using our Reasonable Business Judgment, not to grant Successor Franchise Rights.

b. If we do not grant you Successor Franchise Rights, we will give notice of expiration at least 60 days before the expiration of the Term, and such notice will set forth the reasons for such refusal to offer Successor Franchise Rights.

4.4 Expiration at the End of a Term and Holdover

a. Unless it is terminated earlier, if you fail to elect to purchase Successor Franchise Rights, or if Successor Franchise Rights are not granted to you, this Franchise Agreement will expire at midnight Eastern Standard Time on the last day of the then-current Term or the day that a Transfer is completed.

b. If at the expiration of this Franchise Agreement you continue to accept benefits as a Franchisee, then in our sole option, we may treat this Franchise Agreement either as (i) having expired as of the date of natural expiration of the then-current Term, in which case you will be operating the Business without the right or permission and in violation of our rights; or (ii) continuing on a month-to-month basis (**Interim Period**) until one Party provides the other with written notice of such Party's intent to terminate the Interim Period, in which case the Interim Period will terminate 30 days after receipt of the notice. During the Interim Period, all obligations under this Franchise Agreement will remain in full force as if this Franchise Agreement had not expired, and all obligations and restrictions imposed on you upon expiration of this Franchise Agreement will take effect upon termination of the Interim Period. The rights under this Section do not apply in the event of a termination of the Franchise Agreement earlier than the then-current Term's natural end.

ARTICLE 5

MANUALS and SERVICES PROVIDED TO YOU BY US

5.1 Manuals

a. We will provide you with one or more Manuals, technical bulletins, or other written materials covering our standards, specifications, and operating and marketing procedures that you must utilize in operating the Business. You will comply with the Manuals as an essential aspect of your obligations under this Franchise Agreement, and your failure to comply substantially with the Manuals will be considered by us to be a breach of this Franchise Agreement.

b. The Manuals will be updated from time to time, and you must comply with the changes within the time required by such updates.

c. The Manuals are our sole property and will be used by you only during the Term of this Franchise Agreement and in strict accordance with the terms and conditions hereof.

d. We may modify any specification as to any goods, service, supplies, or the like, at any time, on a regional or national basis, by an amendment to the Manuals, or by written notice to you. Once you are notified, you must make the change that is specified. All such changes will be effective, as stated in such notice.

5.2 Services Provided by Us Before Commencement of Operations

Before the Opening Date, we will,

- a. assign you a Protected Territory;
- b. deliver the Opening Package and Lead Generation Services;
- c. help with the Grand Opening advertising;
- d. provide you with Initial Training (Article 7);
- e. if we have one, provide you with a list of approved suppliers for equipment, goods, and services; and,
- f. supply reasonable support by telephone, text, and email.

5.3 Services Offered by Us During the Operation

During the operation of your Business, we will,

- a. supply Lead Generation Services for the first 12 months of operation and then offer them to you after that if you wish to use them.
- b. bill your Clients for the Solutions and Services they purchased and that were delivered that month;
- c. collect all Gross Sales from your Clients, make the necessary deductions, and account for and remit the remaining Good Funds to you;

- d. offer additional conferences, training seminars, or programs at a frequency we determine. Some of these seminars or programs may be mandatory, and we may charge tuition.
- e. if there are any, provide updates to the Manuals, the System, the Marks, and training provided to you, at a frequency that we determine;
- f. review all promotional materials and advertising you wish to use;
- g. visit and inspect your Business, and use other methods to ensure that you and all other franchisees are delivering quality services and products that conform to the System;
- h. if created, provide promotional materials and advertising programs from time to time as we deem appropriate;
- i. offer up to four hours monthly of reasonable phone, text, and email assistance without charge. You will pay the then-current Additional Services Fee for any time after that, and,
- j. if appropriate, begin the Regional Marketing Cooperative.
- k. Except as provided in Sections 5.2 and 5.3, we are not required to offer you any other services.

ARTICLE 6

MARKS, COPYRIGHTS, THE SYSTEM, and PROPRIETARY INFORMATION

6.1. Proprietary Information

- a. You acknowledge that you will gain knowledge of proprietary matters, techniques, and business procedures that are necessary and essential to the operation of the Business, without which information you could not effectively and efficiently operate. You further acknowledge that the methods used in the operation of the Business are unique and novel to the System.
- b. **“Proprietary Information”** includes Persons that are, have been, or become franchisees of the System; Persons that are, have been, or become Clients of the Business; the terms of and negotiations relating to past or current franchise agreements; each component of the System; the economic and financial characteristics of the System including, pricing policies and schedules, profitability, earnings and losses, and capital and debt structures; the Services offered to Clients of the Business; the Client Lists; any common law or statutory copyrighted materials and the protection afforded thereby; and, the Manuals. Our Proprietary Information may be added to and revised from time to time in our sole discretion.
- c. In consideration of the time and effort that we have put into the System and its goodwill, and for other valuable consideration, you agree that we retain ownership and control of your Client List. You may use the Client List only in conjunction with the operation of the Franchised Business. Upon a Transfer or at the expiration or earlier termination of this Franchise Agreement, the Client List will be retained by us without the obligation to pay you.

d. During any Term of this Franchise Agreement and following the Transfer, expiration, or termination of this Franchise Agreement, you agree not to divulge, directly or indirectly, any Proprietary Information (including the content of the Client Lists) to any Person without our prior written consent which consent will be granted or denied for any reason or no reason. Nothing contained herein will be construed to require us to divulge any portion of the Proprietary Information except as is necessary for you to operate the Business.

e. You will disclose Proprietary Information only to such of its employees, agents, and representatives as must have access to it to operate the Business. You will obtain from each such employee, representative, or agent an agreement that such Person will not during employment, representation, or agency with you, or at any time after that, use, divulge, disclose, or communicate any of the Proprietary Information, directly or indirectly, in any form or manner, to any Person.

f. You acknowledge that any failure to comply with this Article's requirements will cause us irreparable injury, and we will be entitled to obtain specific performance or an injunction against any violation of such requirements. You waive to the fullest extent permitted by law any requirements for posting any bond(s).

g. You have the right to use the Proprietary Information only as permitted by this Franchise Agreement and only for so long as you fully perform and comply with all of the conditions, terms, and covenants of this Franchise Agreement and our policies and procedures that we prescribe from time to time.

h. You acknowledge that we have the sole right to license and control your use of every Proprietary Information component. You also acknowledge that you have not acquired any title or interest in or to any Proprietary Information component and will not acquire any such interest in the future. You are granted the limited, non-exclusive license to use the same in the operation of Business as disclosed in this Franchise Agreement.

i. You will not copy any component of the Proprietary Information unless we specifically authorize it in writing, which authorization may be granted or denied for any reason or no reason.


j. During a Term of this Franchise Agreement, or at any time after the expiration, earlier termination, or Transfer of this Franchise Agreement, you will never reveal any component of the Proprietary Information to any Person nor use it for any other business.

k. We reserve the right to require you (and each officer, director, shareholder, member, manager, and employee that holds a manager or above position to sign a non-disclosure and non-competition agreement.

6.2. Marks and Copyrights

a. Our EagleONE Affiliate has received registration on the Principal Registry of the United States Patent and Trademark Office (USPTO) as follows:

Registration Number	Description of Mark	Application Date
6,763,892	EAGLEONE	June 21, 2022

Registration Number	Description of Mark	Application Date
6,763,893		June 21, 2022

- b. Our EagleONE Affiliate also claims common law rights to the above Marks.
- c. We have a license with our EagleOne Affiliate that permits us to sublicense these Marks to you.
- d. You have the right to use the Marks and any component of the System, Proprietary Information, and copyrights for so long as you comply with all of the terms, covenants, conditions, policies, and procedures we prescribe from time to time in reference to the Marks.
- f. You will not use any of the Marks as part of an electronic mail address or on any sites on the internet, and you will not use or register any of the Marks as part of a domain name.
- g. No marks, logotypes, trade names, trademarks, or the like other than specifically approved by us will be used to identify, market, promote, or operate your Business.
- h. Any use of a Mark in advertising must be with our prior written approval as set forth in this Franchise Agreement or the Manuals.
- i. You further agree to execute any additional documents and assurances reasonably requested by us in connection with our right to use the Mark, with our Affiliate's ownership of the Marks and with your use of the Marks, and agree to fully cooperate with us or any of our other franchisees or licensees in securing all necessary and required consents of any federal or state agency or legal authority.

6.3 Infringement

- a. You will notify us in writing of any possible infringement on or illegal use of the Marks or any component of the System Proprietary Information or copyrighted materials.
- b. Our Affiliate and we have the right, in our sole discretion, to determine whether to take action because of a possible infringement or illegal use. We may commence or prosecute such action in our name and may join you as a party to the action if we determine it to be reasonably necessary for the continued protection and control of the Marks and each component of the System and Proprietary Information. We will indemnify you under this subparagraph if you were not the cause of the infringement or illegal use. You have no right to make a demand of us and have no right to prosecute any claim against the alleged infringer. You must cooperate with us in any way necessary in the event of such an infringement.
- c. We have the right to control any administrative proceedings or litigation involving a Mark licensed by us to you. We must indemnify you for any action against you by a third party based solely on alleged infringement, unfair competition, or similar claims about the Marks unless the claim arose because of your action, inaction, or negligent use of the Marks or any component of the System or Proprietary Information. In that case, you will indemnify us.

6.4 Business Name

a. You acknowledge that our principals, Affiliates, or we have a prior and superior claim to each portion of the Marks. You will not use the acronym “E1FC,” “EagleONE,” “Templar,” or any portion of the Mark in the legal name of your Franchisee business entity. You may “do business as” or (dba) “E1FC,” “EagleONE,” or “Templar” of _____ (city/county/area)” so long as this is only a “doing business as” or fictitious name and not part of the business entity name.

b. You will not, without our express written permission, use our name, Marks, copyrighted information, or other Proprietary Information on any checks, employee records, employee applications, employee handbooks, or other items that are delivered to the employee.

6.5 Modification, Discontinuation, and Goodwill

a. If we, in our sole discretion, determine it necessary to modify or discontinue the use of any Marks or component of the Proprietary Information or the System or to develop additional or substitutes for any such component, you will, within a reasonable time after receipt of written notice from us, take such action, at your sole expense, as may be necessary to comply with such modification, discontinuation, addition or substitution.

b. All goodwill associated with any component of the Proprietary Information, including any goodwill that might be deemed to have arisen through your activities, will inure directly and exclusively to our benefit.

c. If you take any action that disparages, brings disrepute to, or harms the goodwill associated with the Marks, the System, or the Proprietary Information, we have the right to terminate this Franchise Agreement immediately without granting you any right to cure.

6.6 Protection of All Information

a. You agree to,

i. strictly adhere to all security procedures prescribed by us for maintaining the secrecy of the Marks, each component of the System, and all of the Proprietary Information;

ii. disclose such information to your employees only to the extent necessary to make and market our products;

iii. refrain from (1) directly or indirectly contesting or aiding another in contesting the validity of the ownership of the Marks; and (2) interfering with or attempting to prohibit our use (or the use by any other franchisee) of the Marks, any component of the System or derivatives thereof, or any of the Proprietary Information or any other name that is or becomes a part of our System.

iv. refrain from using any component of the Marks, the System, or the Proprietary Information in any other business or any manner not specifically authorized or approved by us in writing; and

v. exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all such information during and after a Term of the Franchise Agreement.

b. You also agree to refrain from conducting any activity at the Franchised Business or take any action at the Business that is illegal, and will take no action or fail to take any action at the Business, outside the Business, or during personal time that could commercially unreasonably result in damage to, or disparagement of the Marks, System, or Proprietary Information.

Any breach of this covenant will result in immediate termination, for which no cure is provided.

6.7 Innovations by You.

a. During the Initial Term or any Successor Franchise Term, you may create, design, or otherwise improve upon any portion of the System, or the Proprietary Information, including, but not limited to, improving upon any manner of doing business (**Innovation**). Any such Innovation will become our sole and exclusive property. Upon creating such Innovation, you will immediately notify us in writing that describes the nature of the Innovation in detail. We have the sole and exclusive right to approve or disapprove of any such Innovation for any reason or no reason. If we approve of it, we may permit you to use the Innovation and may, in our sole and exclusive option, permit any one or more franchisees or company-owned stores to use any portion of the Innovation.

b. You agree that as between us and the world, we will own the right, title, and interest to the Innovation. You agree to take any action necessary to ensure that we obtain such right, title, and interest so long as such action costs you nothing. To the extent such ideas, concepts, techniques, or materials comprise items that may be copyrightable or patentable, the Innovation will be a “work-made-for-hire.” To the extent the Innovation is not deemed a work-made-for-hire, you expressly assign us all exclusive right, title, and interest in and to any portions of the Innovation without further consideration, restrictions, liens, or encumbrances. To the extent any of the rights in and to any Innovation cannot be automatically assigned to us due to Applicable Laws, you grant us an exclusive, royalty-free, transferable, irrevocable, worldwide license (with rights to sublicense) to the non-assignable rights, including the right to use, reproduce, distribute, and modify the Innovation. No rights of any kind in or to an Innovation are reserved to or by you, and none will revert to or be reserved by or on your behalf.

c. We are not obligated to pay you for the Innovation, though we reserve the right to do so without incurring the obligation to pay you or any other franchisee for any future Innovation.

ARTICLE 7

TRAINING

7.1 Initial Training

a. For the first franchise that you buy, you (if you are a sole proprietor or are the sole equity owner of the business-entity franchisee) and, if you have one, your Designated Manager or Principal Operator must attend and complete initial online training (**Initial Training**) to our reasonable satisfaction before you open. If you wish for more than two people to attend Initial Training, you will pay our then-current Additional Initial Training Attendee Fee for each attendee plus their travel, room, and board, if applicable.

b. If one of the two people fails to pass Initial Training, the Person will be allowed to take it again at the next available class. There will be no tuition charged for this. If this Person fails to pass the

second time, the Person will not be permitted to perform any services that require interface with a Client. If the two people that take Initial Training before opening fail to complete the training to our reasonable satisfaction, both will be permitted to take it the second time for no additional tuition. If they both fail to pass Initial Training the second time, we have the right to terminate the Franchise Agreement, except that all restrictive and other covenants of the Franchise Agreement that must survive termination to remain enforceable will survive. In that case, we will refund 50% of the IFF.

c. Training participants will not receive compensation from us while attending the training. If you wish more than two people to attend training, you will pay our then-current fee for each additional trainee.

d. Any replacement Principal Operator or Designated Manager and Transferee must complete Initial Training to our satisfaction. You will pay our then-current Additional Initial Training Attendee Fee for such training.

7.2 Supplemental Training, Missed Quota Additional Training, Conference, and Other Education Development Programs.

a. If you request onsite, additional, extraordinary, supplemental, or refresher courses or training and we agree to provide it, you will pay our then-current Supplemental Training Fee. Some of this training may be online or in person. You will also pay our costs for travel, lodging, and food if we come to you or your costs for travel, lodging, and food if you travel to us. We have the right to increase this fee by any amount without limitation after giving you no less than 60 days' prior written notice.

If you miss the Quota, we have the option, in our sole discretion, but not the obligation, to offer you additional training to help you reach the then-current Quota level. (**Missed Quota Additional Training.**) The training will be designed by us and may be online, in person, or a combination of both. When the training is designed, we will give you a written statement of who must attend, the content of this training (including the online and in-person components), the materials used, the length of such training, the identity and information of the trainers, and when the training will be held. As we custom design this training, we cannot estimate how long such training will take or what hours will be spent on each component. We may charge our then-current Missed Quota Additional Training Fee, which will be due before training begins. If this training is offered and if the attendees fail such training, or if after the training you fail to reach the then-current Quota, we have the right to terminate your rights under this Franchise Agreement, without the right to cure and without any refunds.

c. We may have an annual conference at any time in the future, and we may require attendance at such a conference and may require you to pay the then-current Conference Fee. You will also pay for all travel, room, board, and other expenses. When it is known, you will be provided with the Conference Fee (if any), the duration of a meeting, its location, the identities of those who will present information at the meeting, and the content of any information. The conference will be held in a location to be determined by us.

d. In addition to the conference, and though we do not now, we may offer additional voluntary or mandatory seminars or programs at a frequency we determine, for which we may charge a fee. We may require your Principal Operator, Designated Manager, or you to attend. We will give you no less than 60 days prior written notice before collecting tuition. You will be responsible for all travel and living expenses associated with attendance at the same. When it is known, you will be provided with the duration of such

a meeting, its location, the identities of those who will present information, and a statement of the content to be presented. The meetings will be held in a location to be determined by us.

7.3 Employees and Employee Training

a. Your employees are not our employees. You are exclusively responsible for all matters concerning your employees, including hours worked, scheduling, the payment of taxes, purchasing workers' compensation insurance, and following all municipal, state, and federal rules, laws, and statutes.

b. You will be solely and exclusively responsible for properly training all employees in the operation of the Business. We make no determination and provide no advice on any matter governing the essential terms or conditions of any employee's employment. By way of example and not limitation, we provide no advice, direction, or control over wages or payment methods, benefits, hiring policies, supervision, promotion, discipline, termination procedures, scheduling, employee-customer relationships, employee bookkeeping or records, and the like.

c. You may not, under any circumstances, use our name, Marks, copyrighted information, or other Proprietary Information on any checks, employee records, employee applications, employee handbooks, or other items delivered to the employee.

ARTICLE 8

QUALITY CONTROL

In addition to all other obligations and representations of yours outlined in this Franchise Agreement, you agree to the following Sections.

8.1 System Compliance, Client Service Fee, and Contact Information

a. You agree to strictly follow the System, the Manuals, and other procedures, forms, and obligations we deliver from time to time.

b. You agree to comply with the terms, covenants, and conditions of this Franchise Agreement.

c. You will give all Clients prompt, courteous, and efficient service.

d. If one of your Clients complains to us and if we reasonably determine that we must fix the problem directly with the Client, you must reimburse us for all of our fees and costs and will pay our then-current Client Service Fee. We have the right to increase the Client Service Fee by any amount without limitation after giving you no less than 60 days' prior written notice.

e. You understand and agree that the Business's telephone number(s), URLs, and email addresses constitute a part of the System, and each is subject to the restrictions of this Franchise Agreement. Accordingly, you will not change the Business's telephone number(s) without prior notice and written approval. You will advertise and publicize the telephone number(s) for the Business in the manner we prescribe. Upon expiration or the earlier termination of this Franchise Agreement, or Transfer, all contact information (other than the address if you operate your Business out of your home) becomes our property under Exhibit 5. In signing this Franchise Agreement, you agree that all the above are assigned to us.

8.2 Compliance with Applicable Laws

a. You agree to comply with all Applicable Laws, ordinances, regulations, or rulings of every nature that regulate or affect your Business. You agree not to engage in any activity or practice that may reasonably be anticipated to result in any public criticism of the System or any part thereof.

b. We have not made, and you have not relied upon, any representation that no licenses, or only certain licenses, are necessary to operate your Business.

8.3 Inspections and Records

a. You consent to reasonable inspections and audits of any aspect of the Business (including a review of your books and records) during normal business hours.

b. Should we notify you of defects, deficiencies, or unsatisfactory conditions concerning the Business, you agree to correct any such item or items immediately, and you will complete the corrections within the time granted for any cure under this Franchise Agreement.

c. You agree to use only those records and record-keeping practices we may dictate, and you will deliver timely reports, records, tax returns, and other documents.

8.4 Approved Products, Product Purchases, and Approval Method

a. You agree to provide only the services we specify in the Manuals, which will be amended from time to time. You also agree that all goods or services the Business supplies will comply with our standards and specifications. You must purchase the same from designated or approved sources and suppliers.

b. In some cases, you may wish to purchase a required good or service from a supplier that we have not previously approved. We do not maintain written criteria for approving suppliers, and thus, these criteria are not available to you or your proposed supplier. You must submit the information we may reasonably require to obtain our approval. You will pay our then-current fee for such services. We will evaluate the submitted information and provide written notice of our decision within 15 days. If no written notice is received, the approval is denied. We may grant or deny approval for any reason or no reason. We have no other process for approving suppliers other than as stated here.

c. We may revoke alternative suppliers' approval if we determine they no longer meet our quality standards.

8.5 Management

a. The Principal Operator must own no less than 51% of the equity in the franchisee business entity.

b. Your Principal Operator, Designated Manager, or you must devote their full time, attention, and best efforts to the management and operation of the Business and the compliance with this Franchise Agreement.

8.6 Modification

a. We may reasonably change or modify the System, the Manuals, and the Marks, and you agree to accept, be bound by, use, implement, and display any such changes to the System. You will make whatever expenditures are reasonably required to implement such changes or modifications. We have complete ownership and control of any changes, modifications, enhancements, or suggestions, whether made by you or us.

b. We may approve exceptions to or changes in the uniform standards for you or other franchisees that we believe are necessary or desirable under particular circumstances. You have no right to object to such variances or obtain the same variances for yourself.

8.7 Disclosure

We can disclose any information concerning your Business in our disclosure materials, including your name, address, telephone number, financial, and other information.

ARTICLE 9

TRANSFERS

9.1 Sale or Assignment by Franchisor

a. This Franchise Agreement and all rights and obligations under it are fully saleable, assignable, and transferable by us. If sold, assigned, or transferred, the terms of this Franchise Agreement will be binding upon and inure to the benefit of our successors and assigns.

b. By way of example, we may sell all or any portion of our System, Proprietary Information, or other assets to a competitor or any other entity. Also, we may go public, engage in a private or other placement of some or all of our securities, and merge, be acquired, or acquire other entities or assets that may be competitive with the System. We may undertake any refinancing, leveraged buy-out, or other transaction. We may also change our business structure and add and remove equity owners at will. You waive all claims, demands, and damages concerning any transaction allowed under this Section or otherwise. You will fully cooperate with any proposal, merger, acquisition, conversion, sale, or financing.

9.2 Transfer by You

a. This Franchise Agreement is personal to you and has been signed by us in reliance on and in consideration of your qualifications and representations. Therefore, this Franchise Agreement, any of its rights or privileges, or your assets (outside the normal course of business), any equitable, capital, voting, non-voting, or other interest in you may be Transferred or divided in any manner by you or anyone else only with our express written permission.

b. The term “**Transfer**” includes the voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition by you (or by any of your equity owners) of any interest in (i) this Franchise Agreement; (ii) the equity ownership as stated in Exhibit 1 that results in a Change of Control; or (iii) any assets of your Business (other than in the normal course of business). A “**Transfer**” also includes (iv) a transfer as a gift to any Person; (v) a transfer resulting from a divorce, insolvency, or business-entity dissolution proceedings; (vi) by operation of law; (vii) in the event of the death, transfer or disposition by

will or under the laws of intestate succession; (viii) by the declaration of or transfer in trust; (ix) the pledge of any of interests described in this paragraph as a security interest; (x) as the result of any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of you; and, (xi) by any other direct or indirect means. The “**Proposed Transferee**” is the Person that intends to purchase any such interest under a permitted Transfer.

c. To obtain written approval for a Transfer, you will provide us with all documentation relating to the “**Proposed Transfer**” (that being the terms of the deal for the Transfer). We will notify you of our decision within 30 days after receiving all of the information we may request from you. If we do not respond within these 30 days, the proposed Transfer is disapproved.

d. If a Proposed Transfer is only among existing natural-person franchisees, existing shareholders or members of a corporation, limited liability company franchisee or other business entity, or among existing partners of a partnership franchisee, and if there is no Change of Control, then there will be no Transfer Fee, and we will not be entitled to exercise our “**Right of First Refusal**” which is described below. However, all other conditions required to approve a Proposed Transfer will apply, and we may require the Proposed Transferee to sign our then-current guaranty if they have not already done so. If the Proposed Transfer does not meet one or more of these requirements, the payment of the Transfer Fee applies, we reserve the right to exercise the Right of First Refusal, and all other conditions to approve a Proposed Transfer will apply.

e. Each certificate of a corporate or limited-liability-business-entity franchisee will have endorsed upon its face a legend stating that a Proposed Transfer of it is subject to the restrictions of this Franchise Agreement. You agree to provide us with a copy of each such certificate to ensure compliance with this provision.

9.3 Conditions to Approval of any Transfer

a. In determining the acceptability of the Proposed Transferee, we will consider, among other things, our then-current standards for new franchisees, including net worth, creditworthiness, background, training, personality, reputation, and business experience of the Proposed Transferee, the terms and conditions of the Proposed Transfer, and any circumstances that would make the transfer contrary to our Reasonable Business Judgment or the best interests of the System.

b. We may meet with the Proposed Transferee and candidly discuss all matters relating to the Franchise Agreement and the Franchised Business. In no case will you or a Proposed Transferee rely on us to review or evaluate the documents used in a Proposed Transfer. We will not be liable to you or the Proposed Transferee or any other Person relating to the Transfer.

c. As a condition to granting a Proposed Transfer and Proposed Transferee permitted under this Franchise Agreement, you agree that,

i. you will notify us of a Proposed Transfer by sending a written notice to us and enclosing a copy of the written offer from or to the Proposed Transferee. You will also notify the Proposed Transferee that we are reviewing the same;

ii. you must be in Compliance with this Franchise Agreement up to and including the closing date and Transfer;

- iii. all accounts payable and other monetary obligations to any Affiliate or us must be paid in full;
- iv. you must have timely submitted all required reports, financial statements, and other documents;
- v. if approved, the Proposed Transferee must sign the then-current form of the franchise agreement, **which may contain terms, covenants, and conditions that are significantly different from those found in this Franchise Agreement**;
- vi. the Proposed Transferee must attend training and pay the tuition then being charged to new franchisees. The Proposed Transferee will also pay for his travel, room, and board expenses for such training, if applicable;
- vii. the Transferee or you must pay the Transfer Fee upon execution of the new franchise agreement;
- viii. you must execute and deliver to us the then-current form of General Release. A copy of the current form of General Release is attached as Exhibit 4.
- ix. all covenants found in this Franchise Agreement, including any post-Term covenant not-to-compete, any indemnification covenants, confidentiality obligations, and the provisions relating to dispute resolution that must survive any Transfer to remain enforceable will survive any Transfer and will continue to be your obligation.

9.4 Invalidation of Transfers

- a. Any Involuntary Transfer by you or any Transfer completed in violation of this Article is grounds for termination without the right to cure.
- b. You agree that using this Franchise Agreement as security for a loan or otherwise encumbering this Franchise Agreement is prohibited unless we specifically consent to any such action in writing before the proposed transaction.
- c. You agree not to sub-franchise your rights or seek to license or permit others to use this Franchise, the Franchised Business, or any of the rights you have under this Franchise Agreement.

9.5 Death or Permanent Disability

Subject to subparagraph 9.5(b), upon your death or Permanent Disability or the death or Permanent Disability of the Principal Operator, the executor, administrator, conservator, guardian, or another personal representative of such Person will transfer the interest in this Franchise Agreement or such interest in the business-entity Franchisee to an approved third party who may be the heirs or successors of the deceased or disabled individual. Such disposition of this Franchise Agreement or such interest (including transfer by operation of law, intestacy, bequest, or inheritance) will be completed within a reasonable time, not to exceed 180 days from the date of death or Permanent Disability, and will be subject to all terms, covenants, and conditions applicable to Transfers under this Article. No Transfer Fee needs to be paid under this Section.

9.6 Right of First Refusal

If you receive a proposal to Transfer or if you wish to Transfer, you agree the same is subject to our 30-day right of first refusal (**Right of First Refusal**) to purchase such rights, interest, or assets on the same terms and conditions as are contained in the written offer for the Transfer, provided, however, the following additional terms and conditions shall apply,

a. you will notify us of such offer by sending a written notice to us enclosing a copy of the written offer from the Proposed Transferee;

b. the 30-day Right of First Refusal period will run concurrently with the period in which we have the right to accept or not accept the Proposed Transferee;

c. such Right of First Refusal is effective for each Proposed Transfer and any material change in the terms or conditions of the Proposed Transfer shall be a separate offer on which a new 30-day right of first refusal shall be given to us;

d. if the consideration or manner of payment offered in a Proposed Transfer is such that we may not reasonably be required to furnish the same, then we may purchase the interest which is proposed to be sold for the reasonable cash equivalent. If the Parties cannot agree within a reasonable time on the cash value of the consideration proposed to be paid by the Proposed Transferee, an independent appraiser shall be designated by us, whose determination will be binding upon the parties. All expenses of the appraiser shall be paid for equally between you and us; and

e. if we choose not to exercise the Right of First Refusal, you will be free to complete the Transfer, subject, however, to your compliance with this Article. Our failure to reply to such Right of First Refusal within 30 days means we have waived our Right of First Refusal.

ARTICLE 10

DEFAULT AND TERMINATION

10.1. Termination by Franchisor - Effective upon Notice

Subject to your state's law concerning the termination of a franchise relationship (if any), we have the right, at our option and in our sole discretion, to (i) terminate this Franchise Agreement and all rights granted you hereunder; (ii) to terminate your right to operate your Business without terminating this Franchise Agreement; or, (iii) to exercise any other rights that we may have under this Franchise Agreement and in law or equity (as all remedies are cumulative) all without affording you a right to cure (unless otherwise stated) upon the occurrence of any of the following events:

a. You cease to operate the Business or otherwise abandon the Business for 14 consecutive days, or any shorter period that indicates your intent to discontinue operation of the Business, unless and only to the extent that full operation of the Business is suspended or terminated due to Force Majeure or other similar causes beyond your control and not related to the availability of funds to you.

b. You become insolvent, as that term is commonly defined using generally accepted accounting principles, consistently applied; are adjudicated a bankrupt; if any action is taken by you or by

others against you under any insolvency, bankruptcy, or reorganization act; or if you make an assignment for the benefit of creditors or a receiver is appointed by you. This provision may not be enforceable under federal bankruptcy law, 11 U.S.C. §§ 101 et seq. If for any reason, this Franchise Agreement is not terminated under this Article 10, and the Franchise Agreement is assumed, or assignment of the same is made to any Person that has made a bona fide offer to accept Transfer of the Franchise Agreement under the U.S. Bankruptcy Code, then we will be given no less than 20 days' notice of such proposed Transfer setting forth, (i) the name and address of the proposed assignee; and (ii) all of the terms and conditions of the proposed assignment and assumption; and, in any event, within ten days before the date application is made to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption. We will thereupon have the prior right and option, to be exercised by notice given at any time before the effective date of such proposed assignment and assumption, to accept an assignment of this Franchise Agreement to us upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by you out of the consideration to be paid by such assignee for the assignment of this Franchise Agreement.

c. You are made subject to a material judgment or award (or several judgments or awards which in the aggregate are material) which remain(s) unsatisfied or of record for 30 days or longer (unless a supersedeas or other appeal bond has been filed) or if execution is levied against your Business, any of the property used in the operation of your Business, or the business entity franchisee and is not discharged within five days.

d. A criminal background check (as permitted by you under Exhibit 3 and which may be conducted at any time during any Term) discloses, or if we learn through any other method, that you have been arrested for, convicted of, or plead no contest to, a crime (whether a petty offense, misdemeanor, or felony) involving moral turpitude; are arrested for, convicted of, or plead no contest to, a felony of any nature; or are arrested for, convicted of, or plead no contest to, any crime (whether a petty offense, misdemeanor, or felony), or civil offense that is reasonably likely, in our sole opinion, unfavorably reflects on the System, Marks, or the goodwill or reputation thereof.

e. A credit background check determines that your status as a debtor has materially negatively changed such that your ability to continue to operate the Business is commercially substantially in doubt.

f. You fail to pay any fees or any other amounts due to us under this Franchise Agreement or any amounts which may be due as a result of any other agreements between you and us within five days after receiving notice that such fees or amounts are overdue.

g. You misuse or fail to follow our direction and guidelines concerning the use of the Marks or any component of the Proprietary Information and fail to correct the misuse or failure within five days after notification from us, except that if your violation of this subparagraph is intentional, there will be no 5-day right to cure and default without the right to cure will be immediate.

h. You disclose to any unauthorized Person any component of the Proprietary Information.

i. During any Term, and if a cure is available, you have received one written notice of breach of any term, covenant, or condition (or a combination thereof) of this Franchise Agreement, which has been timely cured, and you are again in breach of the same or any other term, covenant, or covenant of this Franchise Agreement.

- j. You violate the terms of Article 9 or are subject to or participate in an Involuntary Transfer.
- k. You violate any Applicable Law and fail to cure the same within any time to cure provided by the Governmental Authority which cited you.
- l. You make any material misrepresentations relating to acquiring your rights under this Franchise Agreement.
- m. You violate any covenant or condition of 1.6(d)(v).
- n. You violate any other term, covenant, or condition of this Franchise Agreement that contains its own cure provision and then fail to cure within the period provided there.
- o. You have employees, and you fail to pay their wages.
- p. You fail, refuse, or neglect to obtain any prior written approval or consent required by this Franchise Agreement.
- q. You engage in any unauthorized business or practice or sell any unauthorized product or service from the Business.
- r. You fail to pay any tax (including payroll, sales, income, or any other tax) due as a result of the operation of the Business;
- s. We are required to supply Client Services to a Client more than once during any 12 months.
- t. You fail to file or deliver any documents to us at the time required under this Franchise Agreement and fail to cure the same after receiving ten days written notice to do so;
- u. You take any action during normal business hours or outside business hours, which action or failure to act results in, or using our Reasonable Business Judgment, we determine may result in the disengagement of the Mark, the System, or any other portion of the Proprietary Information.
- v. There is a cross-default under Section 10.3 below.
- w. You fail to add new lines of goods, services, or technology after we have notified you in writing and have given you reasonable time to comply, which will be no longer than 60 days.
- x. You fail to make your Charity Contributions and then fail to cure the same after receiving our written notice giving you five business days to cure.

10.2. Termination by Franchisor – Thirty-Days Notice

- a. We have the right to terminate this Franchise Agreement (subject to any state laws to the contrary, in which case such state laws will prevail) effective upon 30 days written notice to you if you breach any term, covenant, or condition of this Franchise Agreement not otherwise identified in Section 10.1 and fail to cure the default during the 30 days.

b. After the passage of the 30 days without a cure, this Franchise Agreement will terminate without further notice to you.

10.3 Cross Default

a. If you are a party to another Franchise Agreements with us or are a party to any agreements with an Affiliate, and if such agreement is breached and not timely cured within the period permitted in such document with the result being the termination of that agreement, we have the right to terminate this Franchise Agreement and all other franchise agreements without affording you any additional right to cure.

b. If you violate the terms, covenants, or conditions of any other contract or agreement with a third party that is unrelated to us but which is material to the operation of the Business (**Third Party Contract**) and fail to cure any such breach within the time permitted under such Third Party Contract, and as a result, you are unable (i) to manage or operate your Business in the manner that you were able to before the breach of the Third Party Agreement; or (ii) to operate another Business under a separate franchise agreement, upon the termination of the Third Party Contract, this and all other franchise agreements with us may, in our sole and exclusive discretion, also be terminated at the same time as the Third Party Contract terminates. You will provide us with immediate notice in the event of the termination of such a material agreement.

10.4 Diligent Pursuit of Cure and Applicable Law Limitations

a. If the breach is one for which cure is provided above, and if you undertake the cure within three days of the date that you receive our notice, and if you continue to pursue such cure in good faith but are unable to complete the cure within the period provided in this Franchise Agreement, then you will be given up to an additional 30 days after the end of the first cure period within which to complete such cure. If you fail to pursue the cure during this additional period or are unable to complete such cure within this additional time, then we have the right to terminate the Franchise Agreement without further notice to you.

b. We retain the right, in our sole discretion, to grant extended time to cure. In such an event, however, we will not have waived our rights to later strictly enforce any right to cure, to deny you the right to cure a future breach for which no cure is provided, or to take such action as is allowed to us by this Franchise Agreement if you fail to cure during the extended period granted to you.

c. If the Event of Default is one for which cure is provided, then during the period of cure, we have the right to suspend our performance of any of our obligations under this Franchise Agreement, including the supply of any online services, online advertising, web-page hosting, and the sale or delivery of any goods, services or products until you correct the breach.

d. If the right to cure is provided under this Franchise Agreement, but Applicable Law allows or requires a shorter cure period or denies a cure at all, then Applicable Law will apply, and your right to cure may be curtailed or extinguished.

10.5 Our Rights to Damages

Upon your failure to cure any Event of Default (if cure is provided), we may proceed to enforce any or all of the following non-exclusive remedies or any other remedy, claim, cause of action, award, or damages allowed by law or equity, with the understanding that the pursuit of any one remedy will not be

deemed an election or waiver by us to pursue additional remedies as all remedies are cumulative and are not exclusive:

a. Bring one or more actions for lost profits as measured by the Royalties and other fees that would have been due had a breach not occurred, Late Fees, penalties, and interest as provided for in this Franchise Agreement; and for all other damages sustained by us because you breached this Franchise Agreement.

b. Accelerate the balance of any outstanding installment obligation due and bring an action to collect the entire accelerated balance.

c. Subject to the terms of Article 16, bring an action for a temporary or permanent injunction or for specific performance to stop you from engaging in prohibited actions, including (i) improper use of the Marks or System; (ii) unauthorized assignment of the Franchise Agreement; (iii) violation of any of the restrictive covenants; and (iv) your failure to meet or perform your obligations at the expiration, earlier termination or Transfer of this Franchise Agreement.

d. Terminate this Franchise Agreement and proceed to enforce our rights under the appropriate provisions, including our right to obtain damages.

e. We also have the right to refrain from terminating this Franchise Agreement but retain the right to enforce our rights to deny your use of the Proprietary Information or the right to operate your Business, and in so doing, retain our rights to current and future damages (as the same may be proven).

f. If you operate your Business after Transfer, termination, or expiration, use any of the Marks or any component of Proprietary Information or System, or violate any covenants that survive such expiration, earlier termination, or Transfer, then, in addition to any remedies provided above, and in addition to any other remedies in law or equity (all of which will be cumulative and will not be deemed to be an election of remedies to the exclusion of other remedies), our remedies will include recovery of the greater of, (i) all profits earned by you in the operation of a business using our Marks or any component of the Proprietary Information or System; and (ii) all other damages as may be proven.

g. Notwithstanding anything in this Franchise Agreement to the contrary, to the extent that state law requires us to purchase some or all of your assets at Fair Market Value upon the expiration or termination of this Franchise Agreement, we agree to repurchase your assets at their Fair Market Value.

10.6 Waiver of Jury Trial and Certain Damages

a. YOU AND WE AGREE TO WAIVE THE RIGHT TO A JURY TRIAL.

b. Each Party agrees that it has the right to seek damages in addition to the actual monetary loss that can be proven, including consequential, exemplary, and punitive damages. Being advised of the same, we each waive such damages that may be in addition to any actual monetary damages suffered even if either of us is informed that such damages may be available, except if you are required to indemnify us under Article 14 and if as a result of the action underlying the indemnification, such damages are awarded to the injured party, then you agree that indemnification will cover such damages. If such damages are awarded through arbitration regardless of the terms of this Franchise Agreement, and if such award is not deemed to be outside the scope of what is

permitted by this Article or this Franchise Agreement, then any constitutional, statutory, or other limitations on punitive, exemplary, multiple, or similar damages will apply.

Initials as to this Section

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10.7 State or Federal Law Prevails

If any mandatory provisions of your state’s law prohibit termination of this Franchise Agreement in the manner described here, or if the same otherwise limit our rights to terminate by imposing different rights or obligations as are found herein, then such mandatory provisions of state law will be incorporated into the agreement by reference and will prevail over any inconsistent terms in this Franchise Agreement. If no such law exists, or if such law exists but permits you to abide by the termination provisions set forth here instead of that state law, you agree that the terms of this Franchise Agreement will prevail. If by electing the alternative dispute resolution provisions of Article 16, it is determined your and our choice of law, venue, jurisdiction, and other provisions preempt state law to the contrary, then the choices made by the Parties here will prevail to permit the limitations identified in this Article.

10.8 Payment of Fees is an Independent Covenant

You agree that you will not withhold payments or other amounts of money owed to us for any reason, even including a claim by you of the alleged nonperformance by us of any obligation hereunder. All such claims by you will be resolved as permitted in this Franchise Agreement. All covenants are independent of each other.

10.9 Action Against the Franchisor

Subject to the limitations of actions as found in Article 16 below, before starting any dispute resolution procedure against us or any of our officers, agents, or employees, you agree first to give us or our officers, agents, or employees 60 days prior written notice and an opportunity to cure any alleged act or omission within that time. If such an act or omission cannot be cured within the 60 days, and we or our officers, agents, or employees diligently pursue a cure, you will give us or our officers, agents, or employees an additional 30 days to complete the cure. If we fail to complete such a cure in a timely fashion, you have such rights as permitted under this Franchise Agreement.

ARTICLE 11

OBLIGATIONS OF FRANCHISEE UPON EXPIRATION, TERMINATION OR TRANSFER

11.1 Obligations

Upon a Transfer, termination, or expiration of this Franchise Agreement, you will cease to be a licensed Franchisee and will immediately,

a. pay for all product purchases, advertising fees, and other charges and fees owed or accrued to us;

b. refrain from holding yourself out as a franchisee and immediately cease to advertise or in any way use the System, the Marks, any materials, designs, logos, methods, procedures, processes, and other commercial property and symbols or promotional materials provided by or licensed to you by us;

c. take all steps necessary to disassociate yourself from the System and your Business, including modifying the interior or exterior of the Franchised Location to distinguish it from the standard or common appearance of franchised Businesses and removing signs and destroying all letterhead;

d. take such action as is necessary to amend or cancel any assumed name, fictitious name, or business name, or equivalent registration which contains any trade name or Mark of ours or in any way identifies you as being affiliated with the System;

e. notify all suppliers, utilities, creditors, and concerned others that you are no longer affiliated with us, the System, or the Franchise, and provide proof to us of such notification; and,

f. within seven calendar days, return to us by first-class, prepaid, certified, return receipt requested, United States Mail, all Manuals (including originals and any copies), all training, advertising, promotional aids, materials, and all other printed materials concerning the operation of your Business and the Patient Lists.

g. We will also exercise our rights under the Collateral Assignment found in Exhibit 5. If the telephone company, website manager, hosting agent, and other listing or Internet agencies fail to accept the Collateral Assignment, this covenant serves as your election of us as your attorney-in-fact (coupled with an interest) to assign the same to us and as evidence of our exclusive rights in and to the same. If your state requires specific information to be included in this Franchise Agreement or a particular document to be executed to perfect our rights as your attorney-in-fact, you and we agree that this Franchise Agreement is amended to include such language or document, and you and we will cooperate to ensure that such document is executed;

h. The terms of this Article survive the Transfer, expiration, or earlier termination of the Franchise Agreement.

11.2 Additional Matters

Upon a Transfer or the expiration or earlier termination of this Franchise Agreement for any reason,

a. no payment will be due to you from any source on account of any goodwill or other equity claimed by you arising from your operation or ownership of your Business or the rights granted you under this Franchise Agreement;

b. no fees, charges, Royalties, advertising fees, or other payments of any kind from you to us will be refundable in whole or in part; and,

c. you will have no equity or other continuing interest in this Franchise Agreement or the franchise relationship.

ARTICLE 12

RIGHT TO PURCHASE

12.1 Right to Purchase

a. Except as otherwise provided in Article 9, which will prevail in the instance of a Transfer, upon expiration or the earlier termination of this Franchise Agreement, you grant to us the right to acquire, in our sole discretion, all or any part of your inventory, equipment, signs, and accessories, and other personal property relating to the Business or the Franchise Agreement at the then-existing Fair Market Value of such furniture, fixture, equipment, or item as of the date of the expiration or termination of this Franchise Agreement.

b. We must exercise this option within 30 days of such expiration or termination by giving written notice to you of our intent to exercise our option to purchase. Unless otherwise agreed by you, the purchase price as determined hereunder will be paid in cash within the option period.

c. If we have not notified you of our election to exercise this option within the 30 days, it will be conclusively presumed that we have elected not to exercise our option, and you are then free to sell or transfer such assets to any Person on such terms as you may so choose.

ARTICLE 13

RELATIONSHIP BETWEEN THE PARTIES

13.1 Independent Contractor

a. In all matters between you and the public or between us, you are an independent contractor. Nothing in this Franchise Agreement or the franchise relationship constitutes a partnership, agency, joint venture, or another arrangement between us.

b. Neither of us is liable for the other's debts, liabilities, taxes, duties, obligations, defaults, compliance, intentional acts, wages, negligence, errors, or omissions.

c. You are responsible for managing and controlling the Business and its operation, including its daily management, employee direction, and the payment of all costs and expenses.

d. The Parties agree not to hold themselves out by action or inaction contrary to the preceding.

e. None of your employees are our employees, and each employee must be so notified.

f. You and we will not act or have the authority to act as agents for the other. Neither you nor we guarantee the other's obligations or in any way become obligated for the debts or expenses of the other.

g. You agree to post promptly and maintain any signs or notices specified by us or by Applicable Law indicating the status of the Parties as described above.

13.2 No Fiduciary Relationship

It is understood and agreed between us that this Franchise Agreement does not establish a fiduciary relationship.

13.3 Posting of Signs

You agree to post promptly and maintain any signs or notices specified by us or Applicable Law indicating your status as an independent owner and operator under the System.

ARTICLE 14

INDEMNIFICATION

14.1 Indemnification

a. You agree to hold us harmless and will indemnify and defend us (the “**Indemnified Parties**”) against, and will reimburse us for all “**Claims**” (as defined below), directly or indirectly arising out of, your operation of the Business; Claims by your employees or Clients; Claims resulting from your breach of any agreement with a third party that results in our being named in the Claim; a Claim of premises liability, vicarious liability, accidental agency, co-employment, and the like; your use of the Marks, the System, and the Proprietary Information; or as a result of your performance, failure to perform, or any other acts under this Franchise Agreement or in the operation of the Business that results in us being named in the Claim.

b. “**Claims**” include any legal or equitable claim, obligation, liability, cause of action, damage, award, judgment, cost (including reasonable attorney’s fees, court costs, and expert witness fees), expenditures of funds by us, or loss suffered by us.

c. Included in indemnification is the reimbursement to us or direct payment by you of any award, damages (including punitive, consequential, special, or similar damages), and costs reasonably incurred in defense of any claim against the Indemnified Parties, including reasonable accountants’, attorneys’ and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses.

d. We have the absolute right to defend any such Claim and have the right to have counsel of our choosing, the reasonable cost of which will be borne by you.

e. This indemnity will continue in full force and effect after and notwithstanding the expiration or termination of this Franchise Agreement and will continue for any applicable limitation-of-actions statute.

f. **Further, should any Claim result in the granting of exemplary, punitive, or consequential damages, the same will be covered under this Article and will be reimbursed to us regardless of any language to the contrary in this Franchise Agreement.**

ARTICLE 15

RESTRICTIVE COVENANTS

15.1 In-Term Covenant Not to Compete

a. You and we share a common interest in avoiding situations where Persons who are or have been franchisees within the System operate or otherwise become involved with a similar Competing Business either during or after the Transfer, expiration, or earlier termination of this Franchise Agreement. Similarly, you and we want to protect our Proprietary Information, trade secrets, and similar information from misuse or in a Competitive Business.

b. Therefore, during each Term of this Franchise Agreement, you will refrain from owning; operating; leasing; franchising; consulting with; engaging in; having any interest in; assisting any Person engaging in; acting as an employee, consultant, partner, officer, director or shareholder of; or participating in any manner in a Competitive Business except with our prior written consent which may be granted or withheld for any reason or no reason.

15.2 Post-Term Covenant Not to Compete

a. Upon the Transfer, expiration, or earlier termination of this Franchise Agreement and for 24 full months after that, you agree that you and any of the Franchisee Parties will refrain from owning; operating; leasing; franchising; consulting with; engaging in; having any interest in; assisting any Person engaging in; acting as an employee, consultant, partner, officer, director or shareholder of; or participating in any manner in a Competitive Business within your Protected Territory, the protected territory of another franchisee, or company-owned or affiliate-owned business, or within five miles of the perimeter of your Protected Territory, or five miles of the perimeter of the territory of another franchisee, company-owned or affiliate-owned Business.

b. If the date of the Transfer, expiration or earlier termination is other than the first day of a month, then the 24 months of non-competition will increase by the number of days remaining in that month.

15.3 No Disclosure

You agree that during any Term of this Franchise Agreement or at any other time after the Transfer, expiration, or earlier termination of this Franchise Agreement (or any franchise agreement signed under the Successor Franchise Rights obligations), you will refrain from making any unauthorized disclosure of or use the Marks, any component of the System, or any portion of the Proprietary Information.

15.4 Other Protection

During any Term of this Franchise Agreement, for 24 months following the Transfer, expiration, or termination of this Franchise Agreement (or any franchise agreement signed under the Successor Franchise Rights obligations), and in the area described in Section 15.2, you covenant that you will refrain directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any Person from,

a. diverting or attempting to divert to any Competitive Business (by direct or indirect inducement or otherwise) any business or Clients of the Business; or,

b. doing or performing, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System.

15.5 Reasonable Restriction and Savings Clause

a. The covenants found in this Article are intended to be reasonable restrictions on you. The Parties agree that the purpose of these restrictions is to protect the entire franchise system from unfair competition and to protect the goodwill, time, and effort spent creating the Marks, the Proprietary Information, and the System. In fact, we would not have shared such information with you unless you agreed to be bound by this Article 15.

b. You agree that you have skills of a general and specific nature and have other opportunities, or will have other opportunities, to use such skills and that the enforcement of these covenants will not unduly deprive you of the opportunity to earn a living.

c. To ensure that the covenants found in this Article are and will remain enforceable, every location of a Business, every month, each mile of distance, or any other restriction may be amended by the arbitrator to reduce any spatial, temporal, or other limitation considered to be overly broad, in the most limited manner possible to fashion a reasonably enforceable covenant that upholds the restrictive nature of this Article specifically and this Franchise Agreement generally.

d. You expressly agree that the existence of any claim you may have against us, whether or not arising from this Franchise Agreement, does not constitute a defense to the enforcement by us of any covenants of this Article specifically and this Franchise Agreement generally. You further agree that we are entitled to set off any loss or damage we suffer against any amounts owed to you.

e. The terms of the post-termination covenant not to compete will not apply to a case where you own 5% or less of a beneficial interest in the outstanding equity securities of any publicly-held corporation (as the Securities and Exchange Commission generally defines this term).

15.6 Injunctive Relief and Tolling of Time

a. You acknowledge that any failure to comply with the requirements of this Article 15 will cause us irreparable injury for which no adequate remedy at law may be available. Therefore, you agree and consent to the issuance of an injunction prohibiting your conduct by a court of competent jurisdiction. If permitted by law, you also waive any requirement for the posting of any bond. If equitable relief has been granted, we will immediately proceed under Article 16. If the equitable relief is denied, we still have the right to seek redress under Article 16.

b. If at any time during a period of non-competition, you fail to comply with your obligations under this Article, under Article 6, or under any other covenant that survives Transfer, termination, or expiration, the period of noncompliance will not be credited toward your satisfaction of the period of non-competition. Instead, the counting of the period of non-competition will be tolled until you are again in compliance. To the extent necessary to ensure that the entire period of non-competition is met, and if necessary, additional days, weeks, or months will be added to the end of the non-competition period as necessary to ensure enforcement of the entire period of the restrictive covenants.

15.7 Application and Survival

a. This Article applies to all participants in the Franchised Business, including the Principal Operator, any equity holder, any Person that has a manager or higher position, any Guarantor, any Person that is a spouse or civil partner of you, of the Principal Operator or the equity holder, and all others that take an active role in the operation of the Business that holds a manager or higher position.

b. The covenants of this Article survive the Transfer, expiration, or earlier termination of this Franchise Agreement and continue to apply to and bind the Persons subject to these terms.

c. You expressly agree that the existence of any claim you may have against us, whether or not arising from this Franchise Agreement, does not constitute a defense to the enforcement by us of any covenants of this Article specifically and this Franchise Agreement generally. You further agree that we are entitled to set off any loss or damage we suffer against any amounts owed to you.

ARTICLE 16

DISPUTE RESOLUTION

16.1 Intent, Meeting, and Mediation

You and we believe it is important to resolve disputes amicably, quickly, cost-effectively, and professionally and return to business as soon as possible. You and we agree that the provisions of this Article support these mutual and practical business objectives, and, therefore, agree as follows:

a. All provisions of this Franchise Agreement (including this Article) will be fully enforced, including those relating to arbitration, waiver of jury trial, limitation of damages, venue, choice of laws, and shortened periods in which to bring claims;

b. The terms of this Article are mandatory and not permissive;

c. The Parties are relying on the federal preemption of state laws under the Federal Arbitration Act (9 U.S.C. §1 et seq.) (FAA) with the understanding that the FAA and not state law will control any matters pertaining to mediation and arbitration and as a result, the provisions of this Franchise Agreement will be enforced only according to its terms and through the alternative dispute mechanism found in this Article. The Parties further agree that each Party intends that any state law attempting to prohibit arbitration or void out-of-state forums for arbitration are preempted by the Federal Arbitration Act and that arbitration will be held as provided in this Article;

d. Except as expressly provided in this Franchise Agreement, **EACH PARTY KNOWINGLY WAIVES ALL RIGHTS TO A COURT OR JURY TRIAL AND, INSTEAD, SELECTS FACE-TO-FACE MEETINGS, MEDIATION AND FINALLY BINDING ARBITRATION AS THE SOLE MEANS TO RESOLVE DISPUTES UNDERSTANDING THAT FACE-TO-FACE MEETINGS, MEDIATION, AND ARBITRATION MAY BE LESS FORMAL THAN A COURT OR JURY TRIAL, MAY USE DIFFERENT RULES OF PROCEDURE AND EVIDENCE, THAT AN APPEAL PROCESS IS GENERALLY LESS AVAILABLE, AND THAT THE FEES AND COSTS ASSOCIATED WITH MEDIATION AND ARBITRATION MAY BE SUBSTANTIALLY GREATER THAN IN CIVIL LITIGATION;**

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e. The terms of this Franchise Agreement (including but not limited to this Article) will control concerning any matters of jurisdiction, venue, and choice of law, each of which is mandatory and not permissive; and,

f. Notwithstanding the fact that a Party is or may become a party to a court action or special proceeding with a third party or otherwise, and whether or not such pending court action or special proceeding, (i) may include issues of law, fact, or otherwise, that arise out of the same transaction (or series of related transactions) as any arbitrable matter between or involving the Parties; (ii) involves a possibility of conflicting rulings on issues of law, fact, or otherwise; and (iii) such pending court action or special proceeding may involve a third party who cannot be compelled to arbitrate the terms, covenants, and conditions of this Franchise Agreement, the Parties still agree any dispute between the Parties to this Franchise Agreement will be enforced according to the terms found herein, including the obligation to perform under this Article.

g. Before arbitration, each Party agrees to adhere to the following procedure:

i. First, in the event of a disagreement between them, the Parties agree to meet face-to-face within 30 days after any Party gives written notice to the other;

ii. Second, if the issues between the Parties cannot be resolved, the disagreement must be submitted to non-binding mediation before the Judicial Arbitration and Mediation Service (**JAMS**) or its successor (or an organization designated by JAMS or its successor. If JAMS is unable or unwilling to conduct such proceeding(s), and the Parties to the dispute cannot agree on an appropriate organization or person to conduct such proceedings(s), then the mediation will be heard by the American Arbitration Association (**AAA**).

A. The Parties will agree upon a single mediator experienced in franchising. If the Parties cannot agree upon the mediator, then the senior-most officer, director, or manager of the association under which the mediation occurs will choose a neutral and disinterested mediator, and such choice will be final and binding upon the Parties.

B. Mediation must begin 30 days after the face-to-face meeting. Any Party may be represented by counsel and bring persons appropriate to the proceeding with the mediator's permission.

iii. Each Party will bear the Person's costs associated with attending mediation. Each Party will equally split the cost of the mediator.

iv. If the mediation does not resolve the matter, the Parties agree that the disagreement will be submitted to and finally resolved by binding arbitration.

16.2 Resolution under Arbitration

a. Subject to the terms of this Article, Arbitration must begin at the earlier of 90 days after mediation fails to resolve the issue or the last day of the period identified in Section 16.8. Arbitration will be held before and under the arbitration rules of JAMS or its successor (or an organization designated by JAMS or its successor). If JAMS is unable or unwilling to conduct such proceeding(s), and the Parties cannot agree on an appropriate organization or person to conduct such proceedings(s), then the arbitration

will be heard by a single arbitrator from the AAA. The arbitrator must be experienced in franchising. If the Parties cannot agree upon the arbitrator, then the senior-most officer, director, or manager of the association under which the arbitration is to take place will choose a neutral and disinterested arbitrator, which will be final and binding upon the Parties.

b. Any Party may be represented by counsel and may bring persons appropriate to the proceeding with permission of the arbitrator.

c. The arbitrator’s judgment on any preliminary matter or the final arbitration award will be final and binding and may be entered in any court having jurisdiction.

d. The arbitrator’s award will be in writing. On request by a Party to the arbitration, the arbitrator will provide to all disputants a reasoned opinion with findings of fact and conclusions of law, and the Party so requesting will pay the arbitrator’s fees and costs for this service.

e. There will be no right to appeal an interim ruling or final award

f. The final and binding decision or award of the arbitrator in one matter will not have precedential or “**offensive collateral estoppel**” effect in an arbitration between the Franchisor and another franchisee, such that the matters decided in the original arbitration will not be used in future arbitration between another franchisee or Person and us as proof of a fact or matter contested in the later arbitration.

g. The Parties agree that they will equally split the fees paid to start arbitration and the fees paid to the arbitrator until the arbitrator awards fees and other costs to the prevailing party.

16.3 Confidentiality

The Parties, to any meeting, mediation, or arbitration, may be required by the mediator or arbitrator, or as part of a settlement, may, under such settlement, be required to sign confidentiality agreements concerning the entire alternative dispute resolution procedure, except for public disclosures and filings required by Applicable Law.

16.4 Choice of Law, Venue and Jurisdiction

a. Any meeting, mediation, or arbitration will be conducted exclusively at a neutral location within 15 miles of our then-current headquarters without regard to conflict of law provisions or *forum non-conveniens* demands to the contrary and to the exclusion of any other jurisdiction or venue

b. The arbitrator in any proceeding under this Article will apply all Applicable Laws and equity permitted under the laws of the state where our headquarters is then located without regard to conflicts of law provisions and to the exclusion of the laws of any other jurisdiction or venue.

c. The Parties agree to the terms of this Section (including the jurisdiction, venue, forum, and choice of law) and **understand that the terms of this Section are mandatory and not permissive.**

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16.5 Scope, Discovery, other Procedural Matters, Fees, and Costs

a. The arbitrator will decide any factual, procedural, or legal questions relating to the dispute between the Parties, including matters concerning misrepresentation, fraud, fraud in the inducement, any decision as to whether there is a franchise agreement, a determination of arbitrability, whether this Article is applicable and enforceable, and issues related to the subject matter, timeliness, scope, remedies, and unconscionability.

b. The Parties to the dispute have the same discovery rights as are available under the rules of the arbitration association hosting the arbitration.

c. Each participant must submit or file any claim which would constitute a “compulsory counter-claim” (as defined by the applicable rule under the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any compulsory counter-claim not submitted or filed in such proceeding will forever be barred.

d. The arbitrator may issue summary orders to dispose of all or parts of a claim and provide temporary restraining orders, preliminary injunctions, permanent injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships, and other equitable, interim, or final relief.

e. Each Party consents to the enforcement of such orders, injunctions, or similar actions by any court having jurisdiction.

f. The arbitrator will have subpoena powers limited only by the laws of the state where our headquarters is located.

g. In addition to any other remedy, the arbitrator will award the “**Prevailing Party**” the Person’s costs, fees, reasonable attorney’s fees, expert witness fees, and the like, which that Party expended in preparation for and the prosecution of the case at arbitration. The “**Prevailing Party**” is the Party that has obtained the greatest “**Net Judgment**” in terms of money or money equivalent. The “**Net Judgment**” is determined by subtracting the smallest award of money or money equivalent from the largest award. If money or money equivalent has not been awarded, then the Prevailing Party will be that Party that has prevailed on a majority of the material issues decided. If there is a mixed decision involving an award of money or money equivalent and equitable relief, or if the arbitrator determines that it would be in the best interest of justice, then regardless of the above language, the arbitrator will award the above fees to the Party that it deems has prevailed over the other Party using reasonable business and arbitrator’s judgment.

16.6 Disputes Not Subject to the Mediation or Arbitration Process

a. Claims or disputes relating primarily to the Marks, to any intellectual property licensed to you, and for any matter governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) are subject to court proceedings in a court of competent jurisdiction in the state in which our then-current headquarters is located. Only the portion of any claim or dispute identified in this Section shall be subject to court action and only to the extent that such action is necessary to protect us.

b. Matters relating solely to the collection of money by one Party against the other are not subject to a face-to-face meeting, mediation, or arbitration. Such matters include collection efforts against you or us solely for failing to pay any amount due to the other promptly. In such an event, such matter may be brought in a court of competent jurisdiction and venue, and such claims will be subject only to the applicable statute of limitations relevant to the subject matter of the litigation and not to the one-year limitation of action found in this Article and elsewhere. If, however, one Party to such action pleads another claim, cross-claim, counter-claim, or affirmative defense based on anything other than the mere collection of money, or if the other Party alleges facts concerning fraud or any other equitable defense, then the entire matter, including the collection-of-money effort will be subject to the alternative dispute resolution procedures of this Article.

c. To the extent that either of us seeks injunctive relief before the face-to-face meeting or mediation, the same may be applied to a court of competent jurisdiction. The court will hear only the application for injunctive relief, and the fact that the court exercised jurisdiction in considering the injunction will not eliminate this Article's alternative dispute resolution requirements. If the temporary injunction is granted, the Party that made the application must begin the alternative dispute resolution process under this Article.

16.7 Other Matters

We each understand and specifically agree that any matters concerning the relationship between us and any dispute arising, as a result, will be determined on an individual basis and will not be brought as a class action or with multiple unrelated franchisees (whether as a result of attempted consolidation, joinder, or otherwise). This is prudent from a business standpoint because (i) the mediation and arbitration procedures function most effectively on an individual case basis; (ii) there are significant factors present in each franchisee's situation which should be respected; and (iii) class-wide or multiple plaintiff disputes do not foster quick, amicable, and economical dispute resolution.

16.8 One Year Limitation of Action

a. Except for matters identified in Section 16.6 above (including an alleged violation of the Marks or any intellectual property licensed to you, which may be brought at any time), **YOU AND WE ARE LIMITED TO BRINGING ANY ARBITRATION AGAINST THE OTHER WITHIN ONE YEAR OF THE DATE THAT THE FACTS THAT GAVE RISE TO THE CLAIM OCCURRED.** The one-year period begins to run and will not be tolled merely because the claiming party was unaware of legal theories, statutes, regulations, or case law upon which the claim might be based. If the Parties have begun mediation on the day that the one-year expires, then the one-year will be extended by 90 days from the unsuccessful end of mediation, within which a Party must bring arbitration. If arbitration is not brought by 5:00 p.m. Eastern Time on the 90th day after mediation ends, then the right to bring arbitration expires, and the Parties will have no other opportunity to try, arbitrate or receive any other relief because of the action, matter, dispute, or disagreement underlying the claim.

b. Notwithstanding the preceding, if any federal or state law provides for a shorter limitation period than is described in this Section, then the shorter period will govern.

c. This Section will not apply to issues of indemnification under Article 14 or matters concerning the Marks, and such actions under that Article may be brought within any limitation-of-action statute under the laws of the state in which our headquarters is then located.

Initials as to this entire Section

Initials of Franchisee

Initials of Franchisee

Initials of Franchisor

16.9 Survival of Obligations

Each provision of this Article is self-executing and continues in full force and effect after and notwithstanding the Transfer, expiration, termination, rescission, or finding of unenforceability of this Franchise Agreement (or any part of it).

ARTICLE 17

INSURANCE

17.1 Insurance and Minimum Coverage

a. Before opening, and then annually, you will purchase, and will maintain in full force and effect during each Term, an insurance policy or policies protecting you and us, and your and our officers, directors, partners, members, managers, and employees of both you and us against any loss, liability, personal injury, death, product liability, vicarious liability, property damage, or expense whatsoever arising or occurring upon or in connection with the operation of your Business. Each policy will include primary and non-contributory coverage, ongoing and completed operations, products and completed operations liability, and a blanket waiver of subrogation for all additional insured.

b. When you open and then upon renewal, you will deliver to us the policy or policies of insurance or endorsements issued by the insurer (and not the broker) evidencing the proper coverage with limits not less than those required hereunder.

c. All policies will expressly provide that no less than 30 days prior written notice will be given to us in the event of a material alteration to, termination, non-renewal, or cancellation of the coverage evidenced by such policies.

d. You will obtain the following insurance with the following minimum coverages. You can elect to purchase insurance with greater coverage or limits:

i. General liability insurance having a combined annual single limit for any form of injury and property damage of \$1,000,000 per occurrence and 2,000,000 in the aggregate.

ii. Automobile liability insurance for vehicles used in the operation of the Business, and automobile liability coverage for owned, non-owned, scheduled, and hired vehicles having limits for bodily injuries of \$500,000 per Person and \$1,000,000 per accident, and property damage limits of \$50,000 per occurrence.

iii. Employer’s liability and worker’s compensation insurance as required by state law in the state where the Business is found.

iv. Business interruption insurance of not less than \$30,000.00 per month for loss of income and other expenses with a limit of not less than nine months of coverage.

v. Professional liability insurance with coverage of at least \$1,000,000 per occurrence and \$1,000,000 annual aggregate.

vi. Excess liability umbrella coverage for general and automobile liability coverage of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate;

vii. Cyber liability insurance covering you against hacking, data breaches, and similar errors and omissions concerning your operations, malware, ransomware, and denial-of-service attacks of no less than \$1,000,000 per claim and \$2,000,000 in the aggregate.

e. In all cases, your insurance must name us, our Affiliates, and, if we deem it appropriate, our Affiliates' and our officers, directors, equity holders, members, managers, and agents as additional insureds using such endorsement or endorsements (including as applicable, Commercial General Liability form CG 20 29 04 13 or its equivalent which affords us the broadest coverage as additional insureds). The coverage afforded to the additional insureds must be written on a primary basis and will not require or contemplate contribution by any other policy or policies obtained by or available to an additional insured.

f. Such policy or policies will be written by an insurance company rated A-minus or better, in Class 10 or higher, by Best Insurance Ratings Service and satisfactory to us per standards and specifications outlined in the Manuals or otherwise in writing, from time to time, and will include, at a minimum (except as additional coverage and higher policy limits may be specified by us from time to time) the coverage found above.

g. The mix of the above insurance may change under Applicable Law, and if so, you must comply with the same.

h. Although we require certain insurance coverage and limits, and may recommend other policies, we do not guarantee that the required or recommended insurance will be adequate to protect your assets fully. You should consult an insurance professional to determine what additional coverage you may need.

i. We reserve the right to change the mix of insurance and policy limits. If we add new coverage or change limits, you will have 60 days to comply.

17.2 No Limitations on Coverage and Primacy

Your obligation to obtain and maintain the policy or policies will not be limited because of the insurance we maintain, and your performance of these obligations does not relieve you of liability under the indemnity provisions of this Franchise Agreement. In all cases, your insurance is primary and will not depend on the insurance we carry.

17.3 Franchisor May Procure Insurance Coverage

Should you, for any reason, fail to procure or maintain the insurance required by this Franchise Agreement, as described from time to time by the Manuals or otherwise in writing, we have the right and

authority (but no obligation) to procure such insurance and to charge the same to you; said charges, together with a reasonable fee for our expenses in so acting, will be immediately payable to us by you.

ARTICLE 18

ADDITIONAL PROVISIONS

18.1 Entire Agreement - Merger

a. This Franchise Agreement, including all exhibits and addenda, contains the entire agreement between us and supersedes all prior oral, written, express, or implied agreements, statements, commitments, inducements, or understandings concerning the subject matter hereof.

b. You agree and understand that we are not liable for or obligated for any oral representations or commitments made before the execution of this Franchise Agreement or for claims of negligent or fraudulent misrepresentation based on any such oral or written representations, commitments, inducements, or agreements unless they were reduced to writing and signed by you and us.

c. Nothing in this Franchise Agreement or any related agreement you sign with us is intended to disclaim any representations in the FDD.

18.2 Modification and Power of Attorney

a. This Agreement may only be modified in a written agreement signed and dated by all Parties.

b. You acknowledge, however, that we may unilaterally modify our standards, specifications, and operating and marketing procedures, including those outlined in the Manuals; any component of the System, the Marks, and any copyrighted or Proprietary Information, under any conditions and to the extent that we, in our sole discretion, find it necessary to protect, promote or improve the Marks, the Proprietary Information, and the quality of the System in general.

c. If you grant us a power of attorney under this Franchise Agreement and to the extent that a special language or specific form is required in your state to ensure enforceability, you agree to execute a separate power of attorney in the form required to meet all legal requirements.

18.3 Delegation

From time to time, we have the right to and will delegate the performance of any portion or all of our obligations and duties hereunder to a third party who we approve to deliver such services and perform such duties, whether the same are agents of ours or independent contractors which we have contracted with to provide such services. You agree to any such delegation by us of any portion or all of its obligations and duties hereunder.

18.4 Review of Agreement

You acknowledge that you had a copy of the FDD in your possession for no less than 14 calendar days, during which time you had the opportunity to submit it for professional review and advice by Persons of your choosing.

18.5 No Waiver

A waiver by a Party of any condition or covenant contained in this Franchise Agreement is not a waiver in the future of the enforcement of such term, covenant, or condition, and the failure of a Party to exercise a right or remedy will not be considered or constitute a further waiver of the same or any other condition, covenant, right, or remedy.

18.6 No Right to Set Off or Third-Party Beneficiaries

a. You will not set off against amounts owed to us against any amount owed to you, and in any event, you will not withhold such amounts due to us because of any alleged nonperformance by us, which right of set-off you expressly waive.

b. Unless otherwise stated in this Franchise Agreement, all of our obligations under this Franchise Agreement are solely and exclusively for your and our benefit, and no other Person is entitled to rely on, enforce, benefit from, be deemed to be a third-party beneficiary, or otherwise obtain relief either directly or by subrogation.

18.7 Invalidity

If any provision of this Franchise Agreement is held invalid by the arbitrator, such provision will be modified to the least extent possible to eliminate the invalid element, and, as so modified, such provision will be part of this Franchise Agreement as though originally included. The remaining provisions of this Franchise Agreement will not be affected by such modification. If any provision cannot be modified, it will be stricken, and the rest of this Franchise Agreement will remain in full force and effect.

18.8 Notices

a. All notices relating to any breach of this Franchise Agreement (including those under Articles 6, 10, and 15) and all notices concerning the implementation of the alternative dispute resolution procedures must be given in writing and must be delivered by certified mail, return receipt requested, or by an overnight delivery service providing documentation of receipt, or by hand delivery at the address, either of us may designate from time to time and will be effective five days after being sent by certified mail with the proper postage and address or when received for (or when refused) if sent by overnight or hand delivery. A copy of all notices must also be sent to:

Corporon & Katz, LLC
Attention: Michael J. Katz
5231 S. Quebec Street, Suite 210
Greenwood Village, Colorado 80111

b. Communication other than relating to any breach of this Franchise Agreement or relating to the implementation of alternative dispute resolution may be given by email (which is effective when sent to the other Party at the correct email address) or by the means stated in subparagraph (a) of this Section.

18.9 Survival of Provisions and Independent Covenants

a. Any term, covenant, or condition of this Franchise Agreement that by its terms must extend beyond a Transfer or the termination or expiration of this Franchise Agreement to remain enforceable will continue in full force and effect after and notwithstanding a Transfer or the termination or expiration of this Franchise Agreement.

b. The Parties further agree that each covenant herein will be construed as independent of any other covenant or provision of this Franchise Agreement.

18.10- Force Majeure

Except for a Party's monetary obligations, which are due regardless of the language of this Section, and unless otherwise specifically stated in this Franchise Agreement, Force Majeure applies.

18.11 Time is of the Essence and Construction

a. In all matters pertaining to this Franchise Agreement, time is of the essence.

b. The headings are for the reader's convenience only and are not intended to be inclusive or exclusive of any term, covenant, or condition.

c. In reading this Franchise Agreement, the singular includes the plural, and the reference to one gender includes any other gender or a neutral gender.

d. The word “**including**” means “**including, but not limited to...**”. The word “**and**” and “**or**” will be inclusive to mean “**and/or**.”

e. Unless otherwise stated, a reference to “**days**” means calendar days. The counting of days will include weekends and all state and national holidays. If a notice is to be delivered and such notice requires the counting of days, such counting will begin on the first calendar day following the day that the notice was received, refused, or deemed to have been delivered under the terms of this Franchise Agreement.

f. This Franchise Agreement has been reviewed by the Parties and, to fairly accomplish the purposes and intentions of the Parties, will be construed and interpreted according to the ordinary meaning of the words used. The Parties intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

18.12 Guarantee

If you take ownership of the franchise other than as a natural Person during any Term, you and all equity owners must sign the Guaranty, attached as Exhibit 7. The Guarantors will be bound by all covenants of this Franchise Agreement, including all covenants in Articles 6 and 15. The Guarantee is one of payment and performance and not just of collection.

18.13 Acknowledgement

BEFORE SIGNING THIS FRANCHISE AGREEMENT, YOU SHOULD READ IT CAREFULLY WITH THE ASSISTANCE OF LEGAL COUNSEL. YOU ACKNOWLEDGE THAT:

BEFORE SIGNING THIS FRANCHISE AGREEMENT, YOU SHOULD READ IT CAREFULLY WITH THE ASSISTANCE OF LEGAL COUNSEL. YOU ACKNOWLEDGE THAT:

a. THE SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED HEREIN INVOLVES SUBSTANTIAL RISKS AND DEPENDS IN LARGE PART UPON YOUR ABILITY AS AN INDEPENDENT BUSINESSPERSON AND ITS ACTIVE PARTICIPATION IN THE DAILY AFFAIRS OF THE BUSINESS.

b. NO ASSURANCE OR WARRANTY, EXPRESS OR IMPLIED, HAS BEEN GIVEN AS TO THE POTENTIAL SUCCESS OF SUCH BUSINESS VENTURE OR THE EARNINGS LIKELY TO BE ACHIEVED.

c. YOU UNDERSTAND THAT IF YOU ARE NEVER ABLE TO OPERATE THE BUSINESS PROFITABLY, YOU COULD LOSE PART OR ALL OF YOUR INVESTMENT, PLUS ANY ADDITIONAL FUNDS THAT YOU CONTRIBUTE TO THE BUSINESS.

18.14 Recitals, State Specific Amendment, Closing Acknowledgement, Statement of Understanding, and Signatures

a. The Recitals are made part of this Franchise Agreement.

b. Further, you will review and sign the “**Closing Acknowledgment**” attached at Exhibit 8.

c. Some states require additional information or amendments to this Franchise Agreement. Please see Exhibit 6 to see if there is an amendment that affects your state.

d. This Franchise Agreement may be signed in any number of counterparts, all of which taken together form one original document. Signatures may be done electronically or manually. Facsimile or electronically signed and delivered documents shall be as effective as an original.

DONE AS OF THE EFFECTIVE DATE.

FRANCHISOR

FRANCHISEE

E1FC, LLC

by: _____

Member

date: _____

by: _____

its: _____

date: _____

INDIVIDUAL FRANCHISEES

print name

date: _____

print name _____

date: _____

EXHIBIT 1
INITIAL FRANCHISE FEE AND STATEMENT OF OWNERSHIP

INITIAL FRANCHISE FEE AND STATEMENT OF OWNERSHIP

Franchisee: _____

Trade Name (if different from above): _____

The Initial Franchise Fee (IFF) is: _____

Form of Ownership (Check One)

_____ Individual _____ Partnership _____ Corporation _____ limited liability business entity

If you are a partnership, provide each partner’s name and address showing the percentage owned, whether active in management and indicate the state where the partnership was formed.

If you are a limited liability business entity, provide the name and address of each equity-interest holder, Member, and Manager, showing the percentage owned, and indicate the state where the limited liability business entity was formed.

If you are a corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list every shareholder’s name and address, showing what percentage of stock each owns.

Franchisee acknowledges that this Statement of Ownership applies to the Business authorized under this Agreement.

Use additional sheets if necessary. All changes to the above information must be reported to the Franchisor in writing.

FRANCHISOR

FRANCHISEE

E1FC, LLC

by: _____

by: _____

Member

its: _____

date: _____

date: _____

IF FRANCHISEE IS/ARE INDIVIDUAL(S)

Signature _____

Signature: _____

Name: _____

Name: _____

Date: _____

Date: _____

EXHIBIT 2
PROTECTED TERRITORY AND FRANCHISED LOCATION

PROTECTED TERRITORY AND FRANCHISED LOCATION

1. The business address (Franchised Location) for any notices mailed under the Franchise Agreement shall be:

_____.

2. Protected Territory. The Franchisee’s Protected Territory is described as follows:

Fully executed this _____ day of _____, 20__

FRANCHISOR

FRANCHISEE

E1FC, LLC

by: _____
Member

by: _____
its: _____

date: _____

date: _____

IF FRANCHISEE IS/ARE INDIVIDUAL(S)

Signature _____
Name: _____
Date: _____

Signature: _____
Name: _____
Date: _____

EXHIBIT 3
RELEASE FOR CRIMINAL AND CREDIT CHECK

CREDIT AND CRIMINAL BACKGROUND CHECK RELEASE FORM

I understand that an initial and ongoing credit and criminal background check is a condition of being considered as a franchise candidate (and franchisee) of E1FC, LLC (EFL)

I consent to EFL obtaining my criminal conviction history from any law enforcement agency, criminal background service provider, municipality, state, or the FBI. I understand that EFL will obtain this information when I apply to become a franchisee and during the term of my franchise agreement. As received from the reporting entity, the criminal history record may include, but not be limited to, arrest and conviction data, plea bargains, deferred adjudication, and social security verification. It may also include information regarding driving history. I understand that I will have a limited opportunity to review the criminal history, and a process is available for clarification if I dispute the record as received.

I further consent to EFL obtaining my credit history from all three credit-reporting agencies. I understand that EFL will obtain this information when I apply to become a franchisee and during the term of my franchise agreement.

I release and agree to indemnify EFL and its officers, directors, employees, and agents harmless from and against all liability, expense (including court cost and attorneys’ fees), and claims for damage of any nature whatsoever resulting from the investigation of my background in connection with my application to become, and ongoing performance as a franchisee.

I certify that the information provided in this form is true and complete. I understand that false or misleading information given in my application to purchase a franchise, any subsequent written documents, any interview(s), any other documents given to EFL, or on this form will render my application void and will result in my not being able to purchase a franchise or may result in the termination of my franchise. I authorize you to make a criminal background investigation and other such investigations as necessary to determine my eligibility to purchase a franchise or retain my rights as a franchisee.

I further understand and agree if any criminal or credit background checks are done during the term of the franchise agreement, and if the check discloses any material change in my status, the same may result in the termination of my franchise.

Initials

Notwithstanding the preceding, any misuse by Franchisor of any information obtained during such background check that results in damage or injury to the below-signed shall permit the below-signed such rights as may be available.

EFL will keep this form on file for the term of my franchise agreement and for 24 months following its termination for any reason.

DATE: _____

PRINTED NAME: _____
FIRST MIDDLE LAST

SIGNATURE: _____

DATE OF BIRTH: _____

**SOCIAL SECURITY
NO.:** _____

ADDRESS: _____

**DRIVER'S LICENSE
STATE AND NO.:** _____

GENDER: _____

EXHIBIT 4
GENERAL RELEASE

GENERAL RELEASE

This General Release (**Release**) is made this ____ day of _____, 20__, by and between E1FC Franchising, LLC, an Ohio limited liability company (**Franchisor**), _____ (**Franchisee**), and _____ (**Guarantor**). Franchisor, Franchisee, and Guarantor may sometimes be referred to as a “Party” or jointly as the “Parties.” All capitalized terms not defined here have the meaning set forth in the Franchise Agreement.

RECITALS

Franchisor and Franchisee entered into that certain franchise agreement dated _____ (**Franchise Agreement**), for which the Guarantor has agreed to guarantee the payment and performance of the Franchisee under the Franchise Agreement.

Franchisee desires to take some action (or make some amendment) to the Franchise Agreement or desires for the Franchisor to take any action for which a General Release is called for in the Franchise Agreement or is required by Franchisor as part of such action and as a material inducement to the Franchisor approving the same, Franchisee and Guarantor have each agreed to provide this Release;

NOW, THEREFORE, for and in consideration of the mutual covenants found herein, for that consideration stated below, and for other good and valuable consideration, the adequacy of which is admitted by all parties hereto, it is agreed as follows:

COVENANTS

1. Franchisee, for and on behalf of itself, its officers, directors, shareholders, and employees, and on behalf of any corporation or subsidiary, business entity, successor, assignee, and their officers, directors, shareholders, and employees, (**Franchisee Parties**) and Guarantor for themselves and for and on behalf of its family members and for and in consideration of: the Franchisor granting to the Franchisee the right to do the following; _____; and for other good and valuable consideration, all of which is deemed adequate by all Parties hereto, do each (personally, jointly and severally) from the beginning of time to the Effective Date of this Release, release, indemnify, and forever forgive and discharge Franchisor and Franchisor’s officers, directors, shareholders, agents and employees (**Franchisor Parties**), from any and all: equitable or legal claims; claims sounding in federal law or state statute; causes of action; complaints; direct, indirect, punitive or consequential damages; judgments; business losses; awards; injury, or any other right or action whether known or unknown, liquidated or unliquidated, fixed, contingent, direct or indirect, foreseeable or unforeseeable, matured or unmatured, absolute or contingent, determined or determinable, (separately and together a “**Claim**” or the “**Claims**”) that relate in any way to, (i) the manner and method by which Franchisor delivered the FDD to Franchisee, and Guarantor; (ii) the content, or lack of content of the FDD (as such content may have been required by any applicable state or federal law); (iii) the performance or failure of performance of Franchisor or Franchisor Parties in reference to any federal-required or state-required disclosure obligations and requirements; (iv) any oral, written, express or implied promises, statements, disclosures and the like relating in any way to the Franchise Agreement or the franchise relationship between the Franchisor and Franchisor Parties, Franchisee, Guarantor and the Franchisee Parties; (v) the performance or the failure to perform of Franchisor or any Franchisor Party under this Franchise Agreement; (vi) the performance or failure to perform of Franchisor or any Franchisor Party under any other oral or written, express or implied agreement, covenant, or document whether or not found in the Franchise Agreement; and, (vii) any other

Claim sounding in equity or law. Notwithstanding the preceding, nothing in this Release is intended to disclaim any representations made in the Franchise Disclosure Document.

2. Franchisee for itself and on behalf of the Franchisee Parties and Guarantor each agree and expressly state that this Release was made in contemplation of not only known Claims and the consequences thereof but also in contemplation of the possibility that each such Party identified in this paragraph may or will sustain future damages presently unknown to them and which accrued on or before the Effective Date of this Release but which were not asserted until after that date. By executing this Release Franchisee for itself and on behalf of the Franchisee Parties and Guarantor intend to release Franchisor and the Franchisor Parties, jointly and severally from liability for all known, unknown, and unforeseen Claims, losses, expenses, damages, costs, liabilities, business losses, and the consequences thereof.

3. Franchisee for itself and on behalf of the Franchisee Parties and Guarantor each assume all risk that the facts and law may be, or may become, different from the facts and law as known to them or believed to be known by them as of the date of this Release, and each agrees that if the execution of this Release was made based on mistake (mutual or unilateral) that each will forever waive any right to claim that entering into this Release resulted from a mistake of any kind, thereby waiving all claims based upon the doctrine of mistake.

4. Franchisee for itself and on behalf of the Franchisee Parties and Guarantor deliver this Release with the intent that Franchisor relies on it. Should any condition, covenant, or clause herein be considered to be unenforceable, the arbitrator under the Franchise Agreement will be permitted to amend the Release to the least extent possible to form an enforceable covenant, or if such amendment cannot be fashioned then to excise the offending clause, covenant, or condition to form an enforceable Release, which shall be binding upon the Parties to the fullest extent permissible.

5. Notwithstanding the terms of this Release, nothing herein relieves any Party of the obligation to maintain the confidentiality of the Proprietary Information or any component of the System. The terms of this Release are and will remain confidential and will not be disclosed by any Party, except as required by legal process, except as required to be disclosed in Franchisor's Franchise Disclosure Document.

6. In the event of a dispute concerning this Release, the Parties agree that the alternative dispute resolution provisions of the Franchise Agreement found at Article 16 are incorporated herein by this reference as if fully set forth here.

7. If any mandatory provisions of the governing state law limit or prohibit the use of this Release, or which in any manner impose different rights or obligations as are found herein, then such mandatory provisions of state law shall be deemed incorporated in the Franchise Agreement and this Release by reference and shall prevail over any inconsistent terms in this Release. If no such law exists, or if such law exists but permits the Franchisee to agree to abide by the terms of this Release, or if by accepting the alternative dispute resolution covenants of the Franchise Agreement found at Article 16, the state law is preempted by the federal law applicable to such dispute resolution, then the Franchisee, the Franchisee Parties, and the Guarantor each agree to abide by the terms of this Release. Notwithstanding the foregoing, claims arising from representations in the FDD are excluded from this release.

8. Notwithstanding anything herein to the contrary:

a. Release of Unknown Claims and Waiver of California Law. The Franchisee, Franchisee Parties, and Guarantors acknowledge that they are aware and informed that the laws of California may purport to limit or reduce the effect of a general release concerning claims not know or suspected by them at the time of execution of the release, such as Section 1542 of the Civil Code of the State of California which provides that:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release which, if known by him, must have materially affected their settlement with the debtor.”

Franchisee, Franchisee Parties, and each Guarantor waives and relinquishes every right or benefit which they have, or may have, under Section 1542 of the Civil Code of the State of California and any similar provisions of any other law (as may apply to this Release), to the fullest extent that the Franchisee, Franchisee Parties, and Guarantors, may lawfully waive such right or benefit pertaining to the subject matter of this Release. In connection with such waiver and relinquishment concerning any released claims, the Franchisee, Franchisee Parties, and Guarantors each acknowledge that they are aware and informed that they may hereafter discover facts in addition to or different from those that they now know or believe to be true concerning the subject matter of this Release, but that it is the Franchisee’s, Franchisee Party’s, and Guarantor’s intention to settle and release fully, finally and forever, all claims, disputes, and differences, known or unknown, suspected or unsuspected, which now exist, may exist or previously existed, and in furtherance of such intention, the release given herein shall be and remain in effect as a complete release, notwithstanding the discovery or existence of any such additional or different facts that would have affected the release of all Released Claims. Franchisee and each Franchise Party and Guarantor agree to defend and indemnify Franchisor from all claims arising out of, directly or indirectly, the assertion by you, each Franchisee Party, and each Guarantor (or any Person by, through, or on their behalf) of any Released Claims, positions, defenses, or arguments contrary to this Section 6(a) above.

b. Release of Unknown Claims and Waiver of South Dakota Law. The Franchisee and each Franchisee Party and Guarantor acknowledge that each is aware and informed that the laws of South Dakota may purport to limit or reduce the effect of a general release concerning claims not known or suspected by them at the time of execution of the release, such as South Dakota Codified Laws§ 20-7-11, which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which, if known by them, must have materially affected his settlement with the debtor.”

Franchisee and each Franchisee Party and Guarantor waive and relinquish every right or benefit which they have, or may have, under § 20-7-11 of the South Dakota Codified Laws, and any similar provisions of any other law (as may apply to this Release), to the fullest extent that they may lawfully waive such right or benefit concerning the subject matter of this Release. In connection with such waiver and relinquishment, with respect to any released claims, Franchisee and each Franchisee Party and Guarantor acknowledge that they are aware and informed that they may hereafter discover facts in addition to or different from those that Franchisee and each Franchisee Party and Guarantor now know or believe to be true concerning the subject matter of this Release, but that they intend to settle and release fully, finally and forever, all Released Claims, disputes, and differences, known or unknown, suspected or unsuspected, which now exist, may exist or previously existed. In furtherance of such intention, the release given herein shall be and remain in effect as a complete release, notwithstanding the discovery or existence of any such additional or different facts that would have affected the release of all Released Claims. Franchisee and

each Franchisee Party and Guarantor agree to defend and indemnify the Franchisor and the Franchisor Affiliates from all Released Claims arising out of, directly or indirectly, the assertion by the Franchisee and the Franchisee Affiliates (or any person or entity by, through, or on behalf of Releasor) of any Released Claims, positions, defenses, or arguments contrary to this Section I(b) of this Release.

9. **Additional Provisions**

a. Each Party represents that the execution and delivery of this Release is the duly authorized and binding act of such Party.

b. The Recitals are incorporated herein by this reference.

c. This Release shall be interpreted under the laws of the state where our headquarters is located on the Effective Date of this Release without regard to any conflict of laws provision to the contrary. Enforcement of this Release is to be under the alternative dispute resolution provisions of the Franchise Agreement found at Article 16 as though such Article was incorporated in its entirety herein.

d. Each Party shall fully cooperate with all other Parties concerning the performance of this Release. Each Party will execute, acknowledge and deliver such further documents that may reasonably be required to perform this Release effectively and evidence the release of all obligations and liabilities of the Parties as more fully stated herein.

e. This Release may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which together will constitute the same instrument, without the necessity of production of the others. An executed signature page delivered via facsimile transmission or electronic signature shall be deemed as effective as an original executed signature page.

DONE AS OF THE EFFECTIVE DATE

FRANCHISOR

FRANCHISEE

E1FC, LLC

by: _____
 Member
 date: _____

by: _____
 its: _____
 date: _____

IF FRANCHISEE IS/ARE INDIVIDUAL(S)

Signature: _____
 Name: _____
 Date: _____

Signature: _____
 Name: _____
 Date: _____

GUARANTORS

Signature: _____
 Print Name: _____
 Date: _____

Signature: _____
 Print Name: _____
 Date: _____

EXHIBIT 5
COLLATERAL ASSIGNMENT OF CONTACT AND ELECTRONIC INFORMATION

COLLATERAL ASSIGNMENT OF CONTACT AND ELECTRONIC INFORMATION

This Collateral Assignment of Contact and Electronic Information (**Agreement**) is made as of the date that all Parties sign this Agreement (**Effective Date**) between EIFC, LLC (**Franchisor**) and _____ (**Franchisee**). Any capitalized term not defined herein has the meaning set forth in the Franchise Agreement;

RECITALS

The Parties executed a “Franchise Agreement” on _____, 20__, in which the Franchisee agreed that upon the Transfer, expiration, or earlier termination of the Franchise Agreement, the Franchisor would own the right, title, and interest in and to all contact and electronic information relating to the Franchisee’s Business;

NOW THEREFORE, for and in consideration of the covenants found in the Franchise Agreement and for other good and valuable consideration, the adequacy of which is admitted by all parties hereto, it is agreed as follows:

COVENANTS

1. Franchisee acknowledges that, as between Franchisor, Franchisee, the public, and any other Person, the Franchisor solely owns the right, title, and interest in all telephone, telecopy, or facsimile machine numbers, directory listings, URL’s web page identifiers, blogs, vlogs, email addresses, and social network addresses (including Twitter and Facebook), that are associated with any Mark and Franchisee assigns to Franchisor all of Franchisee’s right, title, and interest to the same.

2. To the extent necessary to enforce this Agreement, Franchisee appoints Franchisor and any of its officers, as Franchisee’s attorney-in-fact (coupled with an interest,) to direct the telephone company, all telephone directory publishers, any electronic transfer agency, any URL or webpage host, and any other electronic business, company, transfer agent, host, webmaster, and the like to transfer to the Franchisor all telephone, facsimile machine numbers, and directory listings, and all electronic listings, web pages, social network pages or identities (including Twitter and FaceBook), URL’s, blogs, vlogs, “handles”, email addresses and the like that are owned by Franchisee or that relate to the Franchisee’s Franchised Business, and any party named herein may accept such direction under this Agreement as conclusive of Franchisor’s exclusive rights in and to such information, site, URL, electronic media, telephone numbers, directory listings and the like and Franchisor’s authority to direct their transfer. To the extent that any Person identified above or the law of the state in which such Person is located requires special language to enforce the Franchisor’s rights as the attorney-in-fact or requires a special form, Franchisee will execute such additional form or will add such language to this Agreement.

3. This Agreement is only effective when the Franchise Agreement expires, is terminated, or when Franchisee has Transferred any interest and only then if the Franchisee fails or refuses to make the necessary assignments as contemplated by this Agreement.

4. The Recitals are incorporated into this Agreement by this reference.

Done as of the Effective Date.

FRANCHISOR

FRANCHISEE

E1FC, LLC

by: _____

Member

by: _____

its: _____

date: _____

date: _____

IF FRANCHISEE IS/ARE INDIVIDUAL(S)

Signature _____

Name: _____

Date: _____

Signature: _____

Name: _____

Date: _____

**EXHIBIT 6
STATE ADDENDA**

NONE

**EXHIBIT 7
GUARANTY**

GUARANTEE OF FRANCHISEE'S OBLIGATIONS

This Guarantee of Franchisee's Obligations (**Guarantee**) is entered into as of the date each Party has signed and dated this Guarantee (Effective Date), between EIFC, LLC (**Franchisor**), _____ (**Franchisee**) and _____, and _____ (jointly and severally known as "**Guarantor(s)**"). Franchisor, Franchisee, and Guarantors may be referred to as a "Party" or as the "Parties." Any capitalized term not defined here will have the meaning given to it in the Franchise Agreement.

RECITALS

Franchisee signed a franchise agreement with Franchisor on the ____ day of _____, 20__ (**Franchise Agreement**). As an inducement to the Franchisor for granting franchise rights to the Franchisor, the Guarantor(s) agreed to guarantee Franchisee's performance under the Franchise Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants found herein and for other good and valuable consideration, which consideration is deemed to be adequate by all parties, each of the undersigned personally and unconditionally agrees to the following:

COVENANTS

1. Guarantor(s) guarantee for the Term of the Franchise Agreement that Franchisee will timely pay any amount required by the Franchise Agreement and will perform every undertaking, agreement, and covenant under the Franchise Agreement and any addenda or Exhibits attached to it as each may be amended or renewed.

2. Guarantor(s) also agrees to be personally bound by every term, covenant, and condition of the Franchise Agreement, as amended or renewed, and agree to be personally liable for the breach of and cure of every breach of any term, covenant, or condition of the Franchise Agreement. Guarantor(s) agree that this Guarantee is one of payment and performance, not just collection.

3. By signing this Guarantee, each Guarantor further agrees that each shall also be subject to all covenants in the Franchise Agreement, including all covenants of Articles 6, 14, 15, and 16 and those that by their terms survive the Transfer, expiration, or termination of the Franchise Agreement.

4. As part of the inducement given to Franchisor by the Guarantor(s) to permit the Franchisee to enter into the Franchise Agreement, the Guarantor(s) further agree to waive the following,

- a. acceptance or notice of acceptance;
- b. notice of demand for payment of any indebtedness or notice of any nonperformance of any obligations;
- c. protest and a notice of default concerning the indebtedness or nonperformance of any obligations guaranteed;
- d. any right Guarantor may have to require that any action be first brought against Franchisee or any other person or entity as a condition of liability; and

e. all other notices and legal or equitable defenses to which Guarantor may be entitled.

5. Guarantor(s) further consent and agrees that:

a. Guarantor(s) is directly and immediately liable under this Guarantee, and if signed by more than one Person, such liability is joint and several;

b. Guarantor(s) shall render any payment or performance required under the Franchise Agreement upon demand of Franchisor if Franchisee fails or refuses punctually to do so;

c. Guarantor(s) performance shall not be contingent or conditioned upon the pursuit of any remedies against Franchisee or any other person;

d. Guarantor(s) liability shall not be diminished, relieved, or otherwise affected by an extension of time, credit, or another indulgence, including the acceptance of any partial payment or performance, or the compromise or release of any claims which Franchisor may from time to time grant to Franchisee or any other person, none of which shall in any way modify or amend this Guarantee, which shall be continuing and irrevocable during the term of the Franchise Agreement, including renewals thereof;

e. this Guarantee will be continuing and irrevocable during the term of the Franchise Agreement, including renewals thereof; and,

f. Franchisor's rights under this Guarantee will not be exhausted by any action of Franchisor until all of the terms, covenants, and conditions of the Franchise Agreement have been met.

6. Guarantor waives all of the following, whether created or imposed by or under statute, common law or otherwise,

a. any right to require Franchisor to proceed against Franchisee or any other person or any security now or hereafter held by Franchisor or to pursue any other remedy whatsoever;

b. any defense based upon any legal disability of Franchisee or any Guarantor, or any discharge or limitation of the liability of Franchisee or any Guarantor to Franchisor, or any restraint or stay applicable to actions against Franchisee or any other Guarantor, whether such disability, discharge, limitation, restraint or stay is consensual, or by order of a court or other Governmental Authority, or arising by operation of law or any liquidation, reorganization, receivership, bankruptcy, insolvency or debtor-relief proceeding, or from any other cause;

c. all setoffs, counterclaims, presentment, demand, protest, or notice of any kind, except for any notice which may be expressly required by the provisions of this Guarantee.

d. any defense based upon the modification, renewal, extension, or other alteration of the obligations under the Franchise Agreement or of the documents executed in connection with it;

e. any defense based upon the negligence of Franchisor, including the failure to file a claim in any bankruptcy of the Franchisee or any guarantor;

f. all rights of subrogation, reimbursement, and indemnity;

g. any defense based upon or related to Guarantor's lack of knowledge as to Franchisee's financial condition;

h. all rights to revoke this Guarantee in whole or in part;

i. any defense based upon any action taken or omitted by Franchisor in any bankruptcy or other insolvency proceeding involving Franchisee; and,

j. all rights and defenses arising out of an election of remedies by Franchisor, even though that election of remedies impairs or destroys Guarantor's right of subrogation or reimbursement against Franchisee.

7. Guarantor agrees to pay upon Franchisor's demand, Franchisor's reasonable out-of-pocket costs and expenses, including to attorneys' fees, costs, and disbursements, incurred to collect or enforce any of the terms, covenants, or conditions of the Franchise Agreement, or this Guarantee, regardless whether any lawsuit is filed.

8. Guarantor, and each of the persons or entities executing this Guarantee as Guarantor individually, makes the following representations and warranties, which are deemed to be continuing representations and warranties until payment and performance in full of terms, covenants, and conditions of the Franchise Agreement:

a. Guarantor has all the requisite power and authority to execute, deliver, and be legally bound by this Guarantee on the terms and conditions herein stated;

b. this Guarantee constitutes the legal, valid, and binding obligations of Guarantor enforceable against Guarantor under its terms;

c. the execution and delivery of this Guarantee and the consummation of the transaction contemplated here will not, with or without notice or lapse of time: (i) constitute a breach of any of the terms and provisions of any note, contract, document, agreement, or undertaking, whether written or oral, to which Guarantor is a party or to which Guarantor's property is subject; (ii) accelerate or constitute any event entitling the holder of any indebtedness of Guarantor to accelerate the maturity of any such indebtedness; (iii) conflict with or result in a breach of any writ, order, injunction or decree against Guarantor of any court or Governmental Authority; or (iv) conflict with or be prohibited by any Applicable Law;

d. No consent of any other person is required in connection with the valid execution, delivery, or performance by Guarantor of this Guarantee; and,

e. this Guarantee and any other statement furnished by Guarantor to Franchisor contain no untrue statements of a material fact or omit a material fact necessary to make the statements contained herein or therein true and not misleading.

9. Each Guarantor understands and agrees that each is bound by the Dispute Resolution covenants of the Franchise Agreement found at Article 16, which are incorporated herein by this reference as if fully set forth here.

10. The Recitals are incorporated by this reference.

DONE AS OF THE EFFECTIVE DATE.

FRANCHISOR

FRANCHISEE

E1FC, LLC

by: _____
Member
date: _____

by: _____
its: _____
date: _____

INDIVIDUAL FRANCHISEES

Signature _____
Name: _____
Date: _____

Signature: _____
Name: _____
Date: _____

GUARANTOR(S)

Print Name: _____
date: _____

Print Name: _____
date: _____

EXHIBIT 8
CLOSING ACKNOWLEDGEMENTS

CLOSING ACKNOWLEDGEMENT

Franchisee Name: _____
Address: _____
Telephone: _____
Today's Date: _____

PLEASE RESPOND TO EACH PARAGRAPH. IN RESPONDING, PLEASE STATE WHETHER THE STATEMENT IS TRUE OR FALSE AND PROVIDE ANY OTHER INFORMATION THAT IS IMPORTANT TO YOU

A. GENERAL QUESTIONS

- 1. The date I received the Franchise Disclosure Document (FDD) from Franchisor. _____
- 2. The earliest date I signed the Franchise Agreement or any other binding document (not including the Receipt). _____
- 3. The earliest date I delivered cash, check, or consideration to the franchise marketing representative or any other person. _____
- 4. Did you initiate negotiations about the Franchise Agreement with the Franchisor? Yes _____ No _____. If yes, what was that date? _____

B. REPRESENTATIONS

PLEASE RESPOND TO EACH PARAGRAPH. IN RESPONDING, PLEASE STATE WHETHER THE STATEMENT IS TRUE OR FALSE AND PROVIDE ANY OTHER INFORMATION IMPORTANT TO YOU.

1. I had an opportunity to review the FDD and other agreements attached to the disclosure document and understand the terms, conditions, and obligations of these agreements.

Yes No

_____ Initials

2. I had an opportunity to seek professional advice regarding the FDD, the Franchise Agreement, and all matters concerning my purchase.

Yes No

_____ Initials

3. Except as specifically written in the Franchise Agreement, no promises, agreements, contracts, commitments, representations, understandings, "side deals" or otherwise have been

made to or with me concerning any matter, including any representations or promises regarding advertising, marketing, operational assistance or other services.

Agree

Disagree

Initials

4. No oral, written, or visual claim or representation, promise, agreement, contract, commitment, representation, understanding, or otherwise contradicted by or inconsistent with the disclosure document or the Franchise Agreement was made to me.

Agree

Disagree

Initials

5. Except as specifically stated in Item 19 of the disclosure document, no oral, written, visual, or other claim or representations were made that stated or suggested any sales, income, expense, profits, cash flow, tax effects, or otherwise was made to me by any person or entity representing the Franchisor; or if made, I did not rely on the same when making my decision to purchase this business.

Agree

Disagree

Initials

6. I have adequate working capital to develop, open, and operate my Franchised Business.

Agree

Disagree

Initials

7. I understand that my investment in this business includes substantial business risks, and there is no guarantee that it will be profitable.

Agree

Disagree

Initials

8. I acknowledge that my Business's success depends largely on my ability as an independent businessperson and my active participation in the day-to-day operation of the Business.

Agree

Disagree

Initials

C. STATEMENTS OF THE FRANCHISOR

THE PARAGRAPHS BELOW ARE THE POLICIES OF THE FRANCHISOR. IF ANY IS UNTRUE OR IS CONTRADICTED BY YOUR EXPERIENCE, PLEASE PROVIDE AN EXPLANATION.

1. The Franchisor does not permit any employee, salesperson, officer, director, or another individual to make or endorse any representations, warranties, projections, or disclosures of any type relating to the financial success of the franchise business and, except as specifically stated in Item 19, or by you at the line below, no information as to sales, income, expenses, profits, cash flows, tax consequences or otherwise have been given to the Franchisee. *If any such representations have been made to you by any person in the Franchisor's employ, please state so below and immediately inform the President or Chief Officer of the Franchisor.*

Initials

2. The Franchisor does not permit any employee, salesperson, officer, director, or other management personnel to project any results that a franchisee can expect in the Business's operation. If any such representations have been made to you by any person, please state so below and immediately inform the President or Chief Officer of the Franchisor.

Initials

3. The Franchisor does not permit any promises, agreements, contracts, commitments, representations, understandings, "side deals," or variations or changes in or supplements to the Franchise Agreement unless they are included in a written addendum signed by you and the Franchisor. *If any such deals or changes have been made or promised, please state so below and immediately inform the President or Chief Officer of the Franchisor.*

Initials

I have completed this Closing Acknowledgement and have disclosed any information contrary to any printed statement or provided any other information I deem important. I understand that my answers are part of the Franchisor's material determination in granting franchise rights and that their reliance on the same is fair, reasonable, and expected of me.

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.

DONE AS OF THE DATE FOUND BELOW

FRANCHISOR

FRANCHISEE

E1FC, LLC

by: _____

Member

by: _____

its: _____

date: _____

date: _____

INDIVIDUAL FRANCHISEE

Signature _____

Name: _____

Date: _____

Signature: _____

Name: _____

Date: _____

**EXHIBIT C
TABLE OF CONTENTS
FOR THE OPERATIONS MANUAL**

E1FC LLC

Eagle One Franchise Operations Manual

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Engage . Evolve . Elevate .

Eagle One Franchise Operations Manual

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CURRENT FRANCHISEES AND
FRANCHISEES THAT HAVE LEFT THE SYSTEM

**CURRENT FRANCHISEES
December 31, 2022**

NONE

FRANCHISEES THAT HAVE LEFT THE SYSTEM - December 31, 2022

NONE

TRANSFEREES - December 31, 2022

NONE

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

EXHIBIT E
TRADEMARK-SPECIFIC FRANCHISEE ASSOCIATIONS AND
INDEPENDENT FRANCHISEE ASSOCIATIONS

NONE

**EXHIBIT F
STATE ADDENDA TO
FRANCHISE DISCLOSURE DOCUMENT**

NONE

EXHIBIT G
FINANCIAL STATEMENTS

E1FC LLC
Balance
Sheet
As of December
31, 2022

	Dec 31, 22
ASSETS	
Current Assets	
Checking/Savings	
Checking Account	25,000.00
Total Checking/Savings	<u>25,000.00</u>
Total Current Assets	<u>25,000.00</u>
TOTAL ASSETS	<u>25,000.00</u>
LIABILITIES & EQUITY	
Equity	
Owners' Investment	25,000.00
Total Equity	<u>25,000.00</u>
TOTAL LIABILITIES & EQUITY	<u>25,000.00</u>

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**EXHIBIT H
RECEIPTS**

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If E1FC, LLC offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement or make a payment to us or an Affiliate in connection with the proposed franchise sale.

New York and Rhode Island law requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If E1FC, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the New York State Department of Law, 120 Broadway, 23rd floor, New York, N.Y. 10271, and the appropriate state agency identified on Exhibit A.

Date of Issuance: March 7, 2023

The Franchisor is E1FC, LLC, 6355 E. Kemper Rd., Suite C, Cincinnati, OH 45241.

The franchise seller for this offering is Mike Hutzel, 6355 E. Kemper Rd., Suite C, Cincinnati, OH 45241, Ohio 80111, 513-847-0140

E1FC, LLC authorizes the respective state agencies identified in Exhibit A to receive services of process for it in the particular state.

I have received a disclosure document dated March 7, 2023, that included the following Exhibits:

- Exhibit A. List of State Agencies/Agents for Service of Process
- Exhibit B. Franchise Agreement
- Exhibit C. Table of Contents
- Exhibit D. Current Franchisees and Franchisees that Have Left the System
- Exhibit E. Trademark Specific Franchisee Associations and Independent Franchisee Associations
- Exhibit F. State Specific Addenda
- Exhibit G. Financial Statements
- Exhibit H. Application
- Exhibit I. Receipts

Prospective Franchisee

Date Signed

You should return one copy of the signed receipt by signing, dating, and either delivering it by electronic signature software or mailing it to E1FC, LLC, 6355 E. Kemper Rd., Suite C, Cincinnati, OH 45241.

KEEP ONE COPY FOR YOUR RECORDS

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

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Prospective Franchisee

Date Signed

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RETURN TO FRANCHISOR