

# FRANCHISE DISCLOSURE DOCUMENT



Relive Franchising LLC  
a Florida limited liability company  
838 SW Federal Highway  
Stuart, Florida 34994  
(772) 631-7266

This disclosure describes a franchise for a community medical clinic that specializes in providing various anti-aging options to include Hormone Optimization Therapy, various IV vitamin infusions, Vitamin booster shots, Ozone Therapy, various Med Spa services, medical aesthetics and other such options that promote a healthy lifestyle.

The total investment necessary to begin such an operation of a Relive clinic ranges from \$533,000 to \$879,000. This includes \$75,000 that must be paid to the franchisor or its affiliate(s).

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

You may wish to receive your disclosure in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Margaret Lai, Esq., Relive HQ, 838 SW Federal Highway, Stuart, Florida 34994, email: [margaret.lai@relivehealth.com](mailto:margaret.lai@relivehealth.com).

The terms of the franchise agreement will govern your franchise relationship. Do not rely on the disclosure document alone to understand your franchise agreement. Read your franchise agreement carefully. Utilize an advisor, such as an accountant or attorney, to assist in the review process.

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 the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: April 30, 2023, as amended July 21, 2023 and December 20, 2023

## How to Use This Franchise Disclosure Document

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

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

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

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

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

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

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

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

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

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

### Some States Require Registration

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

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

## Special Risks to Consider About This Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Florida, where the franchisor's principal place of business is located. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Florida than in your own state.
2. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
3. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
4. **Unregistered Trademark**. The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

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

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

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

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

party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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 option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan  
Department of Attorney General  
CONSUMER PROTECTION DIVISION  
Attention: Franchise Section  
G. Mennen Williams Building, 1<sup>st</sup> Floor  
525 West Ottawa Street  
Lansing, Michigan 48913  
Telephone Number: (517) 373-7117

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## ITEM 1 FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, “we,” “us” and “the Company” mean Relive Franchising LLC - the franchisor. “You” means the person who buys a Relive Clinic franchise - the franchisee, and includes your partners if you are a partnership, your shareholders if you are a corporation, and your members if you are a limited liability company.

For purposes of this Disclosure Document, a “Clinic” refers to any clinic that we authorize to operate under our Marks and use our System (as such terms are defined below), including any Clinic operated by us, our affiliate, you, or another franchisee.

### The Franchisor

Relive Franchising LLC is a limited liability company that was previously named R3VIVE FRANCHISE LLC, which was organized on April 17, 2020 in the State of Florida. We filed Articles of Amendment to Articles of Organization of R3VIVE FRANCHISE LLC with the State of Florida on April 5, 2023 changing our name to Relive Franchising LLC. We are the franchisor of the franchise program described in this franchise disclosure document. We began franchising under the name R3VIVE FRANCHISE LLC on April 23, 2020. Our principal office is located at 838 SW Federal Highway, Stuart, Florida 34994. We conduct business under the name and mark “Relive Health and Relive.” We do not do business under any other name.

We have also offered franchises for Area Representative Businesses since April 23, 2020. As of December 31, 2022, there is 1 open franchise for an Area Representative Business, and 12 franchises for Area Representative Businesses have been sold but are not yet opened. The franchisee that is granted the right to operate an Area Representative Business is referred to as an “Area Representative.” Note that the term “Area Representative” as used in this Disclosure Document has the same definition and meaning as an “Area Representative” under the NASAA Multi-Unit Commentary adopted in September 2014. Area Representative Businesses are offered under a separate disclosure document.

Area Representatives have a continuing right to solicit potential purchasers for franchises in a defined territory. Area Representatives also provide development and ongoing franchise support services to the franchises within a defined territory. However, Area Representatives do not have any management responsibility relating to the sale or operation of franchises. Depending on your area, you may have an existing Area Developer that assists us with your Clinic. If your Clinic is located in an area where we have an Area Developer, the Area Developer will provide, on our behalf, certain franchise sales and support services to you.

Our affiliate, Pro Performance Anti Aging and Pharmaceutical Supplementation LLC opened the first Clinic in Stuart FL in 2017. Affiliated entities currently own and operate two of the businesses of the type being franchised. We are not in any line of business other than the sale of the type of franchise offered under this franchise disclosure document and Area Representative Businesses. Attachment B lists the Agents for Service of Process in various states where the Agents are required.

The franchise being offered is a franchise for a community medical clinic that specializes in providing various anti-aging options to include Hormone Optimization Therapy, various Vitamin IV infusions, Vitamin booster shots, various Med Spa services and medical aesthetics and other such options that promote a healthy lifestyle. The market for the services offered by the Clinics, as defined herein, is an emerging market that is competitive with other types of facilities promoting a healthy lifestyle.



We operate and grant licenses for the operation of Relive Clinics (the “Clinics”). The Clinics feature various services in the support of anti-aging, to include vitamin IV infusions/hydration, vitamin booster shots, Hormone Optimization, stem cell therapy, Med Spa services, and medical aesthetics (collectively, the “Products”). We started selling franchises as of the date of issuance of this disclosure document. You must operate your Clinic(s) under our business and operating procedures which are described in our operational documentation (the “Manuals”). You (individuals, partnerships, limited liability companies, corporations, and the owners of partnerships, limited liability companies, and corporations will be referred to as “you”) must also operate your Clinic(s) under our trademarks, service marks, and trade dress, including an associated logo and such other trademarks, service marks, and trade dress which we may adopt (the “Marks”) and our distinctive image, designs, business formats, methods, equipment, procedures, and specifications (the “System”).

#### Our Parents

We do not have any parents.

#### Our Predecessors

We do not have any predecessors.

#### Our Affiliates

Our affiliates which own and operate Clinics are Pro Performance Anti Aging and Pharmaceutical Supplementation LLC, operating at 828 SW Federal Highway, Stuart, FL 34994; and R3VIVE PBG LLC, 5320 Donald Ross Rd, Ste #125, Palm Beach Gardens, FL 33418.

Our affiliate Driply Marketing Group LLC (“DMG”) is the exclusive supplier of HIPAA-compliant lead management CRM software (“Driply”) purchased by our franchisees. DMG has never offered franchises in this or any other line of business. DMG has never operated a Relive clinic. DMG’s principal business address is 760 NW Enterprise Drive, Port St. Lucie, Florida 34986.

Our affiliates have not offered franchises for this business or franchises for any other line of business.

#### Clinic Franchise Rights

If approved by us, you can sign a franchise agreement (“Franchise Agreement”) for the establishment and operation of a Clinic at a specified location using the System and the Marks. Your Clinic may be newly constructed or a conversion facility, and typically will be in a shopping center.

In addition to offering the right to establish and operate a Clinic, we also offer to persons who own or will own at least one Franchised Clinic and meet our qualifications and who are willing to undertake the investment and effort, the right to operate an area representative business (“AR Business”) in a territory that we designate through an area representative agreement with us. We offer the right to operate an AR Business under our Area Representative Franchise Disclosure Document.

#### Competition

You can expect to compete with other anti-aging clinics, Hormone Optimization Therapy clinics, IV hydration facilities, Med Spas, plastic surgeons who offer aesthetics, and wellness centers that promote a healthy lifestyle.

## Industry-Specific Laws and Regulations

Owning and operating a Relive clinic will require compliance with all local, state, and federal regulation related to administering controlled substances as a part of Hormone Optimization, vitamin IV infusions, Ozone Therapy, vitamin booster shots, Med spa services, and medical aesthetics as well as other services determined by us. These services require medically qualified personnel as well as certifications. Owning a medical facility by a non-physician is not permitted in Pennsylvania, New Jersey, or New York. A management company will need to be created to possess ownership. Consult with your attorney to begin the process required as well as become familiar with the additional expense. All Relive locations will require oversight from a “Medical Director” with an MD or DO status, if not owned by a doctor. Medical Directors are required to visit the clinic and perform random audits of patients to ensure compliance to local, state, and federal regulations. Additionally, you must comply with the local, state, and federal laws that apply to your operations, including health, sanitation, no smoking, EEOC, OSHA, discrimination, employment, and sexual harassment laws. The Americans with Disabilities Act requires readily accessible accommodations for disabled people, and, therefore, may affect your building construction, site elements, entrance ramps, doors, seating, bathrooms, drinking facilities, and the like. You must also obtain real estate permits, licenses, and operational licenses. You should consult with your attorney concerning these and other local laws and ordinances that may affect your Clinic operations.

## **ITEM 2 BUSINESS EXPERIENCE**

### **Founder: Domenic Iacovone**

Mr. Iacovone is the founder of Relive and has been the President of Relive and its affiliated entities since June 2016. Additionally, he founded and developed and has been President of the associated companies Revive MD Supplement Company LLC (“Revive MD”) in Stuart, FL since August 2019 and Raw Sport Supplement Company LLC in Port St. Lucie, FL since in May 2020.

### **Partner: Jerome Kern**

Mr. Kern has been a Partner of Relive since June 2022. Since 2010, he has been a Partner and Founder of Orangetheory Fitness in Ft. Lauderdale, Florida.

### **Acting Chief Financial Officer: Gregory Hedger**

Mr. Hedger is acting Chief Financial Officer through Grassi Franchise Services LLC, where he has been employed as Accountant since July 2011 in Ronkonkoma, New York.

### **Chief Executive Officer: Gina Iacovone**

Ms. Iacovone has been our Chief Executive Officer since September 2022. Ms. Iacovone was our Operations Consultant from January 2020 to August 2022. From October 1984 to February 2020, Ms. Iacovone was with BJ Wholesale, with her final role prior to leaving the company being Senior Vice-President of Field Operations.

### **Chief of Operations: Kameron Harris**

Mr. Harris has been Chief of Operations since May 2021. From January 2019 to May 2021, he held the position of Operations Director for the Stuart, FL location. From May 2017 to January 2019, Mr. Harris worked as a Patient Coordinator at our first-ever established clinic in Stuart, FL.

**Chief Legal Officer: Margaret Lai**

Ms. Lai has been our Chief Legal Officer since February 2023. Prior to becoming Chief Legal Officer, she represented corporate clients in commercial litigation and arbitration and advised them on transactional and franchising issues. From January 2019 to January 2023, Ms. Lai was an attorney at Rodriguez-Albizu Law in Stuart, FL. Prior to that, she was an associate with Zarco Einhorn Salkowski and Brito (now Zarco Einhorn Salkowski) from September 2017 to December 2018 in Miami, FL, and Black Srebnick Kornspan and Stumpf from November 2010 to August 2017 in Miami, FL.

**Chief Technology Officer: Derek Egel**

Mr. Egel has been our Chief Technology Officer since January 2023. From 2019 to 2023, Mr. Egel was a Senior DevOps/Cloud Engineer for Slalom Consulting located in Chicago, IL. Prior to that, he was a Site Reliability Engineer from 2010 to 2019 for Cars.com.

**Franchise Sales: Manny Ceara**

Mr. Ceara has been leading our franchise sales team since November 2022. Prior to this, Mr. Ceara was Senior Director of Sales + Operations for Orangetheory Fitness Corporate from September 2016 to October 2019 and Managing Partner of Orangetheory Fitness Palm Beach Five from October 2019 to September 2022.

Unless otherwise indicated, we are located in Stuart, Florida.

**ITEM 3 LITIGATION**

**Concluded Litigation**

*DJI Consulting LLC et al. v. Fit Medical Management, Inc.*, Case No. 2023-cv-14098-DMM (S.D. Fla.); *Fit Medical Management, Inc. v. DJI Consulting LLC et al.*, Case No. 23000861CAXMX (Circuit Court of the Nineteenth Judicial Circuit, Martin County, FL)

On April 8, 2023, Relive Franchising LLC (“Relive”), along with DJI Consulting LLC (“DJI”), which used to hold the R3VIVE Service Mark previously in use by the R3VIVE franchise brand, filed suit against the operators of a formerly corporate-owned location, Fit Medical Management, Inc. (“FMM”). FMM had entered into an agreement with DJI to operate a location in Jericho, NY, under the R3VIVE brand agreeing to follow in strict conformity with the R3VIVE System. Despite receiving numerous correspondence from DJI and R3VIVE Franchise LLC about multiple egregious defaults that jeopardized the System and the brand, FMM refused to correct its defaults. As a result, consistent with the terms of the agreement, DJI terminated the agreement. Despite termination, FMM continued to operate the location in Jericho, NY, and continued to use the R3VIVE Service Mark in violation of the terms of the agreement. Prior to filing suit, Relive and DJI attempted in good faith to find a reasonable resolution to the situation however FMM would not engage in meaningful negotiations. Instead, FMM refused to acknowledge the defaults, claimed it was an accidental franchisee, and demanded an unsubstantiated sum of money. DJI has sued FMM for the following: Count I – Breach of Contract (DJI v. FMM); Count II – Service Mark Infringement (Relive v. FMM); and Count III – Common Law Trademark Infringement (Relive v. FMM).

After Relive and DJI filed suit, FMM filed suit against DJI, Relive, along with Samantha Iacovone and Domenic Iacovone, with FMM’s claims stemming from the same relationship that is the basis of Relive and DJI’s lawsuit. FMM claimed that it was an accidental franchisee of R3VIVE Franchise LLC (which changed its name in April of 2023 to Relive Franchising LLC). FMM sued for the following: Count I –

Violation of New York Franchise Sales Act – Disclosure Violations (FMM v. all defendants); Count II – Violation of New York Franchise Sales Act – Financial Performance Representations (FMM v. all defendants); Count III – Violation of New York Franchise Sales Act – Fraudulent Representation (FMM v. all defendants); Count IV – Violation of the Florida Franchise Act (FMM v. DJI and Relive); Count V – Violation of Florida’s Deceptive and Unfair Trade Practices Act (FMM v. DJI and Relive); Count VI – Fraudulent Inducement (FMM v. DJI and Relive); Count VII – Negligent Misrepresentation (FMM v. DJI and Relive); Count VIII – Breach of Contract (FMM v. DJI and Relive); and Count IX – Breach of Covenant of Good Faith and Fair Dealing (FMM v. DJI and Relive). On July 30, 2023, after Relive filed a Motion to Dismiss arguing, among other things, that FMM did not have a basis for its claims against Relive, FMM filed its First Amended Answer, Affirmative Defenses, and Counterclaims dropping Relive as a Defendant.

On November 20, 2023, DJI, Relive, Samantha Iacovone and Domenic Iacovone (collectively, the “DJI Parties”), and FMM reached a resolution through a confidential settlement agreement and release. Under this agreement, FMM consented to never divulge or utilize any proprietary techniques or methods belonging to the DJI Parties. Additionally, in line with principles of rescission, DJI agreed to compensate FMM with a sum of \$375,000. This amount reflects an effort to restore FMM financially. Concurrent with this settlement, on November 20, 2023, all parties filed a joint stipulation for dismissal of all related actions, with prejudice, thereby concluding their legal disputes.

Except for the action described above, there is no litigation that must be disclosed in this Item.

**ITEM 4 BANKRUPTCY**

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

**ITEM 5 INITIAL FEES**

When you sign the Franchise Agreement, you must pay us an initial franchise fee of \$75,000. The franchise fee is non-refundable.

During our last complete fiscal year, only one franchise fee of \$50,000 was collected from a franchisee who did not also execute an area representative agreement. All other franchise agreements that were signed in 2022 were also signed in conjunction with the execution of an area representative agreement. When franchisees and area representatives sign area representative agreements with us, as part of the fee they pay pursuant to the area representative agreement, they are purchasing the license for the pilot clinic in their territory.

**ITEM 6 OTHER FEES**

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Royalty	6.0% of monthly Gross Sales	10th day of each month on Gross Sales for the prior month	Payable to us. “Gross Sales” means the aggregate amount of all sales of products and services rendered in connection with the Clinic except taxes, customer refunds, and promotional discounts. We may debit your bank account for Royalty Fees due. <sup>6</sup>

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
<u>Total Marketing Obligation</u> <sup>(2)</sup> National Marketing Fund Contribution Regional Marketing Fund Contribution <sup>(3)</sup> Regional Co-op Fee <sup>(3)</sup> Local Clinic Marketing <sup>(4)</sup>	The greater of \$7,000 per month or 7% of monthly Gross Sales divided among the (1) National Marketing Fund (up to 4% of monthly Gross Sales—not currently collected), (2) any Regional Marketing Fund (amount we determine, not to exceed 3% of monthly Gross Sales—not currently collect) or any Regional Co-op (amount determined by the Co-op), and (3) Local Clinic Marketing (currently the greater of \$7,000 per month or 7% of Gross Sales)	Same as royalty fees (National Marketing Fund Contribution and Regional Marketing Fund Contribution)  As determined by Co-op (Regional Co-op Fee)  As incurred (Local Clinic Marketing)	Your total marketing obligation and our marketing funds are further described in Item 11.  See Note 3 for additional details.  In lieu of a Regional Marketing Fund, a Regional Co-op may be established. The amount of and the payment terms for the Regional Co-op Fee will be determined by the Co-op. There are no co-ops in place at this time.  The amounts due for Local Clinic Marketing are payable to appropriate vendors at their specified rate.
Transfer	\$10,000	On or before date of transfer	Payable to us.
Audit by Franchisor	Cost of audit	As incurred	Payable to us. Payable if audit reveals understatement of 2% or more
Interest on Overdue Payments	Lesser of 1.5% per month, or maximum rate permitted by law	As incurred	Payable to us. Payable on overdue amounts after 10 days
Insurance	Costs and premiums	On demand	Payable to us. You must reimburse us if, upon your failure to obtain or maintain insurance coverage, we choose to obtain insurance coverage on your behalf
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Payable to us. Payable upon your failure to comply with the Franchise Agreement

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Indemnification <sup>(5)</sup>	Will vary under circumstances	As incurred	Payable to us. You must reimburse us if we are held liable for claims arising from your operation of your Clinic
Non- compliance Fee	\$1,000 for second violation in 12- month period; \$2,000 for third and \$4,000 for fourth violation	As incurred	If, after we notify you, you fail to comply with the System standards, we may charge you a fee.
Driply CRM Software <sup>(6)</sup>	Then-current fee (currently \$497, plus \$0.039 per text and \$0.0034 per email)	Same as Royalty	Payable to our affiliate, Driply Marketing Group LLC (“DMG”), for the HIPAA-compliant lead management CRM designed exclusively for Relive clinics. This fee is assessed on a per-location basis.

**NOTES**

<sup>(1)</sup> General. Unless otherwise noted, all fees are imposed by and payable to us and are non-refundable. In general, all fees are uniformly imposed on our franchisees, but in certain unique circumstances, we may reduce or waive a fee for a particular franchisee for a limited time and for isolated circumstances.

<sup>(2)</sup> Marketing fees are currently paid to a third-party marketing company. We have the right, following written notice to you, to re-allocate your total marketing contribution among the National Marketing Fund Contribution, the Regional Marketing Fund Contribution (or any Regional Co-op Fee) or Local Clinic Marketing.

<sup>(3)</sup> We have the right, in our sole discretion, to establish a Regional Marketing Fund or a Regional Co-op in the geographic area that covers your Clinic to which you will be required to contribute. If a Regional Co-op is established, that Co-op will determine the contribution rates for the Clinics in that Co-op. The Co-op may increase the contribution rate to an amount that will cause your Total Marketing Expenditure to exceed 7% of Gross Sales. Each franchisee-owned Clinic will have one vote for each Clinic. Each company-owned Clinic will have one vote for each company-owned Clinic operated in the geographic area covered by a Regional Co-op. If the company-owned Clinics have controlling voting power, the minimum fees may be as low as 0% of Gross Sales and the maximum fees will not exceed the greater of \$7,000 per month or 7% of Gross Sales.

<sup>(4)</sup> If you are required to contribute (and you actually contribute) to a Regional Marketing Fund or Regional Co-op, your Local Clinic Marketing obligation will be reduced by the amount of that contribution so that the Total Marketing Obligation is never more than the greater of \$7,000 per month or 7% of Gross Sales.

<sup>(5)</sup> We may debit your bank account monthly. If you fail to report Gross Sales, we may estimate Gross Sales for such period using our Salesforce platform and/or reporting from the cash register system and debit your account accordingly. We will apply any overpayment against the next period's Royalty and Advertising Fund contributions. Any deficiency will be debited against your account. If for any reason your account cannot be debited, you must submit payments by check on or before the due date. You must indemnify and hold us harmless from all damages, losses, costs, and expenses resulting from any dishonored debit on your account unless caused by our negligence or mistake.

<sup>(6)</sup> Payable to our affiliate, DMG, for the HIPAAA-compliant lead management CRM designed exclusively for Relive clinics. This fee is assessed on a per location basis. You must also pay an SMS fee of \$0.039 per 160-character segment and an email fee of \$0.0034 per 160-character segment for texting and email usage through Driply. You may also purchase an optional management service for personalized support for an additional \$249 per month.

## ITEM 7 ESTIMATED INITIAL INVESTMENT

### YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Franchise Fee <sup>1</sup>	\$75,000	Wire Transfer or Check	Upon signing the Franchise Agreement	Us
Real Estate/Rent <sup>2</sup>	\$5,000 - \$15,000	As Arranged	Before Beginning Operations	Lessor
Leasehold Improvements <sup>3</sup>	\$150,000 - \$350,000	As Arranged	Before Beginning Operations	Third Parties, Contractors
Furniture, Fixtures and Equipment <sup>4</sup>	\$75,000 - \$150,000	As Arranged	Before Beginning Operations	Designated suppliers
Opening Advertising <sup>5</sup>	\$10,000 - \$20,000	As Arranged	Before and After Beginning Operations	Designated suppliers
Initial Training <sup>6</sup>	\$10,000 - \$50,000	As Arranged	Before Beginning Operations	Your employees, transportation, food and lodging
Start-up Supplies and Inventory <sup>7</sup>	\$40,000 - \$60,000	As Arranged	Before Beginning Operations	Third Party Suppliers
Utility Deposits <sup>8</sup>	\$1,000 - \$2,000	As Arranged	Before Beginning Operations	Utilities
Business Licenses <sup>9</sup>	\$1,000 -	Lump Sum	Before Beginning	Governmental authorities

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
	\$2,000		Operations	
Legal & Accounting <sup>10</sup>	\$5,000 – \$20,000	As Arranged	Before Beginning Operations	Attorney, Accountant
Insurance <sup>11</sup>	\$1,000 - \$5,000	As Arranged	Before Beginning Operations	Third Parties
Signage <sup>12</sup>	\$10,000 - \$20,000	As Arranged	Before Beginning Operations	Third-Party Signage Company
Additional Funds (Initial Period – 3 months) <sup>13</sup>	\$150,000 - \$210,000	As Arranged	As Necessary	Various
<b>TOTAL<sup>14</sup></b>	<b>\$533,000 - \$979,000</b>			

Costs paid to us are non-refundable. Whether any costs paid to third parties are refundable will vary based on the practice in the area where your Franchised Clinic is located. As noted in Item 10, we do not offer direct or indirect financing to you for any part of the initial investment. The amounts in these charts are our reasonable estimate of your costs. The actual amounts you incur may be higher, however, if particular circumstances apply to the location of your Clinic or to your region of the country. We calculate the initial phase of business to be 3 months. We relied upon our collective experience in the opening and operation of Clinics when preparing these figures.

#### NOTES

(1) The initial franchise fee is set and is non-refundable unless you do not find a site within 120 days.

(2) You must lease or otherwise provide a suitable facility for the operation of your clinic. Typically, a clinic will range in size from 1,500 to 3,000 square feet. The specific cost is difficult to determine due to differences in size and cost based on market/location of the clinic. We will support the decision based on our experience.

(3) If you need to convert an existing facility into a clinic, the costs to do so will depend upon the existing layout of the space, or if it is a new build-out. The conversion, construction, and/or build-out must be performed in accordance with our standards and specifications. These improvements may include wiring, flooring, sheetrock, plumbing, paint, HVAC, IT specs, lighting, and decor items. You may be able to obtain a leasehold allowance from the landlord covering a portion of the costs of construction of the leasehold improvements. Any allowance will be negotiated between you and the landlord. If you can obtain an allowance or benefit, it should reduce your cost to acquire, build-out, and lease the space. The figures in the chart are based on our experience. If you can lease an office space already built-out and



accommodate the services, the chart costs may be less. These situations are site-specific and highly dependent on the market and the availability of materials, among other considerations; and we cannot estimate all costs. You should evaluate specific costs to the site you may be considering and be aware of landlord expectations.

(4) You must purchase or lease and install fixtures, equipment, desks, chairs, computers, waiting room furniture, POS system, phone system, and decor needed to operate your clinic to specified standards. The assortment and quantity of the furniture may vary depending upon the size of your Clinic. Chairs will include examination chairs, infusion chairs for the IV lounge, and chairs for desks and offices and the waiting room. Also included are computers for the front desk, the nurse's station, the office for Advanced Practice Registered Nurse (APRN) or Physician Assistant (PA), the office for patient coordinator and Director of the clinic, as well as iPads for consultations and patient intake. The equipment needs will include, but are not limited to, HydraFacial, ozone machine, InBody, ultrasound, and laser equipment.

(5) A pre and post opening marketing campaign has been developed with a marketing company. The plan is specific and must be followed to support brand awareness. Payment and contracts are with the marketing company directly. Part of the grand opening celebration includes services offered at a reduced rate, giving away t-shirts with the Relive logo, and food and beverage. The cost listed is an estimated cost based on costs of product and expected turnout from previous openings.

(6) The cost of initial training for the office staff is covered in the franchise fee, with the exception of transportation, meals, lodging, and payroll of the trainees. Training will be completed at the Stuart, Florida location unless otherwise agreed upon. The actual cost of the training will depend upon the number of employees being trained and their level of experience performing specific functions. An experienced employee will be available to be on site during the opening of your clinic and will be at your cost. Additional training information is listed in Item 11.

(7) You will be required to purchase an initial supply of inventory in order to offer your services. A complete list along with supplier information will be provided.

(8) If you are a new customer of your local utilities, you will sometimes be required to pay a deposit to connect services such as electric, telephone, gas, and water. The amount of the deposit will vary, and you should contact the local utility departments to determine.

(9) State and local government agencies typically charge fees for operating licenses, health permits, and licenses for providing your services. The fees vary by jurisdiction. The figures are estimates, actual costs depend upon the state and local government requirements.

(10) You will engage an attorney, an accountant, and other consultants you feel you need in establishing your clinic and reviewing agreements. Fees will vary based on location, and also depth and level of service needed and rates for such professional services.

(11) You must purchase the type and amount of insurance necessary as well as any other insurance that may be required by applicable law, any lender, or lessor. The cost will vary based on value of leasehold improvements, and number of employees. You must have certain specified insurance. The timing of your payments is a matter to be resolved between you and your insurer. The selection of the insurance carrier, size of the Clinic, location of the Clinic, value of the leasehold improvements, amount of inventory, amount of wages and other related conditions will affect your ultimate cost. Therefore, we estimate the total cost with the caution that you should get quotes from the carriers of your choice before proceeding. The landlord's insurance requirements will be set forth in the lease.

(12) The cost will be based on the type, size, and location of the signage, local zoning requirements and

landlord requirements.

<sup>(13)</sup> This is an estimate of the net funds needed to cover business expenses during the initial period of 3 months of operation if the operational revenues do not cover these expenses. These costs include such expenses as rent, leases, payroll, utilities, insurance, taxes, loan payments, advertising, supplies inventory and other expenses. The amount of additional funds you may need will depend upon many factors, including how much you follow the process outlined, your technical, marketing, and general business skills, local economic conditions, the competitive landscape of your location, and the sales levels you achieve. There is no guarantee that the working capital estimate will be adequate or that additional investment by you will not be necessary during the initial period and afterwards. You may need additional funds and you should consult with your financial advisor to determine the amount of working capital that you are capable of investing.

<sup>(14)</sup> In compiling this chart, we relied upon past experience and the experience of our executives and business partners. The amounts shown are estimates only and may vary for many reasons including the size of your facility, the services you offer, the capabilities of your employees, the leadership provided by management, and your business experience and acumen. You should review these estimates carefully with your attorney, accountant, or other business advisors prior to making your decision. These figures are estimates only and we cannot guarantee that you will not have additional expenses in starting your business.

## **ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

You must operate your Clinic in strict conformance with our methods, standards, and specifications, which we prescribe in our confidential operational documentation and various other confidential manuals and writings prepared by us for your use in operating a Clinic (collectively, the “Manuals”). We may periodically change our standards and specifications at our sole discretion. The Manuals cover nearly all aspects of your Clinic’s operations.

### Approved Products, Services, and Suppliers

You are required to purchase and utilize the HIPAA-compliant lead management CRM tool designed exclusively for Relive clinics, known as “Driply.” You must purchase Driply from our affiliate, DMG, and no other supplier.

DMG is currently the designated supplier for the Driply tool. We and our affiliates may generate a profit from these purchases. Our Founder, Domenic Iacovone, owns an interest in DMG. During the fiscal year ended December 31, 2022, DMG received \$18,512.13 in gross revenue as a result of franchisee purchases of services.

We will provide you with a list of the approved services and products (“Approved Services and Products”) after you sign the Franchise Agreement for your Clinic. In order to: (i) better assure the quality of the Approved Services and Products; (ii) assure the supply or quality of the Approved Services and Products; and/or (iii) enable us, in our sole discretion to take advantage of marketplace efficiencies, we have the right to require you to purchase certain Approved Services and Products, only from us, our affiliates, or other suppliers or distributors approved or designated by us. We have also developed and continue to develop certain proprietary products, such as those sold by Revive MD, which you must purchase from us and/or any affiliates we may now or in the future designate, or our approved or designated suppliers. We may revoke approval by providing you with a written notice and 30-day transition to a new supplier.

You must purchase all supplements and other inventory items from us or designated or approved

suppliers. One of our designated suppliers makes payments to our affiliate based upon percentage of the purchase price. This designated supplier is the only supplier for the products that it supplies. During 2022, our affiliate received \$156,967 in revenue from sales by the supplier to franchisees. To our knowledge, no Area Representative Business received any rebates during the prior fiscal year. Our Founder, Domenic Iacovone, owns an interest in Revive MD which supplies Revive Supplements to the Clinics. Revive MD is the only approved supplier for the Revive Supplements. These supplements support the nutritional improvement of patients and clients and are often a part of their protocol. Other than this supplier, none of our officers own any interest in any approved supplier. During 2022, Revive MD's revenue from required purchases by our franchisees was \$51,655.78. During 2022, we did not derive any income from sales to franchisees or payments from designated suppliers. Other than these amounts, we do not derive any revenue or any material benefits from the approved suppliers.

There currently are no purchasing or distribution cooperatives. If you desire to use any services or products that we have not approved, you must first send us sufficient information, specifications, and samples for us to determine whether the service or product complies with our standards and specifications or whether the supplier meets our approved supplier criteria. You will bear all costs associated with supplier approval. We will decide within a reasonable period of time (30 to 60 days) after receiving the required information. Approval of a supplier will be conditioned on the supplier's ability to provide sufficient quantity of product, quality of product or services at competitive prices production and delivery capability, dependability and general reputation.

We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products or services to some or all of the Clinics in our system. If we do establish those types of alliances or programs, we may limit the number of approved suppliers with whom you may deal, we may designate sources that you must use for some or all products and services, and we may refuse to approve proposals from franchisees to add new suppliers if we believe that action would be in the best interests of the System or the franchised network of Clinics.

We may collect and retain certain manufacturing allowances, marketing allowances, rebates, credits, monies, payments, and benefits (collectively, "Allowances") offered to us or to our affiliates by manufacturers, suppliers, and distributors based upon your purchases of products and other goods and services. Currently, we do not derive any income from your purchases of products and other goods and services.

Other than as described above, we do not provide material benefits to you (such as renewal rights or the right to open additional Clinics) based on whether you purchase through the sources we designate or approve; however, purchases of unapproved products or purchases from unapproved suppliers in violation of the Franchise Agreement will entitle us, among other things, to terminate the Franchise Agreement.

We estimate that your purchases from approved suppliers or according to our specifications will represent approximately 80% to 90% of your total purchases in establishing and continued operation of the Clinic.

#### Computer/Point-of-Sale system/Information Technology

You are required to purchase and use the computer software described in our operations material. We do not derive revenue as a result of these being used. You must at all times and at your expense, maintain an email address and account for communicating with us. You must comply with our standards and requirements for email, communications, information technology, and other technology systems that we may develop, implement and/or require you to acquire and use at your Clinic in your operations. Our present computer hardware and software requirements are listed in detail in Item 11 of this Franchise Disclosure

Document.

Insurance

Under the Franchise Agreement, you must obtain and maintain the following insurance:

You must obtain the insurance coverage we require (whether in the Franchise Agreement or in the Manual) from licensed insurance carriers rated A or better by Alfred M. Best & Company, Inc., including the following:

<b>Policy Type</b>	<b>Minimum Coverage</b>
Professional Liability Insurance	\$500,000 per occurrence and \$1,000,000 in the aggregate
Sexual Abuse / Molestation Insurance	\$500,000 per occurrence and \$500,000 in the aggregate
Commercial General Liability Insurance	\$1,000,000 per occurrence and \$2,000,000 in the aggregate
Commercial: Products-Completed Operations	\$500,000 in the aggregate
Commercial: Personal & Advertising Injury	\$500,000 per occurrence
Commercial: Damage to Premises Rented to You	\$200,000 per occurrence
Commercial: Medical Payments (Per Person)	\$10,000 per occurrence
Network Security & Data Privacy Liability	\$1,000,000 per occurrence and \$1,000,000 in the aggregate
First Party Privacy Breach Expenses	\$200,000 per occurrence and \$200,000 in the aggregate
Media Activities	\$50,000 per occurrence and \$50,000 in the aggregate
Regulatory Wrongful Acts	\$50,000 per occurrence and \$50,000 in the aggregate
HIPAA	\$500,000 per occurrence and \$500,000 in the aggregate
License Defense	\$10,000 per occurrence and \$50,000 in the aggregate
Peer Review	\$10,000 per occurrence and \$50,000 in the aggregate
Subpoena Assistance	\$10,000 per occurrence and \$10,000 in the aggregate
Reimbursement of Lost Wages	\$1,000 per occurrence and \$10,000 in the aggregate
Reputation Protection	\$10,000 per occurrence and \$10,000 in the aggregate
Emergency Evacuation Expense	\$50,000 per occurrence and \$50,000 in the aggregate
Patient Property Damage	\$1,000 per occurrence and \$1,000 in the aggregate
“All risk” Property Insurance	Replacement Value
Plate Glass Coverage (if requires by lease)	Replacement Value
Comprehensive Automobile Insurance	Greater of \$1,000,000 or as required by law
Theft and Dishonesty Insurance	\$10,000 per occurrence
Business Interruption Insurance	At least 6 months
Employer’s Liability Insurance	\$1,000,000 per occurrence and \$1,000,000 in the aggregate
Worker’s Compensation Insurance	Greater of \$500,000 or as required by law
Landlord-Required Insurance	As required by lease
Umbrella	\$2,000,000

The required coverage and policies are subject to change. All insurance policies must be endorsed to: (a) name us (and our members, officers, directors, and employees) as additional insureds; (b) contain a waiver by the insurance carrier of all subrogation rights against us; and (c) provide that we receive 10 days' prior written notice of the termination, expiration, cancellation or modification of the policy.

You must deliver to us (and in the future maintain on file with us) valid and current certificates of insurance showing that all required insurance is in full force and effect.

No insurance policy shall provide for a deductible amount that exceeds \$5,000, unless otherwise approved by us in writing, your co-insurance under any insurance policy shall be 80% or greater.

## ITEM 9 FRANCHISEE'S OBLIGATIONS

**This table lists your principal obligations under the Franchise Agreement. It will help you find more detailed information about your obligations in the Franchise Agreement and in other Items of this Franchise Disclosure Document.**

Obligation	Section In Franchise Agreement (FA)	Disclosure Document Item
a. Site selection and acquisition/lease	§§ 3, 4 and Appendix E of Franchise Agreement	Items 7 & 11
b. Pre-opening purchases/leases	§§ 3A, 4 & 5C of Franchise Agreement	Items 5, 7, and 8
c. Site development and other pre-opening requirements	§§ 3, 5 and Appendix A of Franchise Agreement	Items 7, 8, and 11
d. Initial and on-going training	§§ 6B(10), 12 & 13B of Franchise Agreement	Item 11
e. Opening	§§ 6, 13B, Appendix A and Rider of Franchise Agreement	Item 11
f. Fees	§§ 1C, 1D, 2B(6), 5A, 7, 15O, 20C(2) and Appendix A of Franchise Agreement	Items 5 and 6
g. Compliance with standards and policies/Manuals	§§ 8 and 10 of Franchise Agreement	Items 8, 11 and 14
h. Trademarks and proprietary information	§§ 10C, 16, 22A and 22B of Franchise Agreement	Items 13 and 14

<b>Obligation</b>	<b>Section In Franchise Agreement (FA)</b>	<b>Disclosure Document Item</b>
i. Restrictions on products/services offered	§ 11B of Franchise Agreement	Item 16
j. Warranty and customer service requirements	§§ 15G and 15M of Franchise Agreement	Item 15
k. Territorial development and sales quotas	§1B and Appendix A in Franchise Agreement;	Item 12
l. On-going product/service purchases	§§ 11B, 15B and 15C of Franchise Agreement	Item 8
m. Maintenance, appearance, and remodeling requirements	§§ 11 and 15 of Franchise Agreement	Item 11
n. Insurance	§ 17 of Franchise Agreement	Item 6, 7, and 8
o. Advertising	§§ 7, 9 and Appendix B of Franchise Agreement	Items 6, 7 and 11
p. Indemnification	§ 27 of Franchise Agreement	Item 6
q. Owner's participation/management/staffing	§§ 13C., 15H, 18G, 18H, 28 & 34F of Franchise Agreement	Items 11 and 15
r. Records/reports	§ 8 of Franchise Agreement	Items 6 and 11
s. Inspections/audits	§§ 5E, 8 and 14 of Franchise Agreement	Items 6 and 11
t. Transfer	§§ 19 and 20 of Franchise Agreement	Item 17
u. Renewal	§ 2B of Franchise Agreement	Item 17
v. Post-termination obligations	§ 24 of Franchise Agreement	Item 17
w. Non-competition covenants	§ 22 of Franchise Agreement	Item 17
x. Dispute resolution	§§ 32 and 34G of Franchise Agreement	Item 17

## **ITEM 10 FINANCING**

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

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

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

### Our Obligations Pre-Opening

Before you open your Clinic, we will:

1. Accept a non-exclusive area ("Designated Area") in which you will select a site to be accepted by us. (Franchise Agreement, § 3A)
2. Provide you with the following site selection assistance: (A) our site selection guidelines and, as you may request, a reasonable amount of consultation; and (B) such on-site evaluation as we may deem advisable as part of our evaluation of your request for site acceptance. (Franchise Agreement, § 3B) Advise you in writing whether we have accepted the site within 15 days after we receive your completed site application and any additional information that we may reasonably require. If we do not respond within 15 days, we will be deemed to have refused to accept the site. (Franchise Agreement, § 3D(1))
3. Provide a generic (not site-specific) layout for a Relive Clinic. We do not provide assistance with conforming the premises to local ordinances and building codes and obtaining any required permits, and/or constructing, remodeling, or decorating the premises. (Franchise Agreement, § 5A(1))
4. If you propose to purchase any furnishings, fixtures, equipment, or signage from a supplier that we have not approved, you must notify us in writing and submit the information we request. We will notify you within 15 days after we receive that information whether we approve or disapprove that supplier. (Franchise Agreement, § 5C)
5. During construction for the Clinic, inspect the Franchised Location and the course of construction and/or renovation. (Franchise Agreement, § 5E)
6. Permit you to have access to an electronic or paper version of our confidential and proprietary Manuals, which contain information and knowledge that is unique, necessary, and material to the System, including mandatory specifications and standards relating to the construction, management and operation of a Relive Clinic. The Manuals remain our property. We may revise the contents of the Manuals, and you agree to comply with each new or changed section. (Franchise Agreement, § 10) The Tables of Contents of the Manuals as of the date of this disclosure document is attached as Attachment C. As of that date, the Manuals contained a total of approximately 250 pages.
7. Provide the initial training program to up to 7 persons including: (a) you (if you are an individual) or the Operating Principal (if you are an entity) or a 10% Owner; and (b) a Clinic Manager. (Franchise Agreement, § 12A)
8. Provide you with consultation and advice with regard to the development and

operation of the Clinic, building layout, furnishings, fixtures and equipment, plans and specifications, employee recruiting, selection and training, purchasing and inventory control and such other matters as we deem appropriate. (Franchise Agreement, § 13A)

9. Provide opening assistance that we deem necessary. (Franchise Agreement, § 13B)

10. Provide specifications for the computer system and point of sale system that meets our requirements. (Franchise Agreement, § 15C)

### Our Obligations After Opening

During the operation of your Clinic, we will:

1. Collect, administer, and spend for advertising purposes monies, if any, paid by the Clinic into the National Marketing Fund and any Regional Advertising Fund (if established). (Franchise Agreement, §§ 9C & D) Neither fund is currently established.

2. Provide you with general guidelines for local advertising and promotion from time to time. You must submit to us for our prior approval all local advertising and promotional materials. (Franchise Agreement, § 9G) Approve or disapprove all content requested to be posted on our website. (Franchise Agreement, §9I)

3. Provide ongoing and additional training to you (or, if applicable, your Operating Principal), your Clinic Managers, any 10% Owner or any individual whom you have identified as a future Clinic Manager, if we decide to require and/or offer such training. (Franchise Agreement, § 12)

4. Provide periodic advice and consultation to you in connection with the operation of the Clinic as we deem appropriate or necessary, including our knowledge and expertise regarding the System and pertinent new developments, techniques, and improvements in the areas of pricing, management, sales promotion, service concepts, and other areas. (Franchise Agreement, § 13C)

5. Conduct inspections of the Clinic. (Franchise Agreement, § 14)

6. Establish the minimum price that you must charge for one or more services offered for sale at the Clinic. (Franchise Agreement, § 15N)

Any duty or obligation imposed on us by the Franchise Agreement, or any other agreement, may be performed by any of our employees, or agents, as we may direct.

### Advertising and Promotion

#### Advertising Fund

To date, no advertising funds have been collected from franchisees. Franchisees have only paid for their Local Clinic Marketing.

#### Total Marketing Obligation.

Your total marketing obligation is the greater of (i) \$7,000 per month or (ii) 7% of the Gross Sales of the Clinic, which may be allocated among the National Marketing Fund, any Regional Marketing Fund



or, in lieu of a Regional Marketing Fund, a Regional Co-op and Local Clinic Marketing (as described in more detail below). Currently, the Total Marketing Obligation is used for Local Clinic Marketing. Following written notice to you, we may decrease or increase and reallocate your total marketing obligation. (Franchise Agreement §9B)

We reserve the right to establish regional marketing funds (“Regional Marketing Funds”) and regional advertising cooperatives (“Regional Co-ops”); provided that you will not be required to contribute to a Regional Marketing Fund and a Regional Co-op at the same time. Membership shall include all Clinics that are in the defined geographical area that we establish. If we establish a Regional Marketing Fund or Regional Co-op for a geographic area that includes your Clinic, you will be required to contribute a portion of your total marketing obligation to that Regional Marketing Fund or Regional Co-op. We will determine the geographic area covered by a Regional Marketing Fund or a Regional Co-op based on the location of the Clinic in the area and the reach of print, radio and television media in the area. Advertising that is funded by any Regional Marketing Fund or any Regional Co-op must conform to those advertising and sales promotions specified by us from time to time. Only company-owned businesses and franchised Clinics in the geographic area covered by a Regional Marketing Fund or a Regional Co-op will be obligated to contribute to that Fund or Co-op. Both company-owned and franchised Clinics will contribute to the Regional Marketing Fund or a Regional Co-op on the same basis. The maximum amount that each franchisee must contribute is the greater of (i) \$7,000 per month or (ii) 7% of the Gross Sales of the Clinic. As of the date of this disclosure document, we have not yet established any Regional Marketing Funds or Regional Co-ops. (Franchise Agreement §§ 9D and 9F)

We, or our designee, shall direct all advertising, marketing, and public relations programs and activities financed by the National Marketing Fund and any Regional Marketing Fund, with sole discretion over the creative concepts, materials and endorsements used in those programs and activities and the geographic, market and media placement and allocation of advertising and marketing materials. The advertising used by any fund may be national, regional, or local. The marketing materials prepared for the National Marketing Fund and any Regional Marketing Fund may be prepared by an in-house marketing department or any advertising agency. You must participate in all advertising, marketing, promotions, research, and public relations programs instituted by the National Marketing Fund or any Regional Marketing Fund. As of the date of this disclosure document, we have not yet established a National Marketing Fund. (Franchise Agreement §9C)

As noted above, in lieu of a Regional Marketing Fund for the area that includes your Franchised Location, we may establish a Regional Co-op. Monies in the Regional Co-op may be spent for the purposes determined by majority vote of the Regional Co-op on the basis of one vote for each Clinic in the Regional Co-op. The members will establish who will administer the Co-op. If the members of a Regional Co-op are unable or fail to determine how to spend Regional Co-op monies, Relive may assume this decision-making authority following advance written notice to the Regional Co-op members. Currently, there are no governing documents available.

Advertising that is funded by the National Marketing Fund, any Regional Marketing Fund or Regional Co-op Fund must conform to our advertising and sales promotions. We, or our designee, have the right to terminate (and subsequently restart) any of the advertising and cooperative funds and establish different advertising and/or cooperative funds. We may incorporate any advertising fund and may have a separate entity manage any advertising fund. We will not use any of the advertising funds for advertising that is principally a solicitation for the sale of franchises. We have not established an advisory council of franchisees to provide input on advertising matters, but we reserve the right to do so in the future.

Currently, you must spend \$7,000 per month or (ii) 7% of the Gross Sales of the Clinic on Local Clinic Marketing. If you are required to contribute (and you actually contribute) to a Regional Marketing

Fund or a Regional Co-op, your Local Clinic Marketing obligation will be reduced by the amount of that contribution; we will not reimburse you for any amount that your contributions exceed your Local Clinic Marketing obligation. You may purchase Local Clinic Marketing materials from any source approved by us. We, or our designee, may furnish you with marketing, advertising, and promotional materials at the cost of producing them, plus any related shipping, handling and storage charges. You may not modify such materials without our prior written consent. Your marketing, advertising, and promotional materials must bear the Marks in the form, color, location, and manner that we prescribe. In no event may your advertising contain any statement or material which, in our sole discretion, may be considered: (1) in bad taste or offensive to the public or to any group of persons; (2) defamatory of any person or an attack on any competitor; (3) to infringe upon the use, without permission, of any other persons' trade name, trademark, service mark, or identification; or (4) inconsistent with the public image of Relive or the System.

We will separately account for all of the advertising funds, but we are not required to segregate any of the funds from our other monies. None of the funds shall be used to defray any of our general operating expenses. Relive and its affiliates may be reimbursed by each fund for expenses directly related to the fund's marketing programs including conducting market research, preparing advertising and marketing materials, and collecting and accounting for contributions to each fund. We may spend in any fiscal year an amount greater or less than the aggregate contribution of all Relive Clinics to each fund during the year or cause each fund to invest any surplus for future use by the fund. We will prepare a report of the operations of the funds annually, which will be available to you upon written request. In spending advertising monies, we are not obligated to make expenditures for any franchisee that are equivalent or proportionate to that franchisee's contribution or to ensure that any particular franchisee benefits directly or on a pro rata basis from expenditure of the funds. The National Marketing Fund, any Regional Marketing Fund, and any Regional Co-op are not trusts and we assume no fiduciary duty to you in connection with administering these funds. The advertising funds are not currently audited and it is not anticipated that they will be. At this time, no national, regional, or regional co-op funds exist.

You must list the telephone number of the Clinic in any print and on-line telephone or business directories that we designate. You must place the listing with other Relive Clinics operating within the distribution area.

We or our designee will direct all advertising, marketing, brand reputation, and public relations programs and activities financed by the National Marketing Fund and any Regional Marketing Fund, with sole discretion over the creative concepts, materials and endorsements used in those programs and activities, and the geographic, market and media placement and allocation of advertising and marketing materials. The Funds may be used, among other things, to pay the costs of preparing and producing such associated materials and programs as we or our designee may determine, including (i) preparing and producing digital, video, audio and written advertising materials; (ii) developing, implementing, and maintaining an electronic commerce Website and/or related strategies; (iii) research, development and promotion to improve our System standards, customer loyalty programs, customer rewards programs, and brand reputation, including, without limitation, social media and reputation management programs; (iv) employing advertising agencies; (iv) sponsorship of sporting, charitable or similar events; (vi) administering regional and multi-regional advertising programs, including, without limitation, purchasing direct mail and other media advertising and employing advertising agencies to assist with these efforts; (vii) supporting public relations, market research and other advertising, promotional and marketing activities; (viii) and informational, operational and reporting system modifications, enhancements, or additions required to support our marketing efforts. You must participate in all advertising, marketing, promotions, research and public relations programs instituted by the Funds.

We will separately account for payments to the Funds; however, we will not be required to

segregate the monies in the Funds from our other monies. We will not use such monies to defray any of Relive's general operating expenses. The Funds may hire employees, either full-time or part-time, for administration of the Funds. We and our affiliates may be reimbursed by the Funds for expenses related to our marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials, and collecting and accounting for contributions. We may spend in any fiscal year an amount greater or less than the aggregate contribution of all Relive Businesses to the Funds during that year or cause the Funds to invest any surplus for future use by the Fund. We will prepare an annual statement of monies collected and costs incurred by each Fund and will furnish that statement to you within a reasonable period of time following our receipt of a written request from you. We or our designee will have the right to cause the Funds to be incorporated or operated through an entity separate from us at such time as we or our designee deems appropriate.

The Funds are intended to enhance recognition of the Marks and patronage of Relive Businesses. We will endeavor to utilize the monies in the Funds to develop advertising and marketing materials and programs and to place advertising that will benefit the System and all Relive Businesses contributing to the Funds. However, we are not obligated to ensure that expenditures by any Fund in or affecting any geographic area (including the Franchised Location) are proportionate or equivalent to the contributions to that Fund by Relive Businesses operating in that geographic area, or that any Relive Business will benefit directly or in proportion to its contribution to that Fund from the development of advertising and marketing materials or the placement of advertising. Neither we nor our designee assumes any direct or indirect liability to you with respect to the maintenance, direction or administration of the Funds. The Funds are not trusts and we assume no fiduciary duty to you in connection with the creation or administration of the Funds.

We reserve the right to: (a) suspend contributions to and operations of any Fund for any period that we determines to be appropriate; (b) terminate any Fund upon 30 days' written notice to you and establish a different marketing fund; (c) upon the written request of any Relive Business or any Company Owned Business, defer or waive, in whole or in part, any marketing contribution if, in our sole judgment, there has been demonstrated unique, objective circumstances justifying any such waiver or deferral; or (d) form and terminate advertising councils. Upon termination of any Fund, we will spend all monies in that Fund for advertising and/or promotional purposes. We have the right to reinstate any Fund upon 30 days' prior written notice to you.

#### Computer System and Software

We require that you purchase a computer system, including computer hardware and software, that meets our specifications. We have developed a software package with Salesforce, and this software is to be used as a CRM and ERM system. You must also purchase any upgrades or enhancements to the software that we develop. (Franchise Agreement §15C) We have the right to access and retrieve any data and information from your computer system that we deem appropriate, including electronically polling the daily sales and other data of the Clinic. The type of data to be stored includes Gross Sales amounts along with the breakout of the type of services provided and the amount of sales tax, if any, collected. There are no contractual limitations on our right to access this information and data.

Currently, you must purchase the POS hardware and office computer hardware that we designate. The cost of the POS and computer system ranges from \$1,500 to \$2,000. The cost for payment processing is 2.5% to 3% of revenue processed. Salesforce is the patient management software and costs \$150 per license per month with a minimum of 6 licenses per location for a total of \$900 per month. We expect the cost of hardware and software, including upgrades and enhancements to the software, to be less than 2% of

all your purchases and leases for the establishment and operation of the Clinic. You are required to upgrade or update these systems during the term of the Franchise Agreement, and there is no contractual limitation on the frequency and the cost of the obligation and we do not provide these services to you. We estimate that the current annual cost of any optional and/or required maintenance/support contract, including upgrades/updates, may be up to \$6,000, depending on number of licenses and types of equipment.

You are required to purchase and utilize the Driply tool from our affiliate, DMG at its then-current price. Currently, the fee is \$497 per month, per location, and is paid directly to DMG. You must also pay an SMS fee of \$0.039 per 160-character segment and an email fee of \$0.0034 per 160-character segment for texting and email usage through Driply. Driply is a HIPAA-compliant lead management CRM designed exclusively for Relive Health Centers. Driply is used in marketing efforts for lead management, customer follow up, form delivery, appointment booking, and automations. Currently, all upgrades and updates to this software are included in the monthly fee, as well as technical support. You may also purchase additional optional management services, which include personalized support, text automations support, email marketing, and landing page creation, through Driply for \$249 per month. There are no additional costs for any optional or required maintenance, updating, upgrading or support contracts in connection with the Driply software. You are not required to execute a separate software license agreement in connection with your use of Driply.

#### Site Selection Procedures

The Clinic must be in a specific location, which is selected by you. If you have not located, and we have not accepted, the site for the Clinic at the time of execution of the Franchise Agreement, you must locate, within 120 days after the date of the Franchise Agreement, a site suitable for the operation of a Clinic and acceptable to us within a geographical area designated in an exhibit to the Franchise Agreement (the "Area"). You must submit a site report, in the form specified by us, for the proposed site within the Area that meets our standard site selection criteria for demographic characteristics, traffic patterns, parking, character of neighborhood, competition from other businesses within the Area, the proximity of competing businesses, the nature of other businesses in proximity to the site, and other commercial characteristics and the size, appearance, and other physical characteristics of the site. We will use a reasonable amount of time, effort, and money to inspect the site you propose. We will, in our discretion, accept or not accept the proposed site for the Clinic, and notify you within 30 days after we receive the complete site report and other materials we request containing all information we reasonably require. If you are unable to locate an acceptable site within the time specified above, we may terminate the Franchise Agreement. Our acceptance of a proposed site does not constitute a warranty or representation of any kind, express or implied, as to the suitability of the proposed site for a Clinic or for any other purpose, and our selection or acceptance of your site merely signifies that we are willing to grant a franchise for a Clinic at the proposed site. (Franchise Agreement §3) Currently, we do not own any of the premises occupied by any franchisees or lease the premises to any franchisees but reserve the right to do so in the future.

#### Time Between Signing of Franchise Agreement and the Opening of the Clinic

We estimate that there will be 6 to 12 months between the signing of your Franchise Agreement and the opening of your Clinic, but the interval may vary depending on factors such as the location and condition of the site, the construction schedule for the Clinic, and the extent to which an existing location must be upgraded or remodeled. Also, you will not be permitted to open your Clinic until: (1) you have fulfilled all of your development obligations under the Franchise Agreement; (2) we determine that your Clinic has been constructed, decorated, furnished, equipped, and stocked with materials and supplies in accordance with approved plans and specifications; (3) your Clinic managers and other personnel have completed pre-opening training to our satisfaction; (4) you have paid us the initial franchise fee and all other amounts then owed to us; and (5) you have furnished us with copies of all required insurance policies,

or other evidence of insurance coverage and payment of premiums as we request, and with certification that you have obtained all required building, utility, sign, health, sanitation, business, and other permits and licenses.

### Training Program

As part of our franchise application process, your Principal Operator and Clinic staff must participate in, and successfully complete, our 2 to 6 week (depending on applicant's skill level) training program. The training program is held on an as-needed basis. The instructional materials consist of our Manuals, documents, modules, videos, and on-the-job functional training.

The initial training program will include training at the Flagship Clinic in the Stuart, Florida area or a Pilot Clinic that we designate. You must attend, and must designate your Clinic trainees to attend our initial training program. We do not charge a training fee for the initial training program, however, you will be responsible for all compensation, insurance, travel, and living expenses which you and your trainees incur in connection with the initial training program. All manager trainees must complete all phases of the initial training program to our satisfaction. We will give you adequate feedback on your team's readiness and ability to perform in their role within the Clinic.

If your Clinic receives inspection reports from us which are unsatisfactory in any manner, we may require your Certified Managers to attend refresher courses at locations designated by us. You will be responsible for all compensation, insurance, travel, and living expenses of personnel attending these courses. (Franchise Agreement §12E)

### Type of Instruction in Initial Training

The initial training program consists of 40 to 240 hours of classroom and on the job training. We have the right to modify the duration or content of the initial training program for any trainee. We offer the initial training program periodically during the year on an as-needed basis. The initial training program is scheduled so that it is completed sufficiently in advance of your Clinic's initial opening to afford adequate time for the Clinic set-up and the hiring and training of employees before the opening of the Clinic. The initial training program is mandatory for all franchisees.

Initial training will occur after the Franchise Agreement is executed, and 5 to 6 weeks prior to the opening of the Clinic.

### Experience of Instructors

Kameron Harris, our Chief of Operations, oversees our training program and has 8 years of experience in the industry and 5 years of experience with the franchisor. In addition, we will provide qualified trainers for the training program, which may include the officers of Relive and staff at the Stuart location. Our corporate trainers have direct experience with operating a Relive Clinic, and with various aspects of the medical clinic industry or with franchising generally and will have a minimum of 1 year of industry experience.

Training Detail

The subjects covered by the various training programs are described in the following charts.

**TRAINING PROGRAM**

**Front of House**

<b>Subject</b>	<b>Number of Hours of Classroom Training</b>	<b>Number of Hours of On-the-Job Training</b>	<b>Location</b>
Customer Service: Phone etiquette, proper engagement on phone and in office	0.5	As required to demonstrate competency	Stuart, FL or closest location
Acuity: Patient scheduling platform and Salesforce CRM, lead management system	6	As required to demonstrate competency	Stuart, FL or closest location
POS System: Chargent Operating Instructions	1	As required to demonstrate competency	Stuart, FL or closest location
Patient onboarding/discharge, intake and consents, follow up	1	As required to demonstrate competency	Stuart, FL or closest location
Time management	1	As required to demonstrate competency	Stuart, FL or closest location
Daily Tasks	1	As required to demonstrate competency	Stuart, FL or closest location
Product/ Services knowledge	10	As required to demonstrate competency	Stuart, FL or closest location
HIPAA Certification	1.5	As required to demonstrate competency	Remote
Total	20.5	20-219.50	

**Registered Nurse**

<b>Subject</b>	<b>Number of Hours of Classroom Training</b>	<b>Number of Hours of On-the-Job Training</b>	<b>Location</b>
Customer Service Expectations	1	As required to demonstrate competency	Stuart, FL

<b>Subject</b>	<b>Number of Hours of Classroom Training</b>	<b>Number of Hours of On-the-Job Training</b>	<b>Location</b>
Patient onboarding/ discharge: maintaining file integrity, Charting and updating Salesforce	8	As required to demonstrate competency	Stuart, FL
Protocol of patient services/product	8	As required to demonstrate competency	Stuart, FL
Administering Vitamin Therapy,Ozone Therapy, and various shots	9	As required to demonstrate competency	Stuart, FL
Safety &Health Procedures, Biomedical waste handling/disposal	1	As required to demonstrate competency	Stuart, FL
Set up/organization of Nurses station	8	As required to demonstrate competency	Stuart, FL
Additional product/services knowledge	3	As required to demonstrate competency	Stuart, FL
Time Management/Patient flow/Patient Scheduling	1.5	As required to demonstrate competency	Stuart, FL
Manage inventory/orders from vendors	4	As required to demonstrate competency	Stuart, FL
HIPAA Training and Certification	1.5	As required to demonstrate competency	Remote
<b>Total</b>	<b>45</b>	<b>40-240</b>	

### Patient Coordinator

Subject	Number of Hours of Classroom Training	Number of Hours of On-the-Job Training	Location
Customer Service: phone and in office contact	6	As required to demonstrate competency	Stuart, FL
Lead generation software: how to use Highlevel	8	As required to demonstrate competency	Stuart, FL
CRM Software: how to use Salesforce	10	As required to demonstrate competency	Stuart, FL
Patient Management / Retention	4	As required to demonstrate competency	Stuart, FL
POS System	1	As required to demonstrate competency	Stuart, FL
Product and Services provided: features and benefits	8	As required to demonstrate competency	Stuart, FL
Pricing packages of various services/programs offered	8	As required to demonstrate competency	Stuart, FL
Acuity: patient scheduling system	6	As required to demonstrate competency	Stuart, FL
Patient onboarding and discharge	4	As required to demonstrate competency	Stuart, FL
HIPAA Training and Certification	1.5	As required to demonstrate competency	Remote
Total	56.5	40-240	



### Nurse Practitioner/Physician Assistant

Subject	Number of Hours of Classroom Training	Number of Hours of On-the-Job Training	Location
Customer Service skills: on phone and in office	1	As required to demonstrate competency	Stuart, FL
Patient onboarding and discharge; Maintaining patient file integrity; Patient care update in Salesforce, charting clinical notes	8	As required to demonstrate competency	Stuart, FL
EMR Software: How to use Salesforce	8	As required to demonstrate competency	Stuart, FL
Clinical management	5	As required to demonstrate competency	Stuart, FL
Protocol of services and products	8	As required to demonstrate competency	Stuart, FL
Metabolic Mentor University	15	As required to demonstrate competency	Remote
HRT/Peptide and supplement product knowledge	10	As required to demonstrate competency	Stuart, FL
Blood panel review	8	As required to demonstrate competency	Stuart, FL
Complete physicals	8	As required to demonstrate competency	Stuart, FL
Organization of nurse's station	4	As required to demonstrate competency	Stuart, FL
Supply vendor communication/ordering	3	As required to demonstrate competency	Stuart, FL
HIPAA Training and Certification	1.5	As required to demonstrate competency	Remote
<b>Total</b>	<b>79.5</b>	<b>40-240</b>	

Note to Training Table:

<sup>(1)</sup> The initial training program is conducted at Stuart, Florida at the headquarters of Relive. We also reserve the right to conduct the initial training at other Relive Clinics depending on various factors including the availability of personnel and trainers.

**Injector Training (Nurse Practitioner/Physician Assistant)**

<b>Subject</b>	<b>Number of Hours of Classroom Training</b>	<b>Number of Hours of On-the-Job Training</b>	<b>Location</b>
Didactic Training (Beginner) Lecture Training & Hands-on Neurotoxin. Certification of Completion	8-12	As Required to Demonstrate Competency	School of Choice (Approved by Franchisor)
Xeomin Bootcamp- Day 1 (Beginner) Toxin 101: Science, Anatomy of Toxin, Injection Technique, Reconstitution	1.5	As Required to Demonstrate Competency	Online
Xeomin Bootcamp-Day 2(Beginner) The Xeomin Consult: Disposition, Consultation, Engagement, Patient Loyalty	1	As Required to Demonstrate Competency	Online
PACE-(Intermediate) Must be completed before MAC HA Dermal Filler Several Modalities on And Off Label Procedures	Ongoing	As Required to Demonstrate Competency	Relive Health Location
MAC-(Intermediate) Lecture & Use of Hyperdilute Biostimulatory Fillers. Radiesse, Radiesse+, Belotero, Hyperdilute CaHA on and off Label	Ongoing	As Required to Demonstrate Competency	Relive Health Location
Varies Continued Educational Trainings / Additional Vendor Trainings Offered. (Advanced)	Ongoing	As Required to Demonstrate Competency	Online/Relive Health Location
Cadaver (Advanced) Lecture, Extensive Cadaver Demonstration of Anatomy, Anatomical Landmarks, Myriad of the Nerve & Vascular Bundle, Anatomy & Associated Structures	8-12	As Required to Demonstrate Competency	School of Choice (Approved by Franchisor)
<b>Total</b>	<b>18.5-26.5</b>		

**Medical Aesthetician**

<b>Subject</b>	<b>Number of Hours of Classroom Training</b>	<b>Number of Hours of On-the-Job Training</b>	<b>Location</b>
Customer Service Expectations	1	As Required to Demonstrate Competency	Stuart, FL
Patient Onboarding & Discharge	1	As Required to Demonstrate Competency	Stuart, FL
Patient Management & Retention	8	As Required to Demonstrate Competency	Stuart, FL
Protocol of Services & Products	5	As Required to Demonstrate Competency	Stuart, FL
ZO Certifications: Extensive Knowledge of Ingredients, Features, Benefits, & On-Site Training	16	Once Certification has Been Obtained	Online/OnSite Clinic Training
HydraFacial Certifications: 101, 201, 301 & Online/ On-Site Device Training	8	Once Certification has Been Obtained	Online/On Site Device Training
Pre & Post Care Education	1	As Required to Demonstrate Competency	Stuart, FL
Patient Scheduling Platform, Time Management & Patient Flow	4	As Required to Demonstrate Competency	Stuart, FL
Salesforce CRM for Patient Management, Charting & Documentation	4	As Required to Demonstrate Competency	Stuart, FL
Managing Supplies, Inventory & Ordering	1	As Required to Demonstrate Competency	Stuart, FL
Room Ambiance, Sanitation & Disinfection	1	As Required to Demonstrate Competency	Stuart, FL
Lead Generation	2	As Required to Demonstrate Competency	Stuart, FL
Social Media Etiquette & Expectations	1	As Required to Demonstrate Competency	Stuart, FL
Intake Forms, Informed Consent	1	As Required to Demonstrate Competency	Stuart, FL
HIPAA	1.5	As Required to Demonstrate Competency	Stuart, FL
OSHA & Biomedical Waste Education	3	As Required to Demonstrate Competency	Online/ On-Site Training
Lutronic Clarity, Ultra, Genius O/ On Site/ Online Training	10	As Required to Demonstrate Competency	Online/On-Site Clinic Training
<b>Total</b>	<b>68.5</b>	<b>40-240</b>	

Note to Training Table:

<sup>(1)</sup> The initial training program is completed in Stuart, Florida at the headquarters of Relive Health. We also reserve the right to conduct the initial training at other Relive Clinics depending on various factors including the availability of personnel and trainers.

## **ITEM 12 TERRITORY**

### Your Protected Area

You will not receive an exclusive territory. You may face competition from other franchisees, from clinics that we own, or from other channels of distribution or competitive brands that we control. Your Clinic must be in a specific location, and you may not operate the Clinic at any other location or relocate the Clinic without our prior written consent. If you are in full compliance with the Franchise Agreement, and any other agreements with us or any of our affiliates, we may agree to relocate a Clinic for you. We will follow the same procedure and factors to evaluate your relocation request as we do for a new site proposal. We will not open company-owned or franchised Clinics within the geographical area described in an exhibit to the Franchise Agreement (“Protected Area”). The minimum Protected Area will be determined by a demographic analysis performed by us. Continuation of your right to a Protected Area is not dependent upon achievement of any certain sales volume, market penetration, or other contingency. The Protected Area may not be altered except by mutual written agreement. You do not have any options, rights of first refusal, or any other similar right to acquire additional franchises.

If you are in default under the Franchise Agreement, we may terminate the Franchise Agreement and any exclusivity in the Protected Area. You do not receive any rights of first refusal, options, or similar rights under the Franchise Agreement to develop or operate additional Clinics.

### Our Reservation of Rights

Except as otherwise provided, we retain the right, in our discretion to: (a) operate, and grant to others the right to operate, Clinics at locations and on conditions as we deem appropriate outside of your Protected Area; and (b) sell Products utilizing the Marks through retail outlets other than the Clinics. The Protected Area defined in the Franchise Agreement relates to competition from other Clinics. We, or our designees, can, in certain instances, operate in the Protected Area. We have the right to sell Products ourselves, or through our designees, at various retail outlets, as well as major events, such as conventions and trade shows.

We retain the right to operate, and grant franchises to others to operate, Clinics specializing in the sale of products, other than the Products, utilizing the Marks. We do not currently license, or franchise any operations selling, any products competitive with, or the same as or similar to, the Products found in the Clinics, and we have not presently formulated any plans to do so. We have established company-owned outlets and have the right to establish others. We retain the right to establish other channels of distribution selling similar products or services under a different trademark.

Although we have not done so, we and our affiliates may sell products under the Marks within and outside your Protected Area through any method of distribution other than a dedicated Relive Clinic, including sales through such channels of distribution as the Internet, telemarketing, or other direct marketing sales (collectively, “alternative distribution channels”). You may not use alternative distribution channels to make sales outside or inside your Protected Area and you will receive no compensation for our sales through alternative distribution channels.

You may solicit or accept orders from customers outside your Protected Area, but you may not use

alternative distribution channels to solicit or fill orders. You may not deliver outside your Protected Area without our prior written consent.





We and our affiliates can use alternative channels of distribution to make sales within your Protected Area of products or services under trademarks different from the Marks you will use under the Franchise Agreement, but we and our affiliates have not yet made any sales of this type.



**ITEM 13 TRADEMARKS**

We have registered the following principal Mark with the U.S. Patent and Trademark Office (the “USPTO”):

REGISTERED MARKS		
Mark	Registration Number	Registration Date
Relive	6695827	04/05/2022

We also applied to register the following trademarks on the Principal Register of the United States Patent and Trademark Office based on the intent to use:

UNREGISTERED MARKS		
Mark	Serial Number	Application Date
Relive	97692121	11/25/2022
	97692125	11/25/2022
	97763501	1/22/2023
	97763502	1/22/2023
	97692128	11/25/2022
	97938947	5/16/2023
	97938952	5/16/2023

UNREGISTERED MARKS		
Mark	Serial Number	Application Date
	97938958	5/16/2023
	97938964	5/16/2023

COMMON LAW MARKS


Common Law Rights

We also have common law rights in the above mark by virtue of using it in interstate commerce. We may have the right, as a matter of common law, to exclude other users from using the same or confusingly similar marks for similar products or services within the area of geographical influence of our company and/or our franchisees. The specific legal rights which you and we have in a particular dispute would depend upon all the facts and circumstances surrounding the dispute.

We intend to file all required affidavits and to renew the registration for the Mark when they become due. We have the exclusive right to use and permit our franchisees to use the Mark (including the name and mark “Relive<sup>®</sup>”). The initial term of the license agreement is 20 years and is then renewable annually. The license agreement may be terminated if we make an assignment of assets for the benefit of creditors, if a trustee is appointed to administer our business or if we are adjudged bankrupt. If the license agreement is terminated, any active Franchise Agreements shall be assigned automatically to Relive and Relive shall assume our rights and obligations under such Franchise Agreement.

There are no presently effective rulings of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court relating to the principal Marks that would materially affect your right to use the Marks. There are no pending infringement, opposition or cancellation proceedings or material litigation involving the principal Marks. Other than as described above, there are no agreements currently in effect that significantly limit our right to use or license the use of the principal Marks in any manner material to you. We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal Marks in any state.

Under the Franchise Agreement, we grant you the right to use the Marks, including the trademark and service mark (and design) Relive, and such other trademarks, service marks, and commercial symbols as we authorize from time to time.

Your right to use the Marks comes only from the Franchise Agreement and is limited to your conducting business in compliance with the Franchise Agreement. Your unauthorized use of the Marks will

constitute a breach of the Franchise Agreement and an infringement of our rights in and to the Marks.

You must use the Marks as the only identification of the Clinic, provided that you identify yourself as its independent owner in the manner we determine. You must not use any of the Marks as part of any corporate or trade name, or with any prefix, suffix, or other modifying words, terms, designs, or symbols, or in any modified form. You must not use any Marks in connection with the performance or sale of any unauthorized services or products, or in any other manner not expressly authorized in writing by us. You must prominently display the Marks at the Clinic, on supplies and materials designed by us, and in connection with packaging materials, forms, labels, and advertising and marketing materials. The Marks must be displayed in the manner we determine. You must sign all instruments and documents, render such assistance, and do the acts and things that may, in the opinion of our counsel, be necessary or advisable to protect and maintain our interests in any litigation, USPTO or other proceeding, or otherwise to protect and maintain our interest in the Marks.

If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or discontinue the use of any Mark and/or use one or more additional or substitute trademarks or service marks, you must follow our directions to modify or otherwise discontinue the use of the Mark in a reasonable time after notice of it by us, and we will have no liability or obligation whatsoever with respect to your modification or discontinuance of any Mark.

We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you. You must immediately notify us of any apparent infringement of, or challenge to, our use of any Mark, or claim by any person of any rights in any Mark, and you must not communicate with any person other than us or our counsel in connection with any such infringement, challenge, or claim.

We will indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding arising out of your authorized use of any Mark pursuant to and in compliance with the Franchise Agreement, and for all costs you reasonably incur in defending any such claim brought against you or any proceeding in which you are named as a party, provided that you have timely notified us of such claim or proceeding, and have otherwise complied with the Franchise Agreement. We, at our discretion, may defend any proceeding arising out of your use of any Mark pursuant to the Franchise Agreement, and, if we undertake the defense of such proceeding, we will have no obligation to indemnify or reimburse you with respect to any fees or disbursements of any counsel retained by you.

## **ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

We do not own patents or copyrights which are material to the franchise described in this franchise disclosure document, but you can use the proprietary information in our Manuals. Item 11 describes the Manuals. You must operate the Clinic in accordance with the standards, methods, policies, and procedures specified in the Manuals, and Standard Operating Procedures, as we revise them from time to time. You must treat the Manuals, and the information contained in them, as confidential, and must use all reasonable efforts to maintain such information as secret and confidential. You must not at any time copy, duplicate, record, or otherwise reproduce the materials, in whole or in part, or otherwise make them available to any unauthorized person. The Manuals will at all times remain our sole property and must be kept in a secure place.

We also claim proprietary rights to the ingredients, formulas, and methods of preparation used for Products and services, and our methods, techniques, formats, specifications, systems, procedures, methods of business management, sales and promotional techniques, and knowledge and experience in the operation and establishment of Clinics. We will disclose this information to you in the Manuals, in training, and in

subsequent guidance.

You must not, during or after the term of the Franchise Agreement, communicate, divulge, or use for the benefit of any other persons, partnership, association, or corporation, any confidential information, knowledge, or know-how concerning the methods of operation of the Clinic which may be communicated to you or of which you may be apprised by virtue of your operation under the Franchise Agreement. You may divulge such confidential information only to those employees who must have access to it in order to perform their employment responsibilities. Any and all information, knowledge, know-how, and techniques which we designate as confidential will be deemed confidential for purposes of the Franchise Agreement.

At our request, you must require any employees having access to any of our confidential information to execute covenants that they will maintain the confidentiality of information they receive during their association with you. Such covenants must be in a form approved by us, including specific identification of us as a third-party beneficiary of such covenants with the independent right to enforce them.

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

Your Clinic must, at all times, be under the direct, on-premises supervision of a Certified Manager who has satisfactorily completed our training program as described in Item 11. If you are an individual, you may, but are not required to, be the Certified Manager. This is not a “passive” investment but requires the day-to-day supervision by you (or your designee) of the operation of the Clinic. You are not our employee but are your own boss under the Franchise Agreement. You (or your designee) will remain active in overseeing the operations of the Clinic. You (or your designee) will hire all employees of the Clinic and be exclusively responsible for the terms of their employment and compensation, and for the proper training of such employees in the operation of the Clinic. It is our custom not to require that the Certified Manager have an equity interest in your business. The Certified Manager may be required to enter into an agreement not to reveal confidential information obtained in the course of his or her employment with you. The on-premises Certified Manager is not required to have an equity interest in your business.

If you are a corporation, limited liability company, or partnership, each shareholder, member or partner must personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by and personally liable for the breach of, every provision of the Franchise Agreement.

#### **ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must sell or offer for sale only such Products as have been expressly approved for sale by us in writing; must sell or offer for sale all required Products specified by us; must not deviate from our standards and specifications without our prior written consent; and must stop selling and offering for sale any Products which we may, in our discretion, disapprove in writing at any time. We have the right to change the types of authorized Products, and there are no limits on our right to make changes.

For a description of your restrictions on some purchases, see Item 8 of this franchise disclosure document.

The System may be supplemented, improved, and otherwise modified at any time by us. You must comply with all of our reasonable requirements in that regard, including offering and selling new or different products or services as specified by us.

You are restricted to only offering the products that we designate within your facility. There are no



restrictions with respect to the customers whom you may solicit, with the exception of purposefully soliciting patients from another Relive clinic.

**ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION**

**THE FRANCHISE RELATIONSHIP**

The following table lists certain important provisions of the Franchise Agreement. You should read these provisions in Franchise Agreement attached to this Franchise Disclosure Document. You should refer to any state-specific addenda attached to this Franchise Disclosure Document for exceptions to this Item 17.

<b>Provision</b>	<b>Section in the Franchise Agreement</b>	<b>Summary</b>
a. Length of the franchise term	§ 2A of Franchise Agreement	10 years
b. Renewal or extension of the term	§ 2B of Franchise Agreement	2 renewal term of 5 years, subject to contractual requirements
c. Requirements for you to renew or extend	§ 2B of Franchise Agreement	Notice, satisfaction of monetary obligations, compliance with Franchise Agreement, execute new Franchise Agreement, execute a general release of Relive and others. You may be asked to sign a contract with materially different terms and conditions than your original contract. The Protected Area and Royalty Fee may be materially different from that contained in the current Franchise Agreement. The Royalty Fee will not be greater than the Royalty Fee that we then impose on similarly situated renewing franchisees. The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
d. Termination by you	None	
e. Termination by us without cause	None	
f. Termination by us with cause	§ 23 of Franchise Agreement	Breach of Franchise Agreement and other grounds. Under the U.S. Bankruptcy Code, we may be unable to terminate the agreement merely because you make a bankruptcy filing.

<b>Provision</b>	<b>Section in the Franchise Agreement</b>	<b>Summary</b>
g. “Cause” defined defaults that can be cured	§ 23 of Franchise Agreement	Breach of Franchise Agreement
h. “Cause” defined defaults that cannot be cured	§ 23 of Franchise Agreement	Breach of Franchise Agreement and other grounds
i. Your obligations on termination/ non- renewal	§ 24 of Franchise Agreement	Obligations include complete de-identification, payment of amounts due, and covenant not to compete against us
j. Assignment of contract by use	§ 19 of Franchise Agreement	No restriction on right to transfer or assign
k. “Transfer” by you- defined	§ 20 of Franchise Agreement	Includes transfer of interest in Franchise Agreement, Franchise, you, or all or substantially all of the assets of your business
l. Our approval of transfer by you	§ 20 of Franchise Agreement	We must approve transfers
m. Conditions for our approval of transfer	§ 20 of Franchise Agreement	Includes payment of money owed, non-default, execution of release, transferee qualifications, execution of new agreement or assignment, and payment of transfer fee. The general release required as a condition of transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
n. Our right of first refusal to acquire your Franchised Outlet	§ 20 of Franchise Agreement	We can match any offer
o. Our option to purchase your Outlet	§ 25 of Franchise Agreement	Upon expiration or termination, we can buy certain assets
p. Death or disability	§ 20 of Franchise Agreement	Franchise Agreement must be assigned to approved transferee within 6 months
q. Non-competition covenants during the term of the franchise	§ 22 of Franchise Agreement	Includes prohibition on owning or operating business which sells similar products
r. Non-competition covenants after the franchise is terminated or expires	§ 22 of Franchise Agreement	Includes 2-year prohibition similar to ours and a geographic limitation
s. Modification of the agreement	§ 31 of Franchise Agreement	Must be in writing by both parties

Provision	Section in the Franchise Agreement	Summary
t. Integration/merger clause	§ 31 of Franchise Agreement	Only the terms of the Franchise Agreement are binding (subject to state law); any other promises may not be enforceable. Nothing in the Franchise Agreement or any related agreements is intended to disclaim any of the representations we made in this Disclosure Document. 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.
u. Dispute resolution by arbitration or mediation	§ 32B of Franchise Agreement	To be conducted in Stuart, Florida. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a developer to waive its rights to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
v. Choice of forum	§ 32C of Franchise Agreement	Stuart, Florida (subject to applicable state law)
w. Choice of law	§ 32D of Franchise Agreement	Florida (subject to applicable state law)

## ITEM 18 PUBLIC FIGURES

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

## ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

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

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 in-house counsel by contacting Margaret Lai, Esq., Relive HQ, 838 SW Federal Highway, Stuart, Florida 34994, (772) 631-7266, [margaret.lai@relivehealth.com](mailto:margaret.lai@relivehealth.com), the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

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

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
<b>Franchised</b>	2020	1	4	+3
	2021	4	5	+1
	2022	5	8	+3
<b>Company-Owned<sup>(2)</sup></b>	2020	3	3	0
	2021	3	4	+1
	2022	4	3	-1
<b>Total Outlets</b>	<b>2020</b>	<b>4</b>	<b>7</b>	<b>+3</b>
	<b>2021</b>	<b>7</b>	<b>9</b>	<b>+2</b>
	<b>2022</b>	<b>9</b>	<b>11</b>	<b>+2</b>

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For Years 2020 to 2022**

State	Year	Number of Transfers
Florida	2020	0
	2021	0
	2022	1
<b>Total</b>	<b>2020</b>	<b>0</b>
	<b>2021</b>	<b>0</b>
	<b>2022</b>	<b>1</b>

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

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year <sup>(1)</sup>
Alabama	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Florida	2020	0	3	0	0	0	0	3
	2021	3	1	1	0	1	0	2
	2022	2	3	0	0	0	0	5
Maryland	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Minnesota	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Texas	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
<b>TOTAL</b>	<b>2020</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>4</b>
	<b>2021</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>5</b>
	<b>2022</b>	<b>5</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>

**Table No. 4**  
**Status of Company-Owned Outlets For Years 2020 to 2022**

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed or Otherwise Terminated	Outlets Sold to Franchisee	Outlets at End of the Year <sup>(1)</sup>
Florida	2020	3	0	0	0	1	2
	2021	2	0	1	0	0	3
	2022	3	0	0	0	0	3
New York	2020	0	1*	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	1	0	0
<b>Total</b>	<b>2020</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>
	<b>2021</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>
	<b>2022</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>3</b>

\* The New York location is a “corporate-owned” location. As disclosed in Item 3, there is litigation concerning this location.

**Table No. 5**  
**Projected Openings as of December 31, 2022**

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In The Next Year
Colorado	3	0	0
Connecticut	2	0	0
District of Columbia	2	0	0
Florida	2	4	0
Georgia	2	0	0
Maryland	2	0	0
New Jersey	2	2	0
New York	2	1	0
North Carolina	2	0	0
South Carolina	1	0	0
Tennessee	1	1	0
Virginia	2	1	0
<b>Total</b>	<b>23</b>	<b>9</b>	<b>0</b>

**NOTES TO TABLES NO. 1 - 4:**

<sup>(1)</sup> The numbers for 2020-2022 are as of December 31 of each year. States not listed had no Clinics

during 2020-2022.

(2) If multiple events occurred affecting any Clinic, the table shows the event that occurred last in time.

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

No franchisees have signed a confidentiality clause in a franchise agreement, settlement, or other contract within the last three years that would restrict their ability to speak openly about their experience with us.

Attachment G includes a list of the franchised businesses and former franchisees as of December 31, 2022 and a list of the name, city and 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 the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. We currently have 10 Area Representatives.

We are not aware of any franchisee association regardless of whether they use our marks.

## **ITEM 21 FINANCIAL STATEMENTS**

Attached to this Disclosure Documents as Attachment D are the following financial statements:

The balance sheet as of December 31, 2022, December 31, 2021, and December 31, 2020 and statements of operations and members' equity, and cash flows for the years ended December 31, 2022, December 31, 2021, and December 31, 2020, all of which have been audited by an independent auditor using generally accepted United States auditing standards.

An unaudited interim balance sheet as of September 30, 2023, and statements of profit & loss, members' equity, and cash flows for the fiscal quarter ended September 30, 2023. THESE INTERIM 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 HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

## **ITEM 22 CONTRACTS**

The following agreements are included in this disclosure document:

Exhibit A -- Franchise Agreement

Attachment E -- State-Specific FDD and Agreement Addenda

Attachment F -- Non-Disclosure Agreement

The following documents are attached to the Franchise Agreement as exhibits: Guaranty and Assumption of Obligations.

**ITEM 23      RECEIPT**

The last two pages of this disclosure document are detachable receipt pages. Please sign and date each of them as of the date you received this disclosure document, return one copy to us and retain the other for your records.



**Exhibit A -- Franchise Agreement**



**Relive Franchise Agreement**

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APPENDIX A - FRANCHISE INFORMATION

APPENDIX B - FRANCHISEE'S TOTAL MARKETING OBLIGATION

APPENDIX C - OWNERSHIP INTERESTS

APPENDIX D – ELECTRONIC FUNDS TRANSFER AGREEMENT

APPENDIX E – FORM ADDENDUM TO LEASE

RIDER 1 – OPENING DATE AND FRANCHISE EXPIRATION DATE

**THIS AGREEMENT** is made as of \_\_\_ by and between Relive Franchising LLC (“Relive”), a Florida limited liability company, and \_\_\_\_\_, a(n) \_\_\_\_\_ [type of entity] formed in \_\_\_\_\_ [jurisdiction] (“Franchisee”).

## RECITALS

Relive owns, and has expended a considerable amount of time, skill, effort, and money to develop, a unique and distinctive proprietary system (“System”) relating to the development, establishment and operation of community medical clinic businesses (“Relive Businesses”), which various services in the support of anti-aging, to include IV vitamin infusions, vitamin booster shots, ozone therapy, Hormone Optimization Therapy, regenerative medicine, Med Spa services and medical aesthetics.

The distinguishing characteristics of the System include, without limitation, uniform and distinctive building designs, interior and exterior layout and trade dress; standards and specifications for equipment, equipment layouts and supplies; operating procedures; and cost controls, recordkeeping and reporting, personnel management, purchasing, sales, promotion and advertising. Relive may change, improve and further develop the System and its components from time to time.

Relive Franchising LLC (“Relive”), a Florida limited liability company owns all right, title and interest in the names “Relive<sup>®</sup>”, “Relive Health” and the other names, trademarks, service marks, logos, insignias, slogans, emblems, symbols and designs (collectively, “Marks”) used in connection with the operation of Relive Businesses.

Relive identifies the System by means of certain Marks that Relive has designated, or may in the future designate, for use with the System. Relive may modify the Marks to be used with the System from time to time.

Relive continues to develop, use and control the use of the Marks in order to identify to the public the source of products and services marketed under the Marks and the System and to represent the System’s high standards of quality, appearance and service.

Franchisee desires to obtain a license to use the System and to continuously operate one Relive Business (“Clinic”) at the location specified in attached Appendix A (“Franchised Location”), subject to the terms and conditions of this Agreement and in strict compliance with the standards and specifications established by Relive.

Franchisee understands and acknowledges the importance of Relive’s high and uniform standards of quality, operations and service and the necessity of developing and operating the Clinic in strict conformity with this Agreement and the Manuals and any other materials provided by Relive (collectively, “Manuals”).

Any required standards exist to protect our interests in the System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be set forth in the Manuals. The Manuals also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative, provided you meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect our interests in the System and Marks, we reserve the right to determine if you are meeting a required standard or whether an alternative is suitable to any recommendations or guidelines.

Relive is willing to grant Franchisee the right to operate a Relive Business at the Franchised Location, subject to the terms and conditions of this Agreement.

**NOW THEREFORE**, in consideration of Relive's grant to Franchisee of the right to operate a Clinic at the Franchised Location during the term of this Agreement, as well as the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

## **1. GRANT OF FRANCHISE**

**A. Grant.** Subject to the provisions of this Agreement, Relive hereby grants to Franchisee the nonexclusive right ("Franchise") to continuously operate the Clinic at the Franchised Location and to use the Marks in the operation of the Clinic. Franchisee agrees that it will at all times faithfully, honestly and diligently perform its obligations under this Agreement, that it will continuously exert its best efforts to promote and enhance the Clinic and that it will not engage in any other business or activity that may conflict with its obligations under this Agreement, except the operation of other Relive Businesses or other businesses operated by Franchisee that are franchised by Relive or its affiliates.

**B. Limited Exclusivity.** Except as limited by Section 1C, and provided that Franchisee is in full compliance with this Agreement and any other agreements with Relive and its affiliates, during the Initial Term, Relive and its affiliates will not operate, or license others to operate, Relive Businesses in the geographic area that Relive identifies and describes in Appendix A ("Protected Area"). The restriction contained in this Section 1B does not apply to Relive Businesses under development or in operation in the Protected Area as of the date of this Agreement. If the Franchised Location has not been accepted in writing by Relive when Franchisee signs this Agreement, the Protected Area will be determined by Relive after Franchisee executes a lease (or purchase agreement) for the Clinic, and at such time the Protected Area will be attached to and incorporated into Appendix A.

**C. Rights We Reserve.** Except as expressly granted to Franchisee in Section 1B, Relive and its affiliates retain all rights with respect to Relive Businesses, the Marks, the sale of similar or dissimilar products and services, and any other activities Relive deems appropriate whenever and wherever we desire, including, but not limited to:

(1) Operating and/or licensing others to operate, businesses in the Protected Area identified in whole or in part by the Marks and/or utilizing the System that are located in hotels or any similar captive market location;

(2) Awarding national, regional or local licenses to third parties to sell services under the Marks in facilities in the Protected Area, provided that those facilities are identified by the third party's trademark;

(3) Selling, merchandising and distributing services or products identified by the Marks or by any other name or mark through any method or channel of distribution (including the Internet, wholesale, mail order and catalogs) other than through the operation of a business to any location including to locations within the Protected Area;

(4) Operating and/or licensing others to operate businesses identified in whole or in part by the name "Relive" at any location outside of the Protected Area;

(5) Operating and/or licensing others to operate, at any location any type of business other than a business identified in whole or in part by the name and mark “Relive<sup>®</sup>”;

(6) Operating, and/or licensing others to operate, after this Agreement terminates or expires, Relive Businesses at any location (including within the Protected Area);

(7) Developing and/or owning other franchise systems for the same or similar products and services using trade names and trademarks other than the Marks licensed to Franchisee; and

(8) Purchasing, being purchased by, merging with or combining with businesses that directly or indirectly compete with Relive Businesses.

**D. Relocation.** Franchisee may not operate the Clinic at any site other than the Franchised Location and may not relocate the Clinic. If, during the Initial Term (as defined in Section 2A), Franchisee, through no act or failure to act on its part (except the failure to extend the lease for the Franchised Location through the Initial Term), loses the right to possession of the Franchised Location, the Initial Term shall expire as of the date of the loss of the right to possession. However, if the right to possession is lost through no act or failure to act on Franchisee’s part, Franchisee may relocate the Clinic (without paying any additional initial franchise fee or transfer fee) at its expense, and the Initial Term shall not expire if: **(1)** Relive accepts the new location; **(2)** the Protected Area is modified to Relive then-current standards for determining the Protected Area around Franchised Locations; **(3)** Franchisee constructs and equips a Clinic at the new location in accordance with the then-current System standards and specifications; **(4)** a Clinic at the new location is open to the public for business within 90 days after the loss of possession of the Franchised Location; **(5)** Franchisee pays Relive the greater of: any expenses incurred by Relive in connection with the relocation or a relocation fee in the amount of \$10,000; and **(6)** for the time the Clinic is not in operation, Franchisee pays Relive a minimum weekly royalty fee based upon the Gross Sales during the 26 weeks prior to the request for relocation. Relive’s acceptance of a new location is not a guarantee or assurance by Relive that a Relive Business at the new location will be profitable or successful. Relive will not extend the Initial Term if Franchisee relocates the Clinic.

## **2. TERM**

**A. Initial Term.** The Initial Term of this Agreement and the Franchise granted by this Agreement shall begin on the date of this Agreement and terminate at midnight on the day preceding the 10th anniversary of the date the Clinic first opened for business (“Opening Date”), unless this Agreement is terminated at an earlier date pursuant to Section 23. The Opening Date is identified in Appendix A. Franchisee does not have the unilateral right to cease operating the Clinic prior to the expiration of the Initial Term.

### **B. Renewal Terms**

**(1)** At the expiration of the Initial Term, Franchisee shall have an option to remain a franchisee at the Franchised Location for two successive renewal terms of 5 years each (each a “Renewal Term”), unless the respective franchise agreement is sooner terminated in accordance with its provisions. The conditions for the first Renewal Term are set forth in this Agreement and all references in this Agreement to the Renewal Term shall mean the first Renewal Term. The conditions for the second Renewal Term will be set forth in the first Renewal Franchise Agreement.

**(2)** Franchisee must give Relive written notice of whether or not it intends to exercise the first renewal option not less than 9 months, nor more than 12 months, before the expiration of the Initial Term. Notwithstanding the foregoing, if Franchisee subleases the Franchised Location

from Relive, Franchisee must give Relive the notice described in the preceding sentence not less than 4 months, nor more than 6 months, before notice of renewal is required to be provided to the landlord under the master lease. Failure by Franchisee to timely provide Relive the required notice constitutes a waiver by Franchisee of its option to remain a franchisee beyond the expiration of the Initial Term.

**(3)** In addition to timely providing notice to Relive, Franchisee must comply with all of the following conditions prior to and at the end of the Initial Term:

**(a)** Franchisee has satisfied all monetary obligations due to Relive and its affiliates.

**(b)** Franchisee shall not be in default under this Agreement or any other agreements between Franchisee and Relive or its affiliates; Franchisee shall not be in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Clinic; Franchisee shall not be in default beyond the applicable cure period with any vendor or supplier to the Clinic; and, for the 6 months before the date of Franchisee's notice and the 6 months before the expiration of the Initial Term, Franchisee shall not have been in default beyond the applicable cure period under this Agreement or any other agreements between Franchisee and Relive or its affiliates.

**(c)** Franchisee shall make the capital expenditures required to renovate and modernize the Clinic to conform to the interior and exterior designs, décor, color schemes, furnishings and equipment and presentation of the Marks consistent with the image of the System for new Relive Businesses at the time Franchisee provides Relive the renewal notice, including such structural changes, remodeling, redecoration and modifications to existing improvements as may be necessary to do so.

**(d)** Franchisee has complied with Relive's then-current criteria for new Relive franchisees.

**(e)** Franchisee and its employees at the Clinic shall be in compliance with Relive's then-current training requirements.

**(f)** Franchisee shall submit to Relive written confirmation (in the form required by Relive and, if the Franchised Location is leased, such confirmation must be signed by the landlord) that Franchisee has the right to remain in possession of the Franchised Location, or other premises acceptable to Relive, for the first Renewal Term and all monetary obligations owed to Franchisee's landlord, if any, must be current.

**(g)** Franchisee, all individuals who executed this Agreement and all guarantors of Franchisee's obligations shall have executed a general release and a covenant not to sue, in a form satisfactory to Relive, of any and all claims against Relive and its affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, and claims arising out of, or relating to, this Agreement, any other agreements between Franchisee and Relive or its affiliates and Franchisee's operation of the Clinic, other Relive Businesses operated by Franchisee and all other businesses operated by Franchisee that are franchised by Relive or its affiliates.

**(h)** As determined by Relive in its sole discretion, Franchisee has operated the Clinic and all of its other franchised Relive Businesses in accordance with the applicable franchise agreements and the System (as set forth in the Manuals or otherwise and as revised from time to time by Relive) and has operated each of its other businesses that are franchised by Relive or its affiliates in accordance with the applicable franchise agreement.

**(4)** No later than 60 days after Relive's receipt of Franchisee's written notice of its desire to renew, Relive shall advise Franchisee whether or not Franchisee is entitled to remain a franchisee for the first Renewal Term. If Relive intends to permit Franchisee to remain a franchisee for the first Renewal Term, Relive's notice will contain preliminary information regarding actions Franchisee must take to satisfy Sections 2B(3)(c)-(e). If Relive does not intend to permit Franchisee to remain a franchisee for the first Renewal Term, Relive's notice shall specify the reasons for non-renewal. If Relive chooses not to permit Franchisee to remain a franchisee for the first Renewal Term, Relive shall have the right to unilaterally extend the Initial Term as necessary to comply with any applicable laws.

**(5)** If Franchisee will remain a franchisee for the first Renewal Term, Relive shall forward to Franchisee a new franchise agreement for the first Renewal Term for Franchisee's signature at least 60 days prior to the expiration of the Initial Term. The form of renewal franchise agreement shall be the form then in general use by Relive for Relive Businesses (or, if Relive is not then granting franchises for Relive Businesses, that form of agreement as specified by Relive) and likely will differ from this Agreement, including, but not limited to, provisions relating to the royalty fee and advertising obligations.

**(6)** Franchisee shall pay Relive a renewal fee in the amount of \$10,000 for the first Renewal Term.

**(7)** No later than 30 days before the expiration of the Initial Term, Franchisee shall execute the renewal franchise agreement for the first Renewal Term and return the signed agreement to Relive, along with the renewal fee. Failure by Franchisee to sign the renewal franchise agreement and return it to Relive (along with the renewal fee) within this time shall be deemed an election by Franchisee not to renew the Franchise and shall result in termination of this Agreement and the Franchise granted by this Agreement at the expiration of the Initial Term.

**(8)** If Franchisee timely complies with all of the conditions set forth in this Section 2B, Relive shall execute the renewal franchise agreement and promptly return a fully-executed copy to Franchisee.

**(9)** If we elect not to renew or offer you the right to renew, we will send you a written notice of non-renewal at least 180 days prior to the expiration date, which shall set forth the basis for our decision not to renew or offer you the right to renew. Our failure to send you a notice of non-renewal at least 180 days prior to the expiration date shall constitute our offer to renew your franchise in accordance with, and subject to, the renewal terms and conditions set forth above. If you have any objections to our notice of non-renewal, including any dispute as to the basis for our decision not to renew, you must send us a written notice of objection that sets forth the basis for your objections. Your notice of objection must be sent to us no later than 30 days after you receive our notice of non-renewal. Your failure to send us a written notice of objection during such 30-day period shall constitute your agreement to the non-renewal of your franchise.



### 3. DEVELOPMENT PROCEDURES

**A. Franchisee's Responsibility.** Franchisee shall select a site for the Clinic from within the limited geographic area specified in Appendix A ("Designated Area"), which Relive will designate. Relive has the right to move or modify the Designated Area. The Designated Area shall be defined for the sole purpose of site selection and shall not confer to Franchisee any territorial exclusivity or protection. Franchisee assumes all cost, liability and expense for locating, obtaining and developing a site for the Clinic and for constructing, equipping and opening a Relive Business at the Franchised Location in accordance with Relive's standards. Franchisee shall not make any binding commitments to acquire any interest in a site until Relive has accepted that site in writing.

**B. Site Selection Assistance.** Relive will provide Franchisee the following site selection assistance: **(1)** Relive's site selection guidelines and, as Franchisee may request, a reasonable amount of consultation with respect thereto; and **(2)** such on-site evaluation as Relive may deem advisable as part of its evaluation of Franchisee's request for site acceptance.

#### **C. Site Application**

**(1)** For each proposed site for the Clinic, Franchisee must submit to Relive a site application ("Site Application"), in the form prescribed by Relive, that contains the information required by Relive. Each Site Application shall include, among other things, a description of the proposed site, a market feasibility study for the proposed site, a letter of intent (or other written confirmation demonstrating Franchisee's ability to acquire the proposed site) and a summary of how the site meets Relive's site selection guidelines. Relive may change its site selection guidelines from time to time. The site selection guidelines may include demographic characteristics, traffic count and patterns, parking, character of the neighborhood, competition from other businesses in the area, the proximity to other businesses (including business operated or franchised by Relive or its affiliates), the nature of other businesses in proximity to the site and other commercial characteristics (including the purchase price, rental obligations and other lease terms for the proposed site) and the size, appearance, other physical characteristics and a site plan of the premises.

**(2)** Franchisee acknowledges that, in order to preserve and enhance the reputation and goodwill of all Relive Businesses and the goodwill of the Marks, the Clinic must be properly developed, operated and maintained.

**(3)** Franchisee must adequately capitalize the development of the Clinic and maintain the minimum net worth and amount of liquid capital as specified by Relive, in its sole discretion. Franchisee agrees that Relive may refuse to accept a site for the Clinic if Franchisee fails to demonstrate sufficient financial capabilities, in Relive's sole judgment, to properly develop, operate and maintain that Clinic. Franchisee shall furnish to Relive any financial statements and other information regarding Franchisee and/or the development and operation of the Clinic, including, without limitation, investment and financing plans for the Clinic, as Relive reasonably may require.

#### **D. Site Acceptance**

**(1)** Within 30 days after Relive's receipt of the completed Site Application (which shall include all information and materials relating to a proposed site that Relive reasonably requests), Relive will advise Franchisee in writing whether Relive has accepted or refused to accept the proposed site. If Relive does not respond within that time period, Relive will be deemed to have

refused to accept the proposed site, unless Relive in its sole discretion extends the time to accept or refuse acceptance due to a request for additional information from any party. Relive's acceptance or refusal to accept a proposed site may be subject to reasonable conditions as determined by Relive in its sole discretion.

(2) Franchisee shall obtain written acceptance from Relive for a site for the Clinic no later than the date specified in Appendix A ("Site Acceptance Deadline").

(3) Franchisee agrees that its decision to develop and operate the Clinic at any site is based solely on Franchisee's independent investigation of the suitability of that site for a Relive Business. Franchisee agrees that Relive's acceptance of a site for the Clinic and any information communicated to Franchisee regarding Relive's site selection guidelines for Relive Businesses does not constitute a warranty or representation of any kind, express or implied, as to the suitability of any site for a Relive Business or for any other purpose. Relive's acceptance of a site is not a representation or promise by Relive that a Relive Business at that site will achieve a certain sales volume or a certain level of profitability. Relive's acceptance of one or more sites and its refusal to accept other sites is not a representation or promise that any accepted site will have a higher sales volume or be more profitable than a site that Relive did not accept. Relive's acceptance merely means that the site meets Relive's minimum site selection guidelines. Franchisee agrees that Relive's acceptance, or refusal to accept a proposed site, whether or not a Site Application is completed and/or submitted to Relive shall not impose any liability or obligation on Relive. The decision to accept or reject a particular site is Franchisee's, subject to Relive's acceptance. Preliminary acceptance of a proposed site by any Relive's representative is not conclusive or binding, because his or her recommendation may be rejected by Relive.

#### 4. LEASE PROVISIONS

**A. Copy of Lease.** If Franchisee will lease or sublease the Franchised Location from a third party, Franchisee shall provide Relive with a copy of the fully-executed lease or sublease ("lease") (for a term, including renewal terms) for the Franchised Location within 30 days after the later of execution of this Agreement or written acceptance of the Franchised Location by Relive, but, in any event, prior to the commencement of construction at the Franchised Location. The lease shall not contain any covenants or other obligations that would prevent Franchisee from performing its obligations under this Agreement.

**B. Required Lease Provisions.** Any lease, letter of intent or lease memorandum for the Franchised Location shall contain provisions that satisfy the following requirements during the entire term of the lease, including any renewal terms:

(1) The landlord consents to Franchisee's use of the proprietary signs, distinctive exterior and interior designs and layouts, and the Marks prescribed by Relive. Upon expiration or the earlier termination of the lease, the landlord will permit Franchisee, at Franchisee's expense, to remove all such items and other trade fixtures, so long as Franchisee repairs any damage to the Franchised Location caused by such removal.

(2) The landlord will provide Relive (at the same time sent to Franchisee) a copy of all amendments, assignments and notices of default pertaining to the lease and the Franchised Location. If Franchisee fails to cure any default within the applicable cure period, Relive shall have the right (but not the obligation) to cure that default within 15 days after the expiration of the applicable cure period.

(3) Following reasonable notice to the landlord, Relive shall have the right to enter the

Franchised Location to make any modifications or alterations necessary to protect the System and the Marks and to cure, within the time periods provided by the lease, any default under the lease, all without being guilty of trespass or other tort, and to charge Franchisee for these costs.

(4) The landlord agrees that Franchisee, and not Relive, shall be solely responsible for all obligations, debts and payments under the lease and that Relive shall have no liability in that regard.

(5) The landlord agrees that, following the expiration or earlier termination of this Agreement, Franchisee shall have the right to make those alterations and modifications to the premises as may be necessary to clearly distinguish to the public the premises from a Relive Business and also make those specific additional changes as Relive reasonably may request for that purpose. The landlord also agrees that, if Franchisee fails to promptly make these alterations and modifications, Relive shall have the right to do so without being guilty of trespass or other tort so long as Relive makes repairs to the building caused by such removal. The landlord agrees not to amend or otherwise modify the lease in any manner that would affect any of the foregoing requirements without Relive's prior written consent, which consent shall not be unreasonably withheld.

(6) Franchisee may assign the lease to Relive or its designee with landlord's consent (which consent shall not be unreasonably withheld) and without payment of any assignment fee or similar charge or increase in any rent or other amounts payable to the landlord.

(7) The landlord agrees to consent to Franchisee's collateral assignment of the lease to Relive or its designee, granting Relive the option, but not the obligation, to assume the lease from the date Relive takes possession of the leased premises, without payment of any assignment fee or similar charge or increase in any rents or other amounts payable to the landlord.

**C. Lease Addendum.** If Franchisee leases the Franchised Location, Relive will require Franchisee and the landlord to execute the form of lease addendum attached as Appendix E, which includes the terms set forth in Section 4B.

## **5. CONSTRUCTION OF THE BUSINESS**

### **A. Plans**

(1) It shall be Franchisee's responsibility to have prepared all required construction plans and specifications to suit the shape and dimensions of the Franchised Location, and Franchisee must ensure that the plans and specifications comply with applicable ordinances, building codes and permit requirements and with lease requirements and restrictions. Relive will provide Franchisee a generic (not site-specific) layout for a Relive Business. Franchisee will provide to Relive a site-specific layout within 30 days of receiving the generic layout. Relive must review and accept the site-specific layout prior to the commencement of the development of site-specific building plans ("Plans"). Relive recommends that Franchisee use an architect for developing the site-specific layout and the Plans for the Franchised Location. Franchisee is solely responsible for all amounts charged by the architect to develop the site-specific layout and/or Plans. Relive must review and accept, in writing, the final Plans for conformance to the accepted site-specific layout and Relive brand standards prior to commencement of construction and, upon receipt of an invoice from Relive, Franchisee shall pay Relive the then-current hourly fee, if such third-party fee is incurred by Relive, for review of those modified Plans plus any other costs incurred. Franchisee shall use only professional, insured and licensed architects, engineers and

contractors to develop, establish and construct the Clinic.

(2) Franchisee shall, upon Relive's request, submit all revised or "as built" Plans during the course of such construction. Relive will accept or decline the Plans and notify Franchisee within 30 days after Relive receives the Plans. (Relive's acceptance shall not be unreasonably withheld.) Once Relive has accepted the Plans, Relive shall sign each page of the Plans acknowledging Relive's acceptance and Franchisee's obligation to construct the Clinic in accordance with those accepted Plans. Franchisee shall not make any substantial change to the Plans without the prior written acceptance by Relive, which shall not be unreasonably withheld. If, during the course of construction, Franchisee contemplates any such change in the Plans, Franchisee must obtain Relive's prior written acceptance of that change. Relive shall accept or decline Plan changes within 30 days after receipt of a written request from Franchisee.

(3) Franchisee is prohibited from beginning site preparation or construction prior to receiving written notification from Relive that it has accepted the Plans. All construction must be in accordance with the Plans accepted by Relive and must comply in all respects with applicable laws, ordinances and local rules and regulations. If construction has not been performed in substantial compliance with the Plans accepted by Relive, Relive will not authorize Franchisee to open the Clinic. If such non-compliance is not cured within a commercially reasonable amount of time, Relive may terminate this Agreement and Franchisee will not be permitted to open the Clinic as a Relive Business.

## **B. Commencement and Completion of Construction**

(1) Construction of the Clinic shall commence no later than the date specified in Appendix A ("Construction Commencement Deadline"). Prior to the commencement of construction, Franchisee shall have: (a) eliminated or otherwise satisfied all of the conditions listed identified by Relive in writing; (b) paid all amounts due to Relive under this Agreement or any other agreement; and (c) provided Relive a copy of the fully-executed lease for the Franchised Location (containing the provisions required by Section 4B) or, if Franchisee owns the Franchised Location, proof of that ownership interest. As used in this Agreement, construction shall have commenced only after Franchisee has obtained all required permits and: (1) with respect to new construction, Franchisee has begun the installation of building footings with the intent to maintain continuous construction thereafter; or (2) with respect to a location that is being renovated from a prior use, Franchisee has begun the installation of sub-floor plumbing with the intent to maintain continuous construction thereafter.

(2) Once construction has commenced, it shall continue uninterrupted (except for interruption by reason of events constituting Force Majeure as defined in Section 30) until completed. If events constituting Force Majeure cause a delay in the commencement of construction of the Clinic, Relive shall proportionately extend the Opening Deadline (as defined below). Notwithstanding the occurrence of any events, except events constituting Force Majeure, construction shall be completed, and the Clinic shall be furnished, equipped and otherwise ready to open for business in accordance with this Agreement no later than the date specified in Appendix A ("Opening Deadline").

(3) Franchisee shall pay Relive all costs incurred by Relive to assist Franchisee with construction management including, without limitation, an hourly fee for any employee of Relive who assists Franchisee with construction management.

**C. Acquisition of Necessary Furnishings, Fixtures, Equipment and Signage**

(1) Franchisee agrees to use in the development and operation of the Clinic only those fixtures, furnishings, equipment and signs that Relive has approved as meeting its specifications and standards for quality, design, appearance, function and performance. Franchisee further agrees to place or display at the Clinic (interior and exterior) only those signs, emblems, lettering, logos and display materials that Relive approves in writing.

(2) Franchisee shall purchase or lease approved brands, types or models of fixtures, furnishings, equipment and signs only from suppliers designated or approved by Relive, which may include Relive and its affiliates. If Franchisee proposes to purchase, lease or otherwise use any fixtures, furnishings, equipment or signs that have not been approved by Relive, Franchisee shall first notify Relive in writing and shall, at its sole expense, submit to Relive sufficient specifications, photographs, drawings and/or other information or samples for a determination as to whether those fixtures, furnishings, equipment and/or signs comply with Relive's specifications and standards. Relive will, in its sole discretion, approve or disapprove the items and notify, in writing, Franchisee within 30 days after Relive receives the request.

**D. Start Up Materials.** Prior to the opening of the Clinic, Franchisee must purchase from approved suppliers (including Relive or its affiliates) certain supplies, marketing materials, fixtures and other branded items, as specified in the Manuals. Relive may change the items and/or quantities of such items that Franchisee must purchase.

**E. Inspection, Cooperation.** During the course of construction and/or renovation, Relive shall have the right to inspect the Franchised Location and the course of construction and/or renovation. Franchisee shall (and shall cause Franchisee's architect, engineer, contractors, and subcontractors to) cooperate fully with Relive and its designees for the purpose of permitting Relive and its designees to inspect the Franchised Location and the course of construction of the Clinic in order to determine whether construction is proceeding according to the approved Plans.

**F. Reports.** Franchisee shall submit to Relive a weekly report, as and when required by Relive, showing progress made towards fulfilling the terms of this Agreement.

**G. Limitation of Relive's Liability.** Notwithstanding Relive's right to accept the Plans, review the lease for the Franchised Location and inspect the construction work, Relive and its designees shall have no liability or obligation with respect to the Franchised Location, the design or construction of the Clinic or the furnishings, fixtures and equipment to be acquired. Relive's rights are exercised solely for the purpose of ensuring compliance with the terms and conditions of this Agreement.

**H. Financing.** Without the prior written approval of Relive, which shall not be unreasonably withheld, the construction, renovation and/or operation of the Clinic shall not be financed by a public or private offering of any right, title or interest in the Clinic, the property upon which it is built or the receipts from its operation.

**6. RIGHT TO OPEN THE BUSINESS**

**A. Notice to Relive.** Franchisee shall provide Relive 30 days' advance written notice of the date that Franchisee expects construction and/or renovation of the Clinic to be completed and a certificate of occupancy to be issued. Franchisee shall submit a copy of the certificate of occupancy to Relive. Relive reserves the right, after receiving Franchisee's notice, to conduct a final inspection of the Clinic and the Franchised Location to determine if Franchisee has complied with this Agreement. Relive shall not be liable

for delays or loss occasioned by its inability to complete its investigation and make a determination within that 30-day period. Franchisee shall not open the Clinic without Relive's express written authorization, which will not be granted unless Franchisee has satisfied the conditions contained in Section 6B.

**B. Opening Conditions.** Relive will not authorize the opening of the Clinic unless all the following conditions have been satisfied:

(1) Franchisee is not in default under this Agreement or any other agreements with Relive or its affiliates, Franchisee is not in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Clinic, Franchisee is not in default beyond the applicable cure period with any vendor or supplier to the Clinic and, for the previous 6 months, Franchisee has not been in default beyond the applicable cure period under any agreement with Relive or its affiliates.

(2) Franchisee is current on all obligations due Relive and its affiliates.

(3) Relive is satisfied that the Clinic was constructed and/or renovated substantially in accordance with the Plans accepted by Relive, this Agreement and state and local codes. If Franchisee builds any portion of the Clinic outside of the Plans or Relive's specifications without receiving Relive's prior written consent, Relive shall have the right to delay the opening of the Clinic until Franchisee, at Franchisee's sole expense, brings the construction into full compliance with the Plans and Relive's specifications.

(4) If the Franchised Location is leased, Relive has received a copy of the fully-executed lease, which contains the provisions required by Section 4B.

(5) Franchisee has obtained a certificate of occupancy and any other required health, safety, fire department, building, utility, sign, sanitation, business and other permits and licenses applicable to the Clinic.

(6) Franchisee has certified to Relive in writing that the installation of all furnishings, fixtures, equipment, signs, computer systems, point of sale systems and related equipment, supplies and other items has been accomplished in accordance with the Plans.

(7) Franchisee has met all training requirements.

(8) Relive has been furnished with copies of all insurance policies required by Section 17B or such other evidence of insurance coverage and payment of premiums as Relive reasonably may request.

(9) Franchisee has paid any amounts required by Relive.

(10) At least 1 person has successfully been trained and certified in the initial training program in accordance with Section 12A.

(11) Franchisee is in compliance with all reporting obligations to Relive.

**C. Opening Date.** Relive will authorize in writing the opening of the Clinic and identify the date that Franchisee actually opens the Clinic in a written notice to Franchisee in the form set forth in Rider 1. In connection with the opening, Franchisee shall complete any forms or surveys provided by Relive

relating to the development and/or construction of the Clinic including a summary of the construction costs incurred by Franchisee within 90 days of the Opening Date.

## 7. FEES

**A. Initial Franchise Fee.** Franchisee shall pay Relive an Initial Franchise Fee in the amount set forth in Appendix A, which is payable as set forth in Appendix A. Franchisee acknowledges and agrees that the Initial Franchise Fee was paid in consideration of Relive initially granting this Franchise, it was fully earned at the time paid, and it is not refundable.

**B. Royalty Fee.** In addition to all other amounts to be paid by Franchisee to Relive, Franchisee shall pay Relive a nonrefundable and continuing royalty fee in the amount of 6% of Gross Sales of the Clinic, for the right to use the System and the Marks at the Franchised Location. The royalty fee shall be calculated for the fiscal period designated by Relive from time to time and must be paid to Relive by the Due Date, as specified by Relive.

**C. Total Marketing Obligation.** Franchisee shall have a total marketing obligation (“Total Marketing Obligation”) in the amount of the greater of \$7,000 per month or 7% of Gross Sales, which will be divided among the National Marketing Fund, any Regional Marketing Fund (or, any Regional Co-op) and Local Clinic Marketing. The amount and allocation of the Total Marketing Obligation, as of the date of this Agreement, are explained in Section 9 and set forth in attached Appendix B.

**D. Definition of Gross Sales.** “Gross Sales” shall include all revenue from the sale of all products and services and all other income of every kind and nature (including stored value gift cards and gift certificates when redeemed but not when purchased and proceeds from business interruption insurance) related to the Clinic, whether for cash or credit and regardless of collection in the case of credit. Gross Sales shall not include: (1) any sales taxes or other taxes collected from customers by Franchisee for transmittal to the appropriate taxing authority; (2) the sale of services for which refunds have been made in good faith to customers; or (3) the sale of equipment used in the operation of the Clinic. Gross Sales shall include, without limitation, monies or credit received from the sale of merchandise, from tangible property of every kind and nature, promotional or otherwise, and for services performed from or at the Clinic.

**E. Gross Sales Reports.** By the day and time specified by Relive, Franchisee shall submit to Relive in writing (or by electronic mail, polling by computer or such other form or method as Relive may designate) the amount of Gross Sales from the Clinic for the fiscal period designated by Relive from time to time. Franchisee shall use any forms required by Relive to provide such information and shall include in that report any other data or information required by Relive.

## F. Payment of Fees.

(1) All fees and other amounts owed to Relive and/or its affiliates must be paid by pre-authorized bank debit and must be received by Relive or credited to Relive by no later than the day and time specified by Relive from time to time (“Due Date”). Franchisee must furnish to Relive and Franchisee’s bank all authorizations necessary to affect electronic funds transfers from Franchisee’s bank account (“Account”). If the Account does not have sufficient funds to pay Relive in full for any amount due to Relive on the Due Date, Franchisee shall pay to Relive any fees, charges or expenses incurred by Relive and such failure shall constitute a default of this Agreement pursuant to Section 23B(2).

(2) If Franchisee has not reported Gross Sales to Relive for any period, Relive may transfer from the Account an amount based on information about Gross Sales available to Relive

through the POS system, Salesforce, or other software in use by Relive. If, at any time, Relive determines that Franchisee has underreported the Gross Sales of the Clinic, or underpaid the royalty fee or other amounts, Relive shall initiate an immediate transfer from the Account in the appropriate amount in accordance with the foregoing procedure, including interest as provided in this Agreement. Any overpayment will be credited to the Account effective as of the first reporting date after Relive and Franchisee determine that such credit is due.

**(3)** Relive may modify, among other things, at its option, the method by which Franchisee must pay any amount due to Relive, the Due Date for any payment, the fiscal period used to calculate any payment, and any forms that must be submitted to Relive in connection with such payments, effective upon Franchisee's receipt of written notice from Relive. Franchisee may not, under any circumstances, set off, deduct or otherwise withhold any amounts payable to Relive under this Agreement on grounds of Relive alleged non-performance of any obligations.

**G. Taxes.** Franchisee must report and pay when due all local, state, and federal taxes levied or assessed on Franchisee and the Clinic. If any taxes are imposed on Relive by reason of Relive acting as a franchisor or licensing the Marks under this Agreement, Franchisee must reimburse Relive the amount of those taxes within 30 days after receipt of an invoice from Relive.

**H. Interest and Late Fees.** If any payments by Franchisee due to Relive are not received by Relive by the Due Date, Franchisee, in addition to paying the amount owed, shall pay Relive interest on the amount owed from the Due Date until paid at the maximum rate permitted for indebtedness of this nature in the state in which the Clinic is located, not to exceed 1.5% per fiscal period (as defined by Relive from time to time) or a portion of a fiscal period. In addition to the interest on late payments, Relive, in its sole discretion, may charge Franchisee a late charge of \$500 for each delinquent payment or report that is received after the Due Date. Payment of interest and late fees by Franchisee on past-due obligations is in addition to all other remedies and rights available to Relive pursuant to this Agreement or under applicable law.

**I. Collection Costs and Expenses.** Franchisee agrees to pay to Relive on demand any and all costs and expenses incurred by us in enforcing the terms of this Agreement, including, without limitation, collecting any monies owed by Franchisee to Relive. These costs and expenses include, but are not limited to, costs and commissions due a collection agency, reasonable attorneys' fees (including attorneys' fees for outside counsel, in-house counsel employed by Relive or its affiliates, any attorneys' fees incurred by us in bankruptcy proceeding, post-judgment enforcement, and appellate attorney fees), costs incurred in creating, reconciling or replicating reports demonstrating Gross Sales of the Clinic, court costs, expert witness fees, discovery costs, appellate litigation costs, arbitration costs and fees, with together with interest charges on all of the foregoing.

**J. Partial Payments and Allocation of Payments.** No payment by Franchisee or acceptance by Relive of any monies under this Agreement for a lesser amount than due shall be treated as anything other than a partial payment on account. Franchisee's payment of a lesser amount than due with an endorsement, statement or accompanying letter to the effect that payment of the lesser amount constitutes full payment shall be given no effect, and Relive may accept the partial payment without prejudice to any rights or remedies it may have against Franchisee. Acceptance of payments by Relive other than as set forth in this Agreement shall not constitute a waiver of Relive's right to demand payment in accordance with the requirements of this Agreement or a waiver by Relive of any other remedies or rights available to it pursuant to this Agreement or under applicable law. Notwithstanding any designation by Franchisee, Relive shall have sole discretion to apply any payments by Franchisee to any of its past due indebtedness for royalty fees, advertising contributions, purchases from Relive or its affiliates, interest or any other indebtedness. Relive has the right to accept payment from any other entity as payment by Franchisee. Acceptance of that



payment by Relive will not result in that other entity being substituted for Franchisee.

## 8. RECORDKEEPING AND REPORTS

**A. Recordkeeping.** Franchisee shall keep and maintain, in accordance with any procedures set forth in the Manuals, complete and accurate books and records pertaining to the Clinic. The books and records shall be kept and maintained using generally accepted accounting principles (“GAAP”). Franchisee must preserve all of its books, records and state and federal tax returns for at least 5 years after the later of preparation or filing (or such longer period as may be required by any governmental entity) and make them available and provide duplicate copies to Relive within 5 days after Relive’s written request.

**B. Periodic Reports.** No later than the 15th calendar day of each month, Franchisee shall, at Franchisee’s expense, submit to Relive, in the form prescribed by Relive, a monthly balance sheet and a monthly and year-to-date profit and loss statement (both of which may be unaudited) for the prior calendar month. Relive shall have the right to require that Franchisee provide to Relive profit and loss statements and balance sheets at any other time. Each statement and balance sheet shall be signed by Franchisee or Franchisee’s treasurer or chief financial officer attesting that the statement or balance sheet is true, correct and complete and uses accounting principles applied on a consistent basis which accurately and completely reflect the financial condition of Franchisee.

**C. Annual Reports.** No later than March 15 of each year, Franchisee shall, at its expense, provide to Relive, in both hard copy and in an electronic format approved by Relive, a compiled profit and loss statement and balance sheet for the Clinic for the prior year, which must be signed by Franchisee or by Franchisee’s treasurer or chief financial officer attesting that the financial statements present fairly the financial position of Franchisee and the results of operations of the Clinic during the period covered. Relive shall have the right, in its reasonable discretion, to require that Franchisee, at Franchisee’s expense, submit audited financial statements prepared by a certified public accounting firm acceptable to Relive for any year or any period or periods of a year.

**D. Other Reports.** Franchisee shall submit to Relive, for review or auditing, such other forms, reports, records, information and data as Relive may reasonably designate, in the form and at the times and places reasonably required by Relive, upon request and as specified from time to time in the Manuals or otherwise in writing. Relive shall have the right to release any financial or operational information relating to the Clinic to Relive’s lenders or prospective lenders.

**E. Public Filings.** If Franchisee is or becomes a publicly-held entity, Franchisee shall send to Relive copies of all reports (including responses to comment letters) and schedules Franchisee may file with the U.S. Securities and Exchange Commission (certified by Franchisee’s chief executive officer to be true, correct, complete and accurate) and copies of any press releases Franchisee issues, within 3 days of the filing of those reports or schedules or the issuance of those releases.

**F. Audit Rights.** Relive or its designee shall have the right at all reasonable times, both during and after the term of this Agreement, to inspect, copy and audit Franchisee’s books, records, federal, state and local tax returns, and such other forms, reports, information and data as Relive reasonably may designate, applicable to the operation of the Clinic. If an inspection or audit discloses that any payments to Relive have been underpaid, Franchisee shall, within 5 days after receipt of the inspection or audit report, pay Relive the deficiency plus interest (at the rate and on the terms provided in Section 7H) from the Due Date until the date of payment. If an inspection or audit is made necessary by Franchisee’s failure to furnish reports or supporting records as required under this Agreement, or to furnish such reports, records or information on a timely basis, or if an understatement of Gross Sales for the period of any audit is determined by any audit or inspection to be greater than 2%, Franchisee also shall reimburse Relive for the

reasonable cost of the audit or inspection including, without limitation, the charges of attorneys and independent accountants, and the travel expenses, room, board and compensation of Relive's employees or designees involved in the audit or inspection. The foregoing remedies shall be in addition to all other remedies and rights available to Relive under this Agreement or applicable law.

**G. Preparation of Reports.** If Franchisee fails to provide to Relive, on a timely basis, any record, report and other information required by this Agreement or, upon request of Relive, with copies of same, Relive or its designee shall have access at all reasonable times (and as often as necessary) to Franchisee's books and records for the purpose, among other things, of preparing the required records, reports and other information. Franchisee promptly shall reimburse Relive or its designee for all costs and expenses associated with Relive obtaining or preparing such records, reports or other information.

**H. Release of Records.** At Relive's request, Franchisee shall authorize and direct any third parties, including accounting professionals, to release to Relive all accounting and financial records relating to the operation of the Clinic including, but not limited to, records evidencing Gross Sales, profits, losses, income, tax liabilities, tax payments, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within that person's possession, custody or control. Franchisee will execute all documentation necessary to authorize the release of such records.

## 9. MARKETING AND PROMOTION

### A. New Clinic Marketing.

(1) In addition to and not in lieu of the Total Marketing Obligation and any expenditures for local advertising and promotion, Franchisee shall expend a minimum of Ten Thousand Dollars (\$10,000) for new Clinic opening advertising and promotional programs in conjunction with the Clinic' initial opening, pursuant to a new Clinic marketing plan, including a pre-opening/presale campaign, developed by Relive or developed by Franchisee and approved in writing by Relive (the "New Clinic Marketing Program"). The New Clinic Marketing Program shall be submitted by Franchisee to Relive for approval no later than 90 days before the scheduled opening of the Clinic. The New Clinic Marketing Program shall be executed and completed during a period designated by Relive. The new Clinic opening period typically begins 90 days before the scheduled opening of the Clinic and continues for 120 days after the Clinic first opens for business, subject to changes Relive may require based on the particular market area or other unique circumstances of the Clinic, as determined by Relive. Franchisee shall submit to Relive, for Relive's prior written approval, a marketing plan and samples of all advertising and promotional material not prepared or previously approved by Relive, subject to the limitations provided in Section 9G(2). Relive recommends that Franchisee spend more than the minimum New Clinic Marketing Program on opening advertising. Franchisee shall submit to Relive proof of New Clinic Marketing expenditures as incurred. If Franchisee does not spend the entire amount for the New Clinic Marketing Program, Relive may in its sole discretion spend that amount for advertising for the Clinic or place the remainder of the New Clinic Marketing Program into the National Marketing Fund and, Franchisee understands that, if any portion of the Fee is placed in the National Marketing Fund, such placement will not reduce or otherwise modify Franchisee's obligation to pay the fee to the National Marketing Fund under Section 9C. Relive reserves the right to require Franchisee to deposit with Relive the funds required under this Section 9A to distribute as may be necessary to conduct the New Clinic Marketing Program. Franchisee agrees to comply with our then current guidelines in connection with the New Clinic Marketing Program.

(2) Clinics opening in new markets may require substantially more marketing during the initial stages of market and brand development. Relive recommends that if the Clinic opens in

a region that Relive has little or no brand awareness as determined by Relive (“New Market”), Franchisee execute and complete additional advertising and promotional programs (“New Market Program”). Any New Market Program will be developed by Relive or developed by Franchisee and approved in writing by Relive no later than 30 days prior to the implementation of the program.

**B. Total Marketing Obligation.** In addition to the New Clinic Marketing Fee, during the Initial Term, Franchisee shall have a Total Marketing Obligation of the greater of (i) 7% of Gross Sales or (ii) Seven Thousand Dollars (\$7,000) per month, which will be allocated among the National Marketing Fund, any Regional Marketing Fund (or, any Regional Co-op) and Local Clinic Marketing as set forth in Appendix B. Upon Franchisee’s receipt of written notice, Relive may increase and reallocate the Total Marketing Obligation; however, Franchisee’s Total Marketing Obligation will not exceed 7% of Gross Sales.

**C. National Marketing Fund.** Relive shall have the right, in its sole discretion, to establish and administer a national marketing fund for Relive Businesses (“National Marketing Fund”). As of the date of this Agreement, Franchisee shall contribute the portion of the Total Marketing Obligation prescribed by Relive in Appendix B to the National Marketing Fund. The National Marketing Fund contribution will not exceed 4% of Gross Sales. If any portion of the Total Marketing Obligation is allocated to the National Marketing Fund, Franchisee shall pay the National Marketing Fund contribution at the same time and in the same manner as the royalty fee. Relive Businesses operated by Relive (“Company Owned Businesses”) will contribute to the National Marketing Fund on the same basis as comparable franchisees.

**D. Regional Marketing Funds.** Relive shall have the right, in its sole discretion, to establish and administer one or more regional marketing funds (“Regional Marketing Funds”) for Relive Businesses. If a Regional Marketing Fund is established for a geographical area that includes the Franchised Location, Franchisee shall contribute to the Regional Marketing Fund the portion of the Total Marketing Obligation prescribed by Relive, which will not exceed 3% of Gross Sales. Company Owned Businesses in the geographic area will contribute to the Regional Marketing Funds on the same basis as comparable franchisees.

**E. Treatment of Marketing Funds.**

(1) Relive or its designee shall direct all advertising, marketing, brand reputation, and public relations programs and activities financed by the National Marketing Fund and any Regional Marketing Fund (collectively, “Funds”), with sole discretion over the creative concepts, materials and endorsements used in those programs and activities, and the geographic, market and media placement and allocation of advertising and marketing materials. Franchisee agrees that the Funds may be used, among other things, to pay the costs of preparing and producing such associated materials and programs as Relive or its designee may determine, including (i) preparing and producing digital, video, audio and written advertising materials; (ii) developing, implementing, and maintaining an electronic commerce Website (as defined in Section 9J) and/or related strategies; (iii) research, development and promotion to improve our System standards, customer loyalty programs, customer rewards programs, and brand reputation, including, without limitation, social media and reputation management programs; (iv) employing advertising agencies; (v) sponsorship of sporting, charitable or similar events; (vi) administering regional and multi-regional advertising programs, including, without limitation, purchasing direct mail and other media advertising and employing advertising agencies to assist with these efforts; (vii) supporting public relations, market research and other advertising, promotional and marketing activities; (viii) and informational, operational and reporting system modifications, enhancements, or additions required to support Relive’s marketing efforts. Franchisee agrees to participate in all advertising, marketing, promotions, research and public relations programs instituted by the Funds.

(2) Relive shall separately account for payments to the Funds; however, Relive shall not be required to segregate the monies in the Funds from Relive's other monies. Relive shall not use such monies to defray any of Relive's general operating expenses. The Funds may hire employees, either full-time or part-time, for administration of the Funds. Relive and its affiliates may be reimbursed by the Funds for expenses related to Relive's marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials, and collecting and accounting for contributions. Relive may spend in any fiscal year an amount greater or less than the aggregate contribution of all Relive Businesses to the Funds during that year or cause the Funds to invest any surplus for future use by the Fund. Relive will prepare an annual statement of monies collected and costs incurred by each Fund and will furnish that statement to Franchisee within a reasonable period of time following Relive's receipt of a written request from Franchisee. Relive or its designee will have the right to cause the Funds to be incorporated or operated through an entity separate from Relive at such time as Relive or its designee deems appropriate, and such successor entity shall have all rights and duties of Relive pursuant to this Section 9E.

(3) **Franchisee understands and acknowledges that the Funds are intended to enhance recognition of the Marks and patronage of Relive Businesses. Relive will endeavor to utilize the monies in the Funds to develop advertising and marketing materials and programs and to place advertising that will benefit the System and all Relive Businesses contributing to the Funds. However, Franchisee agrees that Relive is not liable to Franchisee, and Franchisee forever covenants not to sue and holds Relive harmless of any liability or obligation to ensure that expenditures by any Fund in or affecting any geographic area (including the Franchised Location) are proportionate or equivalent to the contributions to that Fund by Relive Businesses operating in that geographic area, or that any Relive Business will benefit directly or in proportion to its contribution to that Fund from the development of advertising and marketing materials or the placement of advertising. Except as provided in this Section 9, neither Relive nor its designee assumes any direct or indirect liability to Franchisee with respect to the maintenance, direction or administration of the Funds. Franchisee further acknowledges that the Funds are not trusts and that Relive assumes no fiduciary duty to Franchisee in connection with the creation or administration of the Funds.**

(4) Relive reserves the right, in its sole discretion, to: (a) suspend contributions to and operations of any Fund for any period that Relive determines to be appropriate; (b) terminate any Fund upon 30 days' written notice to Franchisee and establish, if Relive so elects, in its sole discretion, a different marketing fund; (c) upon the written request of any Relive Business or any Company Owned Business, defer or waive, in whole or in part, any marketing contribution required by this Section if, in Relive's sole judgment, there has been demonstrated unique, objective circumstances justifying any such waiver or deferral; or (d) form and terminate advertising councils. Upon termination of any Fund, Relive shall spend all monies in that Fund for advertising and/or promotional purposes. Relive has the right to reinstate any Fund upon the same terms and conditions set forth in this Agreement upon 30 days' prior written notice to Franchisee.

#### **F. Regional Co-op.**

(1) In lieu of a Regional Marketing Fund that is administered by Relive under Section 9D, Relive, in its sole discretion, may establish (or direct a group of franchisees to establish) a regional advertising and sales promotion cooperative ("Regional Co-op") for a regional area ("Designated Market Area" or "DMA") that includes the Franchised Location. The Regional Co-op shall be organized and governed in a form and manner and shall commence operations on a date,

approved in advance by Relive in writing. Relive may, if it so elects, prepare bylaws and other entity documents to be used by the Regional Co-op and may require the Regional Co-op to incorporate.

(2) If a Regional Co-op is established in a DMA in which the Franchised Location is located, Franchisee must become a member of such Regional Co-op upon commencement of operation of the Clinic if the Regional Co-op is in existence at that time, or no later than 30 days after the date on which the Regional Co-op commences operation. In no event shall Franchisee be required to be a member of more than one Regional Co-op with respect to the Clinic.

(3) Each Regional Co-op shall be organized for the exclusive purpose of developing the brand, administering regional marketing programs and developing, subject to Relive's approval, standardized promotional materials for use by the Co-op's members in local advertising. All advertising and marketing shall be submitted to Relive prior to first use and all advertising and marketing shall adhere to the standards specified by Relive.

(4) Franchisee shall contribute to the Regional Co-op the Regional Co-op contribution amount set by the Regional Co-op, which shall not be less than the minimum amount of the Total Marketing Obligation designated by Relive. Franchisee acknowledges that: (a) Relive will set a minimum Co-op contribution amount that Franchisee must contribute to the Regional Co-op; (b) the members of any Regional Co-op may vote to increase the minimum Co-op contribution; (3) if the members vote to increase the Regional Co-op contribution, the total marketing expenditure may exceed 7% of Gross Sales. Company- owned Businesses that join a Regional Co-op will have one vote for each Business operated in the geographic area covered by a Regional Co-op.

(5) Relive or its designee shall have the right to terminate (and subsequently reinstate) any Regional Co-op. Upon termination, all monies in the Regional Co-op shall be spent for advertising and/or promotional purposes. Relive or its designee shall have the sole right, but not the obligation, to enforce the obligations of franchisees who are members of the Regional Co-op to contribute to the Regional Co-op and neither Franchisee nor any other franchisees who contribute to the Regional Co-op shall be deemed a third party beneficiary with respect to the Regional Co-op obligations of other franchisees or have any right to enforce the obligation of any franchisee to contribute to the Regional Co-op.

#### **G. Local Clinic Marketing.**

(1) Franchisee shall spend, on a monthly basis, the portion of the Total Marketing Obligation prescribed by Relive in Appendix B for approved local clinic marketing ("Local Clinic Marketing"), which shall be at least Seven Thousand Dollars (\$7,000) per month; provided however, that if Franchisee is required to contribute (and Franchisee timely makes such contributions) to a Regional Marketing Fund or a Regional Co-op, Franchisee's Local Clinic Marketing obligation may be reduced so that in no event shall Franchisee's Total Marketing Obligation be more than the greater of Seven Thousand Dollars (\$7,000) or 7% of Gross Sales (or such additional amount as required by the Regional Co-op as set forth in Section 9F(4). Franchisee acknowledges that Relive shall not be required to reimburse Franchisee for any amount that Franchisee's Regional Marketing Fund contribution or the Regional Co-op contribution exceeds Franchisee's Local Clinic Marketing obligation.

(2) Relive or its designee periodically shall advise Franchisee of the advertising and sales promotions authorized by Relive and may provide general guidelines for Local Clinic Marketing. Local advertising and promotion materials may be purchased from any approved

source. These materials and procedures for disseminating such materials must comply with federal and local laws and regulations, including but not limited to, the Lanham Act, 15 U.S.C. § 1125 et seq.; the Telephone Consumer Protection Act, 47 U.S.C. § 227 et seq. (the “TCPA”); 47 CFR 64.1200; the Controlling the Assault of Non-Solicited Pornography And Marketing Act, 15 U.S.C. § 103 et seq. (“CAN SPAM”); and 16 CFR 316, and with the guidelines for advertising and promotion promulgated from time to time by Relive or its designee. Advertising, marketing, or other communication to customers or potential customers by telephone, including telephone calls and text messages, or facsimile shall be done, if at all, at the sole discretion and the direction of Franchisee and shall not be reviewed, approved, or otherwise controlled by Relive. Franchisee agrees that Franchisee will be solely responsible for complying with any laws pertaining to communications by telephone, including telephone calls and text message, or facsimile, including but not limited to, the TCPA. Franchisee is responsible for retaining independent counsel for advice on compliance with all federal, state, and local laws and regulations pertaining to such practices. All print, e-mail, and online advertising materials shall be submitted to Relive or its designee prior to first use for written approval by Relive. In no event shall Franchisee’s print, email, or online advertising materials contain any statement or material that, in the sole discretion of Relive, may be considered: **(a)** in bad taste or offensive to the public or to any group of persons; **(b)** defamatory of any person or an attack on any competitor; **(c)** to infringe upon the use, without permission, of any other persons’ trade name, trademark, service mark or identification; or **(d)** inconsistent with the public image of Relive or the System. Relive shall have the right to require Franchisee to include in advertising and promotional materials any information or statements, including that “Franchises Are Available.”

**(3)** Within 30 days after the end of each calendar quarter, Franchisee shall provide Relive or its designee copies of all documentation demonstrating the amount and types of Local Clinic Marketing expenditures made by Franchisee in the prior calendar quarter. If, in any period designated by Relive, Franchisee spends less than the required amount for authorized and approved Local Clinic Marketing, the difference between the required amount and the amount actually spent shall be paid to the National Marketing Fund or as otherwise directed by Relive, within 10 days after demand for payment is sent to Franchisee. In determining whether Franchisee has spent the required amount in any period, only expenditures made in that period will be counted, there will be no carryover from any previous period of any expenditures and Relive will exclude payments for any expenditures Relive deems inappropriate (including but not limited to free or discounted services, employee incentive programs, charitable contributions, sponsorship of sporting, charitable, or similar events, public relations firms, dedicated employee salary, employing advertising agencies, lighting, signage, décor, directory listings, the purchase or maintenance of vehicles and other similar payments without Relive prior written consent).

**H. Marketing Materials.** From time to time, Relive or its designee may furnish Franchisee with marketing, advertising and promotional materials at the cost of producing them, plus any related shipping, handling and storage charges. Franchisee shall not modify any of these materials without Relive’s prior written consent.

**I. Websites and Internet Marketing.** Relive has established and maintains an Internet presence, including but not limited to websites that provide information about the System and the services provided by Relive Businesses. The term “Website” as used in this Agreement means an interactive electronic document or page connected to the World Wide Web, including but not limited to mobile media and social media pages (such as Facebook, Twitter, TikTok, and Yelp) or other Internet presence. Relive has the right, but not the obligation, to include on a Website information about the Clinic. If Relive includes such information, Relive may require Franchisee, at its sole expense, to prepare all or a portion of that information using a template provided by Relive. Relive must approve all content that Franchisee requests

to be posted on Relive's Website. Relive owns all intellectual property and other rights to control, modify, or delete the Website, and all information contained therein (including, without limitation, all domain names, URLs, logs of Website visitors, and any and all personal or business data that Website visitors supply). Relive retains the sole right to market on the Internet, including the use of a Website, domain name, URL, linking, search engines (and search engine optimization techniques), banner ads, meta- tags, marketing, auction sites, e-commerce and co-branding arrangements. Franchisee may be requested to provide content for Relive's Internet marketing and shall be required to follow Relive's Intranet and Internet usage rules, policies and requirements. Relive retains the sole right to approve any linking or other use of a Website. In connection with any Website that refers to the Clinic, the services or products offered by Relive, or the Marks, you agree to the following:

- (1) Franchisee may not establish a presence on, or market using, the Internet in connection with the Clinic without Relive's prior written consent;
- (2) Franchisee will not establish a Website or permit any other party to establish a Website that relates in any manner to the Clinic or referring to the Marks; and
- (3) Relive has the right, but not the obligation, to provide one or more references or webpage(s) to the Clinic, as Relive may periodically designate, within Relive's Website.

**J. Telephone and Online Directory Listings.** All online directory listings are the property of and are administered by Relive. Franchisee shall maintain, at its sole expense, one or more telephone and online directory listings for the Clinic as Relive requires from time to time.

## 10. MANUALS

**A. Loan by Relive.** Franchisee acknowledges receipt upon access to an electronic version of Relive's confidential and proprietary Manuals, which contain information and knowledge that is unique, necessary and material to the System. (As used in this Agreement, the term "Manuals" also includes other publications, materials, drawings, memoranda, videotapes, audio tapes, and electronic media that Relive from time to time may loan to Franchisee.) The Manuals shall remain the sole property of Relive. Franchisee's electronic access to the manuals will be removed upon the termination or expiration of this Agreement. Franchisee shall promptly return any print copies of the Manuals to Relive upon the termination or expiration of this Agreement.

**B. Revisions to the Manuals.** Relive may supplement or amend the Manuals from time to time by letter, electronic mail, bulletin, videotapes, audio tapes, software or other communications concerning the System to reflect changes in the image, specifications and standards relating to developing, equipping, furnishing and operating a Relive Business. Franchisee shall keep its copy of the Manuals current and up-to-date with all additions and deletions provided by or on behalf of Relive and shall purchase whatever equipment and related services (including, without limitation, computer system, Internet service, dedicated phone line, etc.) as may be necessary to receive these communications. If a dispute relating to the contents of any portion of the Manuals develops, the master copy of that portion of the Manuals maintained by Relive at its principal offices shall control.

**C. Confidentiality of Manuals.** The Manuals contain detailed standards, specifications, instructions, requirements, methods and procedures for management and operation of Relive Businesses. The Manuals also may relate to management and training; marketing, advertising and sales promotions; maintenance and repair of the building, grounds, equipment, graphics, signs, interior and exterior décor items, fixtures and furnishings; employee dress attire and appearance standards; and accounting, bookkeeping, records retention and other business systems, procedures and operations. Franchisee agrees,

at all times, to operate the Clinic in strict conformity with the Manuals; to maintain the Manuals at the Clinic; to not reproduce the Manuals or any portion thereof; and to treat the Manuals as confidential and proprietary.

## 11. MODIFICATIONS OF THE SYSTEM

**A. Changes by Relive.** Relive, in its sole discretion, shall be entitled from time to time to change or modify the System, including modifications to the Manuals, the required equipment, the signage, the computer systems, the building and premises of the Clinic (including the trade dress, décor and color schemes), the presentation of the Marks, the adoption of new administrative forms and methods of reporting and of payment of any monies owed to Relive (including electronic means of reporting and payment) and the adoption and use of new or modified Marks or copyrighted materials. Franchisee shall accept and use or display in the Clinic any such changes or modifications in the System as if they were a part of the System at the time this Agreement was executed, and Franchisee, at its sole expense, will make such expenditures as the changes or modifications in the System may reasonably require.

**B. Changes to Services.** Within 30 days after receipt of written notice from Relive, Franchisee shall begin selling/offering any newly-authorized service and cease selling any service that is no longer authorized. If Franchisee has a suggestion for a new service, or a modification to an existing service, or Franchisee desires to participate in a test market program, Franchisee shall provide Relive written notice prior to implementation. Franchisee shall not offer at the Clinic a new service, modify an existing service or participate in a test market program without obtaining Relive's prior written approval. Franchisee shall purchase any additional equipment as Relive deems necessary in connection with new services; provided that, Franchisee shall have a reasonable period of time, as determined by Relive in its sole discretion, to finance, purchase and install such equipment before the new service must be offered for sale at the Clinic.

**C. Variations.** Relive has the right, in its sole discretion, to waive, defer or permit variations from the standards of the System for any franchisee or prospective franchisee based on the peculiarities of a particular site, existing building configuration or circumstance, density of population, business potential, trade area population or any other condition or circumstance. Relive shall have the right, in its sole discretion, to deny any such request Relive believes would not be in the best interests of the System.

**D. New Concepts Developed by Franchisee.** If Franchisee develops any new concepts, processes, technology, marketing, or improvements relating to the System, whether or not pursuant to a Relive authorized test, Franchisee promptly shall notify Relive and provide Relive with all information regarding the new concept, process or improvement, all of which shall become the property of Relive and its affiliates and which may be incorporated into the System without any payment to Franchisee. Franchisee, at its expense, promptly shall take all actions deemed necessary or desirable by Relive to vest in Relive ownership of such concepts, processes or improvements.

## 12. TRAINING

### A. Initial Training Program.

**(1)** At least 15 days before Franchisee opens the Clinic, Franchisee (or, if Franchisee is a business entity, Franchisee's Operating Principal) must successfully complete and be certified by Relive in the initial training program. Additional personnel may attend the initial training program if Relive deems attendance appropriate in light of Franchisee's needs and the availability of Relive's personnel. After Franchisee (or Franchisee's Operating Principal) has successfully completed and been certified in the initial training program, Franchisee (or the Operating Principal)



must train Franchisee's Clinic Managers (and any other employees Relive designates) in accordance with the System and Franchisee must certify to Relive that such persons have successfully completed all required training. Relive reserves the right to determine, in its sole discretion, whether each trainee trained by Franchisee (or Franchisee's Operating Principal) has successfully completed the initial training program.

(2) Relive will not charge Franchisee a fee to attend the initial training program offered by Relive; however, Franchisee must pay Relive's then-current training fee for any additional, subsequent, replacement or substitute personnel who attend that initial training program. Franchisee must pay all travel expenses, living expenses, wages and other incidental expenses incurred by all trainees while attending the initial training program.

(3) Relive will not authorize the Clinic to open until at least 1 person who will work at the Clinic has successfully been trained and certified. (Relive recommends, but does not require, that Franchisee employ at least 2 fully trained certified management personnel.) Subsequent to the opening of the Clinic, Franchisee must employ at least 1 trained and certified person to oversee the operation of the Clinic and the Clinic must, at all times, be under the direct, on-site supervision of a trained and certified individual. If the Clinic is not under the direct, on-site supervision of a trained and certified individual at all times, Relive may charge Franchisee a penalty fee or place Franchisee in default under this Agreement.

(4) Relive reserves the right to dismiss from the initial training program any person whom Relive does not believe will perform acceptably in the position for which he/she has been hired by Franchisee and Franchisee must provide a suitable replacement within 30 days of such dismissal. If any trainee fails to complete the initial training program to Relive's satisfaction, the trainee (or a substitute) may repeat the training; however, Relive will have no obligation to extend the Opening Deadline and, if Relive provides the training, Relive may charge Franchisee a training fee. In the alternative, Relive may terminate this Agreement.

**B. Ongoing Training.** Relive may provide and require Franchisee (or, if applicable, the Operating Principal), any Clinic Manager, any 10% Owner, and any other employee of Franchisee to attend ongoing training programs and seminars. Relive will not require any trainee to attend more than 5 days of ongoing training per calendar year. Relive will not charge a training fee for such ongoing training. Franchisee must pay for any travel expenses, living expenses, wages, and other expenses incurred by trainees while attending the ongoing training.

**C. Additional Training.** Relive shall have the right (which may be exercised at any time and in Relive's sole discretion) to require that Franchisee (or, if applicable, the Operating Principal), any Clinic Manager, any 10% Owner and/or any other employee of Franchisee take and successfully complete any additional training courses. Relive reserves the right to require Franchisee to pay a training fee as established by Relive from time to time for any additional training programs. Franchisee must pay for any travel expenses, living expenses, wages, and other expenses incurred by trainees while attending the additional training programs.

**D. Training Materials and Methods.** All training materials that Relive provides to Franchisee remain Relive's property. Relive shall have the right to provide training programs in person, on tape, via the Internet or company intranet, in printed or electronic format, or by other means, as Relive determines.

**E. Expenses.** Franchisee is responsible for any travel expenses, living expenses, wages, and other expenses incurred by any trainee including Franchisee, the Operating Principal, any Clinic Manager,

any 10% Owner and any other employee while attending Relive training programs.

**F. In-Clinic Training by Franchisee.** Franchisee shall conduct initial and continuing training programs for Franchisee's employees as Relive requires.

### **13. ADDITIONAL SERVICES BY RELIVE**

In addition to the services described elsewhere in this Agreement, Relive shall make the following services available to Franchisee at no additional cost:

**A. Pre-Opening Assistance.** Relive shall provide consultation and advice to Franchisee as Relive deems appropriate with regard to construction or renovation and operation of the Clinic, building layout, furnishings, fixtures and equipment plans and specifications, employee selection and training, purchasing and inventory controls and those other matters as Relive deems appropriate.

**B. Pre-Opening of the Clinic.** As Relive, in its sole discretion, deems appropriate in light of Franchisee's needs and the availability of Relive's personnel, Relive's representative(s) will provide opening assistance to Franchisee.

**C. Post-Opening Assistance.** Relive periodically, as it deems appropriate, shall advise and consult with Franchisee in connection with the operation of the Clinic. Relive may provide to Franchisee knowledge and expertise regarding the System and pertinent new developments, techniques and improvements in the areas of pricing, management, sales promotion, service concepts and other areas. Relive may provide these services through visits by Relive's representatives to the Clinic or Franchisee's offices, the distribution of printed or filmed material or electronic information, meetings or seminars, telephone communications, email communications or other communications. If Relive determines, in its sole discretion, that Franchisee requires such assistance too frequently or Franchisee is using such assistance in an unintended manner, Relive, in its sole discretion, may elect to cease providing such post-opening assistance to Franchisee or charge Franchisee all reasonable costs and expenses incurred by Relive in providing such assistance to Franchisee.

### **14. INSPECTIONS**

To determine whether Franchisee and the Clinic are in compliance with this Agreement, the Manuals and with all specifications, quality standards and operating procedures prescribed by Relive for the operation of Relive Businesses, Relive or its designees shall have the right at any reasonable time and without prior notice to Franchisee to: **(A)** inspect the Franchised Location; **(B)** observe, photograph and videotape the operations of the Clinic for such consecutive or intermittent periods as Relive deems necessary; **(C)** test the equipment, utilized at the Clinic; **(D)** interview personnel of the Clinic; **(E)** interview customers of the Clinic; and **(F)** inspect and copy any books, records and documents relating to the operation of the Clinic or, upon the request of Relive or its designee, require Franchisee to send copies thereof to Relive or its designee. Franchisee agrees to cooperate fully with Relive or its designee in connection with any such inspections, observations, videotaping, product removal and interviews. Franchisee shall take all necessary steps to immediately correct any deficiencies detected during these inspections, including, without limitation, ceasing further use of any equipment, print, e-mail, or online advertising materials or supplies that do not conform with the standards and requirements promulgated by Relive from time to time. Franchisee shall present to its customers such evaluation forms as are periodically prescribed by Relive and shall participate and/or request that its customers participate in any surveys performed by or on behalf of Relive as Relive may direct.

## 15. PERFORMANCE STANDARDS AND UNIFORMITY OF OPERATION

Services performed and products sold under the Marks have a reputation for quality. This reputation has been developed and maintained by Relive, and it is of the utmost importance to Relive, Franchisee and all other franchisees of Relive that this reputation be maintained. In recognition of the mutual benefits that come from maintaining the reputation for quality enjoyed by the System, Franchisee covenants and agrees, with respect to the operation of the Clinic, that Franchisee and its employees shall comply with all of the requirements of the System as set forth in the Manuals or otherwise, and Franchisee additionally shall comply with the following:

**A. Standards, Specifications and Procedures.** Franchisee acknowledges that each and every detail of the appearance, layout, décor, services and operation of the Clinic is important to Relive and other Relive Businesses. Franchisee agrees to cooperate with Relive by maintaining these high standards in the operation of the Clinic. Franchisee further agrees to comply with all System specifications, standards and operating procedures (whether contained in the Manuals or any other written communication to Franchisee) relating to the appearance, function, cleanliness and operation of a Relive Business, including, but not limited to: **(1)** sales and marketing procedures and customer service; **(2)** advertising and promotional programs; **(3)** layout, décor and color scheme of the Clinic; **(4)** appearance and dress of employees; **(5)** safety, maintenance, appearance, cleanliness, sanitation, standards of service, and operation of the Clinic; **(6)** submission of requests for approval of brands of products, supplies and suppliers; **(7)** use and illumination of signs, posters, displays, standard formats and similar items; **(8)** identification of Franchisee as the owner of the Clinic; and **(9)** types of fixtures, furnishings, equipment, and packaging. Mandatory specifications, standards and operating procedures, including upgraded or additional equipment, that Relive prescribes from time to time in the Manuals, or otherwise communicates to Franchisee in writing, shall constitute provisions of this Agreement as if fully set forth in this Agreement.

### **B. Approved Products, Distributors and Suppliers**

**(1)** Franchisee acknowledges that the reputation and goodwill of Relive Businesses are based upon, and can only be maintained by, the sale of distinctive, high-quality services. Relive has developed standards and specifications for advertising materials, furniture, fixtures, equipment, signage, decorations, inventory, forms, packaging, supplies and other items and services offered for sale at, or used in the operation of, Relive Businesses (collectively, “materials”). Franchisee agrees that the Clinic will: **(a)** offer for sale and sell only those services and products approved by Relive and not subsequently disapproved; and **(b)** purchase from manufacturers, distributors, vendors and suppliers (collectively “suppliers”) approved by Relive, which may include Relive and/or its affiliates, all materials that meet the standards and specifications promulgated by Relive from time to time. Relive has the right to require that Franchisee use only certain brands and to prohibit Franchisee from using other brands. Relive may from time to time modify the list of approved brands and/or suppliers, and Franchisee shall not, after receipt of such modification in writing, reorder any brand from any supplier that is no longer approved.

**(2)** Relive may approve one or more suppliers for any materials and may approve a supplier only as to certain materials. Relive may concentrate purchases with one or more suppliers to obtain lower prices and/or the best advertising support and/or services for any group of Relive Businesses or any other group of businesses franchised or operated by Relive or its affiliates. Approval of a supplier may be conditioned on requirements relating to the frequency of delivery, reporting capabilities, standards of service, including prompt attention to complaints, or other criteria, and concentration of purchases, as set forth above, and may be temporary pending a further evaluation of such supplier by Relive. Relive may establish distribution facilities owned and operated by Relive or an affiliate that Relive shall designate as an approved supplier.

(3) If Franchisee proposes to purchase any materials (that Franchisee is not required to purchase from Relive, an affiliate of Relive or a designated supplier) from a supplier that Relive has not previously approved, Franchisee shall submit to Relive a written request for such approval or shall request the supplier to do so itself. Relive has the right to require, as a condition of its approval, that its representatives be permitted to inspect the supplier's facilities, and that such information, specifications and samples as Relive reasonably designates be delivered to Relive and/or to an independent, certified laboratory designated by Relive for testing prior to granting, or refusing to grant, approval. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by Franchisee. Relive reserves the right, at its option, to re-inspect the facilities and products of any such approved supplier and to revoke its approval upon the suppliers' failure to continue to meet any of the foregoing criteria.

(4) Relive may, from time to time, conduct market research and testing to determine consumer trends, the salability of new services and products, any changes to specifications for the System for, among other things, equipment to be used in Relive Businesses. This research and testing will be conducted at the franchised, affiliate-owned or company-owned Businesses as designated by Relive. Franchisee agrees to cooperate in these efforts by participating in Relive's customer surveys and market research programs, as required by Relive. All customer surveys and market research programs will be at Relive's sole cost and expense, unless such survey or program has been approved by Franchisee and Franchisee has approved its proportionate cost. Franchisee shall not test anything without first being requested to by Relive and signing a test letter agreement in a form satisfactory to Relive.

**(5) Relive and its affiliates disclaim all express or implied warranties concerning any approved materials or services, including, without limitation, any warranties as to merchantability, fitness for a particular purpose, availability, quality, pricing or profitability. Franchisee acknowledges that Relive and its affiliates may, under appropriate circumstances, receive fees, commissions, field-of-use license royalties, or other consideration from approved suppliers based on sales to franchisees, and that Relive may charge non-approved suppliers reasonable testing or inspection fees.**

### C. Technology.

(1) **Computer System.** Franchisee agrees to obtain and install such data processing equipment, computer hardware and software, point of sale systems, required dedicated telephone, DSL and power lines, high speed Internet connections, routers, printers, firmware, and other computer-related accessory or peripheral equipment as Relive specifies in the Manuals or otherwise (collectively, the "Computer System"). All of the foregoing must be able to provide Relive that information, in that format/medium, as Relive reasonably may specify from time to time. Franchisee must establish and maintain a high-speed static internet connection communication link. Franchisee shall provide all assistance required by Relive to bring Franchisee's Computer System and point of sale system on-line with the computer system designated by Relive and maintained by Relive or its affiliates. Franchisee agrees that Relive shall have the free and unfettered right to retrieve any data and information from Franchisee's Computer System and/or point of sales system as Relive, in its sole discretion, deems appropriate, including electronically polling the daily sales, customer data and other data of the Clinic. All data pertaining to, derived from or displayed at the Clinic (including customer information) is and shall be Relive exclusive property and Relive grants Franchisee a royalty-free non-exclusive right to use that information. In view of the contemplated interconnection of computer systems and the necessity that such systems be compatible with each other, Franchisee agrees to strictly comply with Relive's standards and specifications for all items

associated with the computer system, as set forth in the Manuals. All of the hardware and software specified to be installed or purchased, or activities Franchisee is to accomplish, and the delivery cost of all hardware and software, shall be at Franchisee's expense.

**(2) Software System.** Franchisee shall: **(a)** use the proprietary software program, system documentation manuals and other proprietary materials now and hereafter required by Relive in connection with the operation of the Clinic; **(b)** execute Relive's or its affiliates' software license or similar Agreement; **(c)** input and maintain in Franchisee's Computer System such data and information as Relive prescribes in the Manuals, software programs, documentation or otherwise; **(d)** purchase new or upgraded software programs, system documentation manuals and other proprietary materials at then-current prices whenever adopted system-wide by Relive; and **(e)** purchase and utilize the HIPAA-compliant lead management CRM ("Driply") from our affiliate at its then-current price. Currently, the fee is \$497 per month, per location, and is paid directly to our affiliate, plus an SMS fee of \$0.039 per 160-character segment and an email fee of \$0.0034 per 160-character segment for texting and email usage through Driply. You may also purchase additional optional management services, which include personalized support, text automations support, email marketing, and landing page creation, through Driply for \$249 per month.

**(3) Life of Computer System.** Franchisee acknowledges that computer systems are designed to accommodate a finite amount of data and terminals, and that, as these limits are reached, or as technology or software is developed in the future, Relive may, in its sole discretion, mandate that Franchisee: **(a)** add memory, ports and other accessories or peripheral equipment or additional, new or substitute software to the original Computer System purchased by Franchisee; and **(b)** replace or upgrade the entire Computer System with a larger system capable of assuming and discharging the computer-related tasks and functions specified by Relive. Franchisee also acknowledges that computer designs and functions change periodically and that Relive may desire to make substantial modifications to its computer specifications or to require installation of entirely different Computer Systems during the Initial Term or upon renewal of this Agreement.

**(4) Upkeep of Computer System.** To ensure full operational efficiency and communication capability between Relive's computers and those of all Relive Businesses, Franchisee agrees, at its expense, to keep its Computer System in good maintenance and repair and to make additions, changes, modifications, substitutions and replacements to its computer hardware, software, telephone and power lines and other computer-related facilities as directed by Relive, and on the dates and within the times specified by Relive in its sole discretion. Upon termination or expiration of this Agreement, all computer software, disks, tapes and other magnetic storage media shall be returned to Relive in good operating condition, excepting normal wear and tear. Because changes in technology are dynamic and not predictable, Franchisee agrees: **(a)** that Relive will have the right to establish, in writing reasonable new standards to address new technologies, and to implement those changes; and **(b)** to abide by Relive's reasonable new standards as if those changes are part of the System at the time this Agreement is signed.

**(5) Computer System Specifications.** Relive has the right to specify or require that certain brands, types, makes, and/or models of communications, Computer Systems, and hardware to be used by, between, or among Clinics, including without limitation: **(a)** back office and point of sale systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at Clinics, between or among Clinics, and between and among Franchisee's Clinics and Relive, Relive's designee and/or Franchisee; **(b)** Cash Register Systems (defined below); **(c)** physical, electronic, and other security systems; **(d)** printers and other peripheral devices; **(e)** archival backup systems; and **(f)** internet access mode (e.g., form of telecommunications connection) and speed.

Relive requires Franchisee to have support and maintenance contracts for the Computer System at all times. Franchisee will comply with Relive's requirements with respect to the Computer System. In this regard:

(a) Relive has the right, but not the obligation, to develop or have developed for Relive, or to designate, any or all of the following:

(i) computer software programs and accounting system software that Franchisee must use in connection with the Computer System ("Required Software"), which Franchisee must install;

(ii) updates, supplements, modifications, or enhancements to the Required Software, which Franchisee must install;

(iii) the tangible media upon which such Franchisee must record or receive data;

(iv) the database file structure of Franchisee's Computer System;

(v) an Extranet for informational assistance, which may include, without limitation, the Manuals, training other assistance materials, and management reporting solutions; and

(vi) answering service requirements and/or system-wide phone order processing of all delivery orders, and/or to designate vendors that will provide such order processing.

(b) Franchisee must implement and periodically upgrade and make other changes to the Computer System and Required Software as Relive may reasonably request in writing (collectively, "Computer Upgrades").

(c) Franchisee must comply with Relive's written specifications (whether in the Manuals or otherwise) with respect to the Computer System and the Required Software, and with respect to Computer Upgrades, at Franchisee's own expense.

(6) **Data.** Franchisee agrees that Relive shall have the free and unfettered right to retrieve any data and information from Franchisee's Computer System and/or point of sale system as Relive, in its sole discretion, deems appropriate, including but not limited to electronically, or otherwise, retrieving daily sales information, customer data and/or other data of the Clinic. Relive has the right, without prior notice to Franchisee, to retrieve such data and information from Franchisee's Computer System and point of sale system as Relive deems necessary or desirable and Franchisee agrees to fully cooperate with such efforts, including allowing unimpeded, immediate access to Franchisee's Computer System in the manner, form, and at the times that Relive requests. All data pertaining to the Clinic, all data created or collected in connection with the System or in connection with the operation of the Clinic, and all data that is otherwise provided by Franchisee (including, without limitation, data uploaded to, or downloaded from the Computer System) is and will be owned exclusively by Relive and Relive has the right to use such data in any manner Relive deems appropriate without compensation to the Franchisee. Franchisee shall not access any systems, software, databases, or other proprietary infrastructure of Relive without prior, written authorization by Relive.

**(7) Customer Data.** Franchisee agrees that all data and information that Franchisee collects from customers and potential customers in connection with the Franchisee's Clinic and all data derived from such collected data and information, including with without limitation customer statistics, behavioral information, and transactional history ("Customer Data") is deemed to be owned exclusively by Relive, and Franchisee agrees to provide such Customer Data to Relive upon request. Franchisee has the right to use Customer Data while this Agreement or a Successor Franchise Agreement is in effect, but only in connection with operating the Franchisee's Clinic and only in accordance with the policies that Relive establishes from time to time. Franchisee may not use Customer Data for any purpose other than operating the Franchisee's Clinic and marketing "Relive" products and services. Franchisee may not sell, loan, or otherwise transfer Customer Data to any individual or entity other than Relive. However, if Franchisee transfers the Clinic (as provided in Section 13 below), as part of the Transfer, Franchisee must also Transfer use of the Customer Data to the buyer as part of the total purchase price paid for the Clinic.

**(8) Ownership of Data.** All data pertaining to, derived from, or displayed at the Clinic (including, without limitation, Customer Data) is and shall be the exclusive property of Relive, and Relive hereby grants Franchisee a royalty-free, non-exclusive, non-transferable license to use Customer Data during the Term of this Agreement for the sole purpose of operating Franchisee's Clinic. Relive has the right to periodically specify in writing, in the Manuals or otherwise, the information that Franchisee must collect and maintain on the Computer System and Franchisee will provide Relive with the reports that Relive may reasonably request from the data so collected and maintained. Franchisee agrees to: (a) transfer to Relive daily (or at such other intervals that Relive may reasonably require) all information and materials that Relive may require in connection with Franchisee's operation of the Clinic; (b) display such information and materials in the manner Relive may prescribe, including, without limitation, to employees of the Clinic.

**(9) Privacy Laws.** Franchisee will abide by all applicable laws pertaining to the privacy of consumer, employee, and transactional information ("Privacy Laws").

**(a)** Franchisee will comply with Relive's standards and policies pertaining to Privacy Laws. If there is a conflict between Relive's standards and policies pertaining to Privacy Laws and actual applicable law, Franchisee shall: (i) comply with the requirements of applicable law; (ii) immediately give Relive written notice of said conflict; and (iii) promptly and fully cooperate with Relive and Relive's counsel in determining the most effective way, if possible, to meet Relive's standards and policies pertaining to Privacy Laws within the bounds of applicable law.

**(b)** Franchisee will not publish, disseminate, implement, revise, or rescind a data privacy policy without Relive's prior written consent as to said policy.

**(10) Cash Register Systems.** Franchisee will record all sales on computer-based point of sale systems on such other types of cash registers that Relive has the right to designate or approve in the Manuals or otherwise in writing ("Cash Register Systems"). The Cash Register System is deemed to be part of Franchisee's Computer System. Franchisee must utilize computer-based point-of-sale cash registers that are fully compatible with any program or system that Relive has the right to designate and Franchisee must record all royalty net sales and all revenue information on such equipment.

**(11) Identification of the Clinic.** Franchisee must use, and only use, the email address and other identifiers that Relive designates in writing in connection with the Clinic.

**(12) Changes to Technology.** Because changes to technology are dynamic and not predictable within the term of this Agreement, and in order to provide for inevitable but unpredictable changes to technological needs and opportunities, Franchisee agrees: (a) that Relive will have the right to establish, in writing, reasonable new standards to address new technologies, whether published in the Manuals or otherwise in writing, and that Relive has the right to implement those changes in technology into the System; and (b) to abide by Relive's reasonable new standards as if this Section 15C were periodically revised for that purpose.

**(13) E-Mail and Fax Communication.** Franchisee agrees that exchanging information with us by e-mail and fax is an important way to enable quick, effective, and efficient communication, and that Relive is entitled to rely upon each other's use of e-mail and faxes for communicating as part of the economic bargain underlying this Agreement. To facilitate the use of e-mail and fax to exchange information, Franchisee authorizes the transmission of e-mail by Relive and Relive's employees, vendors, and affiliates (on matters pertaining to the business contemplated hereunder) (together, "Official Senders") to Franchisee and Franchisee's employees during the term of this Agreement.

**(a)** Franchisee agrees not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic means, subject to the limitations provided in Section 9G(2) without Relive's prior written consent as to: (i) the content of such e-mail advertisements or solicitations; and (ii) Franchisee's plan for transmitting such advertisements. In addition to any other provision of this Agreement, Franchisee agrees that Franchisee will be solely responsible for complying with any laws pertaining to sending e-mails, including but not limited to the Controlling the Assault of Non-Solicited Pornography and Proprietary Marketing Act of 2003 (known as the "CAN-SPAM Act of 2003").

**(b)** Franchisee agrees that: (i) Official Senders are authorized to send e-mails and faxes to Franchisee and Franchisee's employees; (ii) Franchisee will cause Franchisee's officers, directors, and employees (as a condition of their employment or position with Franchisee) to give their consent (in an e-mail, electronically, or in a pen-and-paper writing, as Relive may reasonably require) to Official Senders' transmission of e-mails and faxes to those persons, and that such persons shall not opt-out, or otherwise ask to no longer receive e-mails, from Official Senders during the time that such person works for or is affiliated with Franchisee; and (iii) Franchisee will not opt-out, or otherwise ask to no longer receive e-mails and/or faxes, from Official Senders during the term of this Agreement.

**(c)** The consent given above in this Section 15C(13) will not apply to the provision of notices under this Agreement by either party using e-mail unless and until the parties have otherwise agreed, in a pen-and-paper writing that both parties have signed.

**(14) Data Security.** Franchisee shall use its best efforts to protect customers and the Relive Computer System against cyber-events including, without limitation, a data breach or other identity theft or theft of personal information, computer viruses, malware, or ransomware (collectively, a "Cyber Event"). If a Cyber Event occurs, regardless of whether such event affects only the Franchisee, Relive reserves the right to perform and/or control all aspects of the response to such event including, without limitation, the investigation, containment and resolution of the event and all communications with the franchise system, vendors and suppliers, law enforcement agencies, regulatory authorities, and the general public. Our control of the response may potentially



affect or interrupt operations of the Franchisee but does not create any additional rights for Franchisee, entitle Franchisee to damages or relieve Franchisee of their indemnification obligations pursuant to Section 27A. Franchisee shall pay Relive an amount equal to Relive's out-of-pocket costs and expenses incurred in responding to and remedying any Cyber Event due to any Cyber Event caused solely by Franchisee, Franchisee's agents or Franchisee's employees. Notwithstanding Relive's right to perform and/or control all aspects of the response to a Cyber Event, Relive agrees to make commercially reasonable efforts to coordinate such response with Franchisee and Franchisee's insurance carrier(s) and to cooperate with Franchisee's insurance carrier(s) regarding insurance coverage of such Cyber Event to the extent reasonably practicable under the circumstances. Franchisee shall at all times be compliant with: (a) the Payment Card Industry Data Security Standards ("PCI DSS"), (b) the NACHA ACH Security Framework, (c) Payment Rules (as defined below), (d) state and federal laws and regulations relating to data privacy, data security and security breaches and (e) our security policies and guidelines, all as may be amended from time to time (collectively, "Data Security Safeguards"). Relive may designate certain third-party consultant(s) to administer our data security program and evaluate Franchisee's compliance with the aforementioned standards. Franchisee is required to meet the reasonable requirements of the designated consultant(s) and maintain those certifications of compliance that Relive deem appropriate in its reasonable discretion. For purposes of this Agreement: "Payment Rules" means the operating rules and regulations of Payment Processors and any applicable Payment Network, as in effect from time to time; "Payment Processors" means all credit card, debit card and/or ACH processors whose services Relive may require Franchisee to utilize, as well as payment gateway service providers; and "Payment Network" means Visa, MasterCard, and any credit or debit card network issuing credit or debit cards or their duly authorized entities, agents, or affiliates, together with NACHA. Franchisee is expected to obtain advice from appropriate legal and security consultants to ensure that Franchisee operates its Clinic at all times in full compliance with the Data Security Safeguards.

**D. Upkeep of the Clinic.** Franchisee shall constantly maintain and operate the Clinic (including all furniture, fixtures, equipment, furnishings, floor coverings, interior and exterior signage, the building interior and exterior, interior and exterior lighting, landscaping and parking lot surfaces) in first-class condition. Franchisee shall perform any repairs, maintenance, and replacements to the Clinic as Relive may prescribe from time to time, including all ongoing necessary remodeling, redecorating, refurbishing and repairs. The maintenance required by this Section shall include periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn out signage, floor coverings, furnishings, equipment and décor. Capital expenses necessary for the upkeep of the Franchised Location are not subject to the time limitations described in Section 15E. Franchisee shall not make any material alterations to the Clinic that affect operations or the image of the System without Relive's prior written approval.

**E. Remodeling/Modernization.** Upon Franchisee's receipt of written notice from Relive, Franchisee shall undertake all structural changes, major remodeling and renovations, and substantial modifications to modernize and conform the Clinic to the image of the System for new franchised and company-owned Relive Businesses. Franchisee shall not be required to undertake such improvements more often than once every 5 years. Within 60 days after receipt of Relive's written notice regarding the required modernization, Franchisee shall prepare and complete drawings and plans for the required modernization. These drawings and plans must be submitted to, and their use approved by, Relive prior to the commencement of work. All changes made pursuant to this Section shall also comply with Section 5 of this Franchise Agreement. Franchisee shall complete the required modernization within the time reasonably specified by Relive in its written notice. Franchisee acknowledges and agrees that the requirements of this Section are both reasonable and necessary to ensure continued public acceptance and patronage of Relive Businesses, to assist the Clinic to compete effectively in the marketplace and to avoid deterioration or

obsolescence of the operation of the Clinic.

**F. Operation of the Clinic.** Franchisee shall use the Franchised Location solely for the operation of the Clinic and shall maintain sufficient inventories of materials, adequately staff each shift with qualified employees and continuously operate the Clinic at its maximum capacity and efficiency for the minimum number of days and hours set forth in the Manuals or as Relive otherwise prescribes in writing (subject to the requirements of local laws and licensing requirements). Franchisee shall continuously operate the Clinic during the Initial Term (except for interruption by reason of events constituting Force Majeure as defined in Section 30).

**G. Customer Complaints.** Franchisee shall immediately resolve any customer complaints regarding the quality of services offered for sale at the Clinic, cleanliness of the Clinic and any similar complaints. When any customer complaints cannot be immediately resolved, Franchisee shall use its best efforts to resolve the customer complaints as soon as practical and shall, whenever feasible, give the customer the benefit of the doubt. If Relive, in its sole discretion, determines that its intervention is necessary or desirable to protect the System or the goodwill associated with the System, or if Relive, in its sole discretion, believes that Franchisee has failed adequately to address or resolve any customer complaints, Relive may, without Franchisee's consent, resolve any complaints and charge Franchisee an amount sufficient to cover Relive's reasonable costs and expenses in resolving the customer complaints, which amount Franchisee shall pay to Relive immediately on demand. If, at any time during the Initial Term Relive determines that it is necessary to provide any services directly to Franchisee's customers, Relive may provide those services and Franchisee must reimburse Relive for all costs and expenses incurred by Relive.

#### **H. Clinic Management and Personnel**

(1) To ensure that the Clinic's operations comply with the operating standards as promulgated by Relive from time to time in the Manuals or otherwise in written or oral communications, the Clinic shall at all times be under the on-site supervision of Franchisee, the Operating Principal, a Clinic Manager, or a 10% Owner who has successfully completed Relive's initial training program. The Clinic shall, at all times, employ at least 1 person who has successfully completed Relive's initial training program, to Relive's satisfaction. If at any time, the Clinic fails to employ at least 1 person who has successfully completed Relive's initial training program, within 10 days, Franchisee must hire replacement personnel, obtain Relive's consent to that person, and enroll that person in the initial training program.

(2) Franchisee shall hire all employees of the Clinic and be exclusively responsible for the terms of their employment and compensation, including but not limited to the hiring, firing, setting hours for, and supervising of all employees and for the proper training of such employees with respect to the operation of the Clinic, human resources and customer relations. Franchisee shall employ only suitable persons of good character and reputation who will at all times conduct themselves in a competent and courteous manner in accordance with the image and reputation of Relive and the System and, while on duty, comply with the dress attire, personal appearance and hygiene standards set forth in the Manuals. Franchisee shall use its best efforts to ensure that Franchisee's employees maintain a neat and clean appearance and render competent and courteous service to all customers and fellow employees of the Clinic.

(3) Franchisee shall, as of the date that Franchisee executes this Agreement and at all times during the Initial Term, identify in Appendix A any other businesses that Franchisee and/or Operating Principal own an interest in, actively manage, operate, or otherwise are involved with and provide a description of the ownership interest or management role with that business.

(4) No employee of the Franchisee will be deemed to be an employee of Relive for any purpose whatsoever, and nothing in any aspect of the System or the Trademarks in any way shifts the employee or employment-related responsibility from the Franchisee to Relive.

**I. Signs and Logos.** Subject to local ordinances, Franchisee shall prominently display in and upon the land and buildings of the Clinic interior and exterior signs and logos using the name “Relive<sup>®</sup>,” without any prefix or suffix, and those other names, marks, advertising signs and logos, of such nature, form, color, number, location and size, and containing that material as Relive may from time to time direct. Franchisee must submit all sign, logo, and advertising media to Relive for approval. Franchisee shall not display in or upon the Franchised Location any sign, logo or advertising media of any kind to which Relive objects.

**J. Non-Authorized Equipment.** Franchisee shall not install at the Clinic any non-authorized equipment.

**K. Compliance with Laws and Good Business Practices.** Franchisee shall secure and maintain in force in its name all required licenses, permits and certificates relating to the operation of the Clinic. Franchisee shall operate the Clinic in full compliance with all applicable laws, ordinances and regulations including, without limitation, all laws or regulations governing or relating to immigration and discrimination, occupational hazards and health insurance, employment laws, including, without limitation, workers’ compensation insurance, unemployment insurance, and the withholding and payment of federal and state income taxes, social security taxes and sales taxes. Franchisee shall timely pay all obligations relating to the Clinic. All advertising and promotion by Franchisee shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee shall, in all dealings with Franchisee’s customers, suppliers and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee agrees to refrain from any business or advertising practice that may be injurious to the goodwill associated with the Marks or the business of Relive, its affiliates, the System or other businesses operated or franchised by Relive or its affiliates. Franchisee shall notify Relive in writing within 5 days after the commencement of: **(a)** any action, suit or proceeding, or the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality that may adversely affect the operation or financial condition of Franchisee or the Clinic; or **(b)** of any notice of violation of any law, ordinance or regulation relating to health or sanitation at the Clinic.

**L. Non-Cash Payment Systems.** Franchisee shall participate in any program established by Relive relating to the sale or acceptance of stored value gift cards. Franchisee shall accept debit cards, credit cards, stored value gift cards or other non-cash payment systems specified by Relive to enable customers to purchase authorized products and services and shall obtain all necessary hardware and/or software used in connection with these non-cash payment systems. Franchisee shall reimburse Relive for all costs associated with such non-cash payment systems as they pertain to the Clinic.

**M. Customer Satisfaction and Retention Programs.** In order to (among other things) maintain and enhance the goodwill associated with the Marks, the System and each Relive Business, Franchisee agrees to participate in programs initiated to verify customer satisfaction and/or Franchisee’s compliance with all operational and other aspects of the System, including (but not limited to) an 800 number, secret shopper, loyalty and/or rewards programs or other customer satisfaction and retention programs as Relive may require. Relive will share the results of these programs, as they pertain to the Clinic, with Franchisee. Franchisee will reimburse Relive for all costs related to the Clinic associated with any and all of these programs.

**N. Pricing.** Relive may establish periodically the minimum price that Franchisee must charge

for one or more products or services offered for sale at the Clinic. For any Relive Business or group of Relive Businesses, Relive may modify the established price required by this Section if, in Relive's sole judgment, there are demonstrated circumstances justifying such modification.

**O. Compliance with System Standards.** Franchisee acknowledges and agrees that its operation and maintenance of the Clinic in accordance with System Standards are essential to preserve the goodwill of the Marks and all Relive Businesses. Therefore, at all times during the Term, Franchisee agrees to operate and maintain the Clinic in accordance with each and every System Standard, as Relive periodically modifies and supplements them during the Term. "System Standards" may be defined in this Franchise Agreement or the Manuals.

Franchisee acknowledges the importance of operating the Clinic in accordance with the System, including the Manuals, that any deviation from the requirements of the System will damage the System and Relive's goodwill, and that these damages would be very difficult to quantify. Accordingly, Franchisee agrees that if Franchisee continues to deviate from any of the Manuals or System standards after having been given notice by Relive of any of those (in each case in reasonable details as to identify the nature of the deviation and the required action and time during which to effect cure), or other deviations, Franchisee will pay Relive the following amounts as liquidated damages:

First violation during a consecutive 12-month period:	\$500
Second violation during a consecutive 12-month period:	\$750
Each additional violation during a consecutive 12-month period:	\$1,000

These damages will be paid to Relive within five (5) days of Relive giving Franchisee notice that Franchisee has failed to cure the violation within the time allotted and the amount due. Relive does not have to exercise this right to impose liquidated damages and may seek any other remedies available to us, including termination of this Agreement (following written notice as more fully described in Section 23 hereunder), even if Relive has imposed liquidated damages previously for other violations.

## **16. MARKS**

**A.** The term "Marks" as used in this Agreement refers to all words, symbols, insignia, devices, designs, trade names, service marks or combinations thereof designated by Relive and/or its affiliates as identifying the System and the services provided or products sold in connection with the System. Relive shall, from time to time, advise Franchisee as to any additions or deletions to the Marks and Franchisee's right to use the Marks shall be deemed modified by those additions or deletions.

**B.** Franchisee's right to use the Marks is limited to its use of the Marks in the operation of the Clinic at the Franchised Location and as expressly provided in this Agreement and the Manuals. Franchisee shall not use the Marks on any vehicles without Relive's prior written approval. Franchisee shall not use the Marks or any variations of the Marks or marks or names confusingly similar to the Marks in any manner not authorized by Relive (including any online or electronic use) or in any business entity name and shall not use any other trade names, service marks or trademarks in conjunction with the Clinic. If local laws or ordinances require that Franchisee file an affidavit of doing business under an assumed name or otherwise make a filing indicating that the Marks are being used as a fictitious or assumed name, Franchisee shall include in such filing or application an indication that the filing is made "as a franchisee of Relive Franchising LLC." Franchisee shall use the symbol ® with all registered marks and the symbol ™ with all pending registrations or other marks.

**C.** Franchisee shall not use the Marks in any Internet domain name, e-mail address or in the operation of any Internet web site without Relive's prior written consent.

**D.** If Relive should elect to use a principal name other than “Relive” to identify the System, Relive may select another name and notify Franchisee to change all or some items bearing the Marks to the new name within a reasonable period of time as determined by Relive and Franchisee promptly shall adopt that name, at Franchisee’s sole expense. Franchisee agrees that nothing in this Agreement gives it any right, title or interest in the Marks (except the right to use the Marks in accordance with the terms of this Agreement), that the Marks are the sole property of Relive and its affiliates, that Franchisee shall not directly or indirectly contest the validity or ownership of the Marks or Relive’s right to license the Marks, and that any and all uses by Franchisee of the Marks and the goodwill arising therefrom shall inure exclusively to the benefit of Relive and its affiliates. Franchisee will not seek to register, reregister, assert claim to ownership of, license or allow others to use, or otherwise appropriate to itself any of the Marks or any mark or name confusingly similar thereto, or the goodwill symbolized by any of the foregoing except to the extent this action inures to the benefit of, and has the prior written approval of, Relive. Any unauthorized use of the Marks by Franchisee or attempt by Franchisee, directly or indirectly, to register the Marks in any jurisdiction shall constitute a breach of this Agreement and an infringement of Relive’s rights in and to the Marks.

**E.** Franchisee promptly shall inform Relive in writing as to any infringement of the Marks of which it has knowledge. Franchisee shall not make any demand or serve any notice, orally or in writing, or institute any legal action or negotiate, compromise or settle any controversy with respect to any such infringement without first obtaining Relive’s written approval. Relive shall have the right, but not the obligation, to bring such action or take such steps as it may deem advisable to prevent any such infringement and to join Franchisee as a party to any action in which Relive is or may be a party and as to which Franchisee is or would be a necessary or proper party. Franchisee also shall promptly notify Relive of any litigation (including administrative or arbitration proceedings) of which Franchisee is aware instituted against Relive, its affiliates or Franchisee relating to the Marks. Franchisee shall execute any and all instruments and documents, render such other assistance and do any acts and things as may, in the opinion of Relive’s counsel, be necessary or advisable to protect and maintain Relive’s interests in the Marks, including, without limitation, Relive’s interests in litigation or proceedings before the U.S. Patent and Trademark Office or other tribunal relating to the Marks.

## **17. INSURANCE**

**A. Procurement of Insurance.** Franchisee shall be responsible for all loss or damage arising from or related to Franchisee’s development and operation of the Clinic, and for all demands or claims with respect to any loss, liability, personal injury, death, property damage, or expense whatsoever occurring upon the premises of, or in connection with the development and/or operation of, the Clinic. Franchisee shall obtain the insurance required by this Section by no later than the date that Franchisee takes possession of the Franchised Location. Franchisee shall maintain, in full force and effect throughout the Initial Term, that insurance which Franchisee determines is necessary or appropriate for liabilities caused by or occurring in connection with the development and operation of the Clinic, which shall include, at a minimum, the insurance policies of the kinds, and in the amounts, required by Section 17B.

**B. Required Insurance Coverage.** At a minimum, Franchisee shall maintain the following insurance coverage for the Clinic:

(1) Commercial general liability insurance coverages, on an occurrence basis, with a minimum per occurrence combined single limit of \$1,000,000 and a minimum aggregate combined single limit of \$2,000,000, and also including coverage for products liability (\$500,000 in the aggregate), completed operations (\$500,000 in the aggregate), premises operations (\$200,000 per occurrence), personal injury (\$500,000 per occurrence), medical payments (\$10,000 per occurrence), commercial auto coverage with a single limit per occurrence of \$1,000,000, and broad

form property damage liability. The Franchisee's coverage will be Primary and Non-Contributory. Relive, its subsidiaries, affiliates, managers, members, owners, directors, employees and agents shall be Additional Insured.

(2) Property Insurance written on an "All Risks" or "Special" policy for all risks (including floods and earthquakes where applicable) of physical loss or damage to the Clinic, equipment, business personal property, EDP property, inventory and other tangible property. Such insurance shall have a minimum limit adequate to cover risks on a replacement cost basis.

(3) Business Interruption coverage to include rental payment continuation for a minimum of 12 months, loss of profits and other extra expenses, including payment of royalty fees and marketing fund contributions, experienced during the period of restoration. Such coverage shall include an extended period of no less than 180 days.

(4) Plate glass coverage for replacement of glass from breakage where required by the lease agreement.

(5) Workers' Compensation and Employer's Liability coverage with a minimum limit of \$500,000 or higher if required by state law. This coverage shall include a waiver of subrogation with respects to Relive, its subsidiaries, and affiliates. This coverage shall also be in effect for all of Franchisee's employees who participate in any Relive training programs.

(6) Comprehensive Automobile Liability insurance covering use of all owned, non-owned or hired vehicles, with a combined single limit of not less than \$1,000,000 or, if higher, that amount as may be required by statute or rule of the state or locality in which the Clinic is located.

(7) Cyber Coverage and Notification Expense Coverage in the minimum amount of \$1,000,000 per occurrence of loss and \$1,000,000 in the aggregate, with Privacy Liability coverage of \$200,000 per occurrence and \$200,000 in the aggregate) and Network Security (aka Network Interruption).

(8) Other insurance policies as follows: Professional Liability Insurance (\$1,000,000 per occurrence and \$2,000,000 in the aggregate); Sexual Abuse / Molestation Insurance (\$500,000 per occurrence and \$500,000 in the aggregate); First Party Privacy Breach Expenses (\$200,000 per occurrence and \$200,000 in the aggregate); Media Activities (\$50,000 per occurrence and \$50,000 in the aggregate); Regulatory Wrongful Acts (\$50,000 per occurrence and \$50,000 in the aggregate); HIPAA (\$500,000 per occurrence and \$500,000 in the aggregate); License Defense (\$10,000 per occurrence and \$50,000 in the aggregate); Peer Review (\$10,000 per occurrence and \$50,000 in the aggregate); Subpoena Assistance (\$10,000 per occurrence and \$10,000 in the aggregate); Reimbursement of Lost Wages (\$1,000 per occurrence and \$10,000 in the aggregate); Reputation Protection (\$10,000 per occurrence and \$10,000 in the aggregate); Emergency Evacuation Expense (\$50,000 per occurrence and \$50,000 in the aggregate); Patient Property Damage (\$1,000 per occurrence and \$1,000 in the aggregate); Theft and Dishonesty Insurance (\$10,000 per occurrence); Employer's Liability Insurance (\$1,000,000 per occurrence of loss and \$1,000,000 in the aggregate); and Landlord-Required Insurance (as required by lease).

(9) Excess or Umbrella insurance in the minimum amount of \$2,000,000 for the Clinic in excess of the insurance described above.

(10) Relive may reasonably increase the minimum coverage required and/or require different or additional kinds of insurance to reflect inflation, identification of new risks, changes in

law or standards of liability, higher damage awards or other relevant changes in circumstances. Relive will provide to Franchisee written notice of such modifications and, upon receipt, Franchisee shall take prompt action to secure the additional coverage or higher policy limits.

**C. General Policy Requirements.** The following general policy requirements shall apply to each insurance policy that Franchisee is required to maintain under this Agreement:

(1) All insurance policies shall be written by an insurance company or companies satisfactory to Relive, in compliance with the standards, specifications, coverages and limits provided to Franchisee in writing.

(2) Each insurance policy shall be specifically endorsed to provide that the coverages shall be primary and that any insurance carried by any additional insured shall be excess and non-contributory.

(3) Carrier shall be admitted to do business in the state in which the Clinic is located.

(4) Each insurance policy shall extend to, and provide indemnity for, all obligations and liabilities of Franchisee to third parties and all other items for which Franchisee is required to indemnify Relive under this Agreement.

(5) Each insurance policy shall be written by an insurance company that has received and maintains an "A VII" or better rating by the latest edition of Best's Insurance Rating Service or other rating reasonably approved by Relive.

(6) No insurance policy shall provide for a deductible amount that exceeds \$5,000, unless otherwise approved in writing by Relive, and Franchisee's co-insurance under any insurance policy shall be 80% or greater.

(7) Relive, and any entity with an insurable interest designated by Relive, shall be an additional insured in such policies to the extent each has an insurable interest.

**D. Proof of Insurance.** By the date that Franchisee takes possession of the Franchised Location, and on each policy renewal date thereafter, Franchisee shall submit to Relive evidence of satisfactory insurance and proof of payment therefor. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to Relive. Upon Relive's request, Franchisee shall provide to Relive copies of all policies, amendments and riders.

**E. No Representations.** Franchisee acknowledges that no requirement for insurance contained in this Agreement constitutes advice or a representation by Relive that only such policies, in such amounts, are necessary to protect Franchisee from losses in connection with its business under this Agreement. Maintenance of this insurance, and the performance by Franchisee of its obligations under this Section, shall not relieve Franchisee of liability under the indemnification provisions of this Agreement.

**F. Relive's Right to Procure Insurance.** If Franchisee, for any reason, fails to obtain or maintain at least the insurance required by this Section 17, as revised from time to time in writing, Relive shall have the immediate right, but not the obligation, to procure such insurance and charge its cost to Franchisee. Upon Franchisee's receipt of written notice from Relive, Franchisee shall pay to Relive all out-of-pocket costs incurred by Relive in connection with obtaining such insurance on behalf of Franchisee.

## 18. ORGANIZATION AND MANAGEMENT OF FRANCHISEE

### A. Representations.

(1) If Franchisee is a business entity, Franchisee makes the following representations and warranties: (a) it is duly organized and validly existing under the laws of the state of its formation;(b) it is qualified to do business in the state in which the Clinic will be located; (c) execution of this Agreement and the development and operation of Clinic is permitted by the governing documents; and (d) Franchisee’s governing documents shall, at all times, provide that the activities of Franchisee are limited exclusively to the acquisition, development and operation of businesses franchised by Relive or its affiliates. Franchisee shall not use the name “Relive®” or any Marks in Franchisee’s entity name.

(2) If Franchisee is an individual, or a partnership comprised solely of individuals, Franchisee makes the following representations and warranties: (a) each individual has executed this Agreement; (b) each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and (c) notwithstanding any transfer for convenience of ownership pursuant to Section 20D, each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement.

**B. Governing Documents.** If Franchisee is a business entity, Franchisee shall submit to Relive copies of all governing documents and shall make any changes to the governing documents as requested by Relive. (By way of example, if Franchisee is a corporation, Franchisee shall submit copies of its Articles of Incorporation, bylaws, other governing documents and any amendments, including the resolution of the Board of Directors authorizing entry into and performance of this Agreement, and all shareholder agreements, including buy/sell agreements.) When any of these governing documents are modified or changed, Franchisee promptly shall provide copies to Relive.

**C. Ownership Interests.** If Franchisee is a business entity, all interests in Franchisee are owned as set forth in attached Appendix C. During the Initial Term, Franchisee shall maintain a current list of all legal or beneficial owners (including the interest held by each owner) and, prior to any change in ownership interests, Franchisee shall execute addenda to Appendix C to ensure the information contained in Appendix C is true, accurate and complete at all times. If any interest in Franchisee is owned by another business entity, Franchisee shall provide to Relive the information and documentation for that entity as required by this Section 18.

**D. Restrictive Legend.** If Franchisee is a business entity, Franchisee shall maintain stop-transfer instructions on its ownership records. Each ownership interest shall be endorsed as follows: “Any assignment or transfer of this interest is subject to the restrictions imposed on assignment by the agreements with Relive Franchising LLC.”

**E. Continuity Group.** If Franchisee is a business entity, Relive may require Franchisee to designate a “Continuity Group” which shall be listed on Appendix C. The Continuity Group shall at all times own at least 51% of the interests in Franchisee. In the event of any change in the Continuity Group or in the ownership interests of any member of the Continuity Group, Franchisee shall execute addenda to Appendix C to reflect the change.

### F. Guarantees.

(1) All members of the Continuity Group and all of Franchisee’s officers, directors



and 10% Owners (and their respective spouses) shall jointly and severally guarantee Franchisee's payment and performance under this Agreement and shall bind themselves to the terms of this Agreement pursuant to the attached Guarantee and Assumption of Franchisee's Obligations ("Guarantee"). Relive may require any guarantor to provide personal financial statements to Relive from time to time.

(2) With respect to the 10% Owners, Franchisee acknowledges that it is Relive's intent to have individuals (and not business entities) execute the Guarantee. If any 10% Owner is not an individual, Relive may require the individuals with only an indirect ownership interest in Franchisee to sign the Guarantee. (By way of example, if a 10% Owner of Franchisee is a corporation, Relive may require that the Guarantee be executed by individuals who have an ownership interest in that corporation.)

(3) If Franchisee, any guarantor or any parent, subsidiary or affiliate of Franchisee holds any interest in other business that is franchised by Relive or its affiliates, the party who owns that interest shall execute, concurrently with this Agreement, a form of cross-guarantee to Relive and its affiliates for the payment of all obligations for such businesses. For purposes of this Agreement, an affiliate of Franchisee is any company controlled, directly or indirectly, by Franchisee or Franchisee's parent or subsidiary.

**G. Operating Principal.** If Franchisee is owned by more than one individual, Franchisee shall designate and retain an individual to serve as the Operating Principal. The Operating Principal as of the date of this Agreement is identified in Appendix C. The Operating Principal shall meet all of the following qualifications:

(1) The Operating Principal, at all times, shall have at least a 10% equity ownership interest in Franchisee.

(2) The Operating Principal, at all times, shall be a member of the Continuity Group and, at a minimum, have full control over the day-to-day activities, including control over the standards of operations and financial performance, of the Clinic and those other businesses (that are franchised by Relive or its affiliates) operated by Franchisee in the same geographic area as the Clinic.

(3) The Operating Principal shall devote full-time and best efforts to supervising the operation of the Clinic and other businesses operated by Franchisee in the same geographic area that are franchised by Relive or its affiliates and shall not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility. .

(4) The Operating Principal shall maintain a primary residence within a reasonable driving distance of the Clinic.

(5) The Operating Principal shall successfully complete and be certified in any training required by Relive pursuant to Section 12.

(6) Relive shall have approved the Operating Principal, and not have later withdrawn that approval.

If the Operating Principal no longer qualifies as such, Franchisee shall designate another qualified person to act as Operating Principal within 30 days after the date the prior Operating Principal ceases to be qualified. Franchisee's designee to become the Operating Principal must successfully complete Relive's

initial training program and any additional training required by Relive. Following Relive's approval of a new Operating Principal, that person shall execute the attached form of Guarantee.

**H. Clinic Manager(s).** Relive requires that Franchisee designate at least one trained and certified Clinic Manager(s) of the Clinic. The Clinic Manager(s), as of the date of this Agreement, is identified in Appendix C. The Clinic Manager(s) shall meet all of the following qualifications:

(1) At all times when Franchisee, the Operating Principal (if applicable) or a 10% Owner who has successfully completed Relive's initial training program is not actively managing the Clinic, the Clinic Manager shall actively oversee and manage the Clinic and have full control over the day- to-day activities at that Business.

(2) The Clinic Manager shall devote reasonable efforts to supervise and manage the operation of the Clinic and shall not engage in any other business activity, directly or indirectly, that requires substantial management responsibility.

(3) The Clinic Manager shall execute a confidentiality, nondisclosure and non-competition agreement in favor of Relive and its affiliates.

(4) The Clinic Manager must be trained in accordance with the System and Franchisee must certify to Relive that the Clinic Manager has successfully completed all required training. Relive reserves the right to determine, in its sole discretion, whether the Clinic Manager trained by Franchisee (or the Operating Principal) has successfully completed the initial training program.

## 19. TRANSFERS BY RELIVE

Relive shall have the absolute, unrestricted right, exercisable at any time, to transfer and assign all or any part of its rights and obligations under this Agreement to any person or legal entity without the consent of Franchisee.

## 20. TRANSFERS BY FRANCHISEE

**A. Consent Required.** Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Relive has entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience and demonstrated or purported ability in developing and operating high quality operations. Neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this Agreement, nor any individual, or legal entity that directly or indirectly controls Franchisee shall sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any interest in Franchisee, this Agreement, the Franchise, the Clinic, the assets of the Clinic, the Franchised Location or any other assets pertaining to Franchisee's operations under this Agreement (collectively "Transfer") without the prior written consent of Relive, unless otherwise permitted by this Section. Except as otherwise provided in this Agreement, any purported Transfer, by operation of law or otherwise, not having the prior written consent of Relive shall be null and void and shall constitute a material breach of this Agreement, for which Relive may terminate this Agreement without providing Franchisee an opportunity to cure the breach.

**B. Transfer Considerations.** Franchisee shall advise Relive in writing of any proposed Transfer, submit (or cause the proposed transferee to submit) a franchise application for the proposed transferee and submit a copy of all contracts, agreements or proposals and all other information requested by Relive relating to the proposed Transfer. Franchisee shall not advertise the sale of any interest in any manner without Relive's prior written consent. If Relive does not exercise its right of first refusal (as

described in Section 20K), the decision as to whether or not to approve a proposed Transfer shall be made by Relive in its sole discretion and shall include numerous factors deemed relevant by Relive. These factors may include, but will not be limited to, the following:

(1) The proposed transferee (and if the proposed transferee is other than an individual, all persons that have any direct or indirect interest in the transferee as Relive may require) must meet the managerial, operational, experience, quality, character and business standards for a franchisee promulgated by Relive from time to time; must possess a good character, business reputation and credit rating; must have an organization whose management culture is compatible with Relive's management culture; and must have adequate financial resources and working capital to meet Franchisee's obligations under this Agreement.

(2) All of Franchisee's accrued monetary obligations to Relive and its affiliates (whether arising under this Agreement or otherwise) and all other outstanding obligations related to the Clinic (including, but not limited to, bills from suppliers, taxes, judgments and any required governmental reports, returns, affidavits or bonds) have been satisfied or, in the reasonable judgment of Relive, adequately provided for. Relive reserves the right to require that a reasonable sum of money be placed in escrow to ensure that all of these obligations are satisfied.

(3) Franchisee is not then in material default of any provision of this Agreement or any other agreement between Franchisee and Relive or its affiliates, is in good standing as a franchisee with Relive and its affiliates, is not in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Clinic and is not in default beyond the applicable cure period with any vendor or supplier to the Clinic.

(4) Franchisee, all individuals who executed this Agreement and all guarantors of Franchisee's obligations must execute a general release and a covenant not to sue, in a form satisfactory to Relive, of any and all claims against Relive and its affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, and claims arising out of, or relating to, this Agreement, any other agreements between Franchisee and Relive or its affiliates and Franchisee's operation of the Clinic and all other businesses operated by Franchisee that are franchised by Relive or its affiliates.

(5) The transferor and/or all guarantors must sign a non-competition covenant, in form and substance satisfactory to Relive, in favor of Relive and the proposed transferee agreeing that, for a 2 year period, starting on the effective date of the Transfer, the transferor and/or all guarantors will not directly or indirectly, such as through members of their immediate family members (including a spouse, parent, sibling, or child, whether natural or adopted) own any legal or beneficial interest in, or render services or give advice to, any Competitive Business (as defined in Section 22C(2)(c)) within 75 miles of (i) of any site accepted by Relive for a Clinic, or (ii) of any then-existing Relive Business including the Clinic.

(6) The transferee and those employees of the transferee designated by Relive shall complete the training required by Relive. Relive reserves the right to charge the transferee a tuition fee for each person who attends such training programs.

Relive's decision with respect to a proposed Transfer shall not create any liability on the part of Relive: (a) to the transferee, if Relive approves the Transfer and the transferee experiences financial difficulties; or (b) to Franchisee or the proposed transferee, if Relive disapproves the Transfer. Relive, without any liability to Franchisee or the proposed transferee, has the right, in its

sole discretion, to communicate and counsel with Franchisee and the proposed transferee regarding any aspect of the proposed Transfer.

**C. Transfer Conditions.** If Relive approves a proposed Transfer, prior to the Transfer becoming effective:

(1) The transferor shall pay Relive a nonrefundable Transfer fee in the amount of \$10,000 in connection with Relive's review of the Transfer application.

(2) Franchisee and the proposed transferee shall execute, at Relive's election, an assignment agreement and any amendments to this Agreement deemed necessary or desirable by Relive to reflect the Transfer and/or Relive's then-current standard form of franchise agreement for an initial term ending on the expiration date of the Initial Term. In either event, a guarantee of the type required by Section 18F shall be executed by those individuals identified in Section 18F. In addition, Franchisee, the proposed transferor and the proposed transferee shall sign all other documents and take such actions as Relive may require to protect Relive's rights under this Agreement.

(3) The transferor shall remain liable for all obligations to Relive incurred before the date of the Transfer and for a 2-year period following the effective date of the Transfer. The transferor shall execute any and all instruments reasonably requested by Relive to evidence that liability.

(4) The transferor and the transferee shall sign such other documents and take such other actions as Relive may require to protect its rights under this Agreement.

**D. Transfer for Convenience.** If Franchisee is an individual or a partnership and desires to Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership, the requirements of Sections 20B and 20C(2) shall apply to such a Transfer; however, Franchisee will not be required to pay a Transfer fee. Relive's approval also will be conditioned on the following: (1) the corporation or limited liability company must be newly organized; (2) prior to the Transfer, the transferee shall comply with the provisions of Section 18 including providing Relive a copy of the documents specified in Section 18B; and (3) Franchisee must own all voting securities of the corporation or membership interests of the limited liability company or, if Franchisee is owned by more than one individual, each person shall have the same proportionate ownership interest in the corporation or the limited liability company as prior to the Transfer. Any decision not to require any of the three conditions in the preceding sentence shall be at the sole discretion of Relive.

**E. Stock Options.** Notwithstanding the provisions of Sections 20A and 20B, the issuance of options or the exercise of options pursuant to a qualified stock option plan or a qualified employee stock ownership plan shall not be considered a Transfer and shall not require the prior written approval of Relive; provided no more than a total of 49% of Franchisee's outstanding voting securities are subject to the qualified stock option plan or qualified employee stock ownership plan.

**F. Publicly-Held Entity.** If Franchisee was a publicly-held entity as of the date of the first franchise-related agreement between Franchisee and Relive or its affiliates, Section 20B shall be applicable to transfers of ownership interests in Franchisee only if the proposed Transfer would result in: (1) 50% or more of Franchisee's voting securities being held by different shareholders than as of the date of the first franchise-related agreement between Franchisee and Relive or its affiliates; or (2) any change in ownership of Franchisee's voting securities whereby any existing shareholder of Franchisee acquires an additional 10% or more of Franchisee's voting securities; or (3) any change in the membership of the Continuity

Group (unless such change is a permitted Transfer pursuant to Section 20H).

**G. Death/Incapacity.** If the Transfer is a transfer of ownership interests in Franchisee following the death or permanent incapacity of a person with an ownership interest in Franchisee, Sections 20B and 20C(2) shall be applicable to that Transfer, and the Transfer must be completed within 180 days after the death or permanent incapacity of the person.

**H. Permitted Transfers.** Notwithstanding the provisions of Sections 20A and 20B, Relive agrees that, if the Transfer is a transfer of an ownership interest in Franchisee of 10% or less, provided that after the Transfer the Continuity Group owns at least 51% of all ownership interests in Franchisee, that Transfer shall be permitted without Relive's prior written approval, provided that: **(1)** Franchisee provides Relive written notice of its intent to undertake the Transfer at least 30 days prior to the effective date of the Transfer, together with documents demonstrating that the Transfer meets this Section; **(2)** at the time of Franchisee's notice to Relive, Franchisee is not in default of this Agreement or any other agreements between Franchisee and Relive or its affiliates; and **(3)** in connection with the Transfer, all persons who will have an ownership interest in Franchisee after the Transfer fully comply with the requirements of Section 18.

**I. Security Interests.** Franchisee shall not grant any security interest in its business, the Clinic, the Franchised Location or the assets used in the operation of the Clinic without Relive's prior written approval. Relive's approval may be conditioned, in its sole discretion, on the written agreement by the secured party that, in the event of a default by Franchisee under any agreement related to the security interest, Relive shall have the right and option (but not the obligation) to purchase the rights of the secured party upon payment of all sums then due to the secured party. If Franchisee (or any person with a direct or indirect interest in Franchisee) finances any part of the price paid in connection with the Transfer, the person or entity providing the financing must agree that all obligations of the proposed transferee and any security interests retained in the assets being transferred, will be subordinate to the proposed transferee's obligations to: **(1)** pay all amounts due to Relive and its affiliates; and **(2)** otherwise comply with this Agreement and all other agreements with Relive or its affiliates.

**J. Public Offerings.** Securities or partnership interests in Franchisee may be sold, by private or public offering, only with Relive's prior written consent (whether or not Relive's consent is required under any other provision of this Section). In addition to the requirements of Section 20.B., prior to the time that any public offering or private placement of securities or partnership interests in Franchisee is made available to potential investors, Franchisee, at its expense, shall deliver to Relive a copy of the offering documents. Franchisee, at its expense, also shall deliver to Relive an opinion of Franchisee's legal counsel and an opinion of one other legal counsel selected by Relive (both of which shall be addressed to Relive and in a form acceptable to Relive) that the offering documents properly use the Marks and accurately describe Franchisee's relationship with Relive and/or its affiliates. The indemnification provisions of Section 27 shall also include any losses or expenses incurred by Relive and/or its affiliates in connection with any statements made by or on behalf of Franchisee in any public offering or private placement of Franchisee's securities.

**K. Right of First Refusal.**

**(1)** If any party holding any interest in Franchisee or in this Agreement receives a bona fide offer (as determined by Relive in its reasonable discretion) from a third party or otherwise desires to undertake any Transfer that would require Relive's approval (other than a Transfer for convenience of ownership pursuant to Section 20D), it shall notify Relive in writing of the terms of the proposed Transfer, and shall provide such information and documentation relating to the proposed Transfer as Relive may reasonably require. Relive or its designee may elect to purchase

the interest that the seller proposes to Transfer any time within 30 days after receipt of written notification, and all documents and other information required by Section 20B, by sending written notice to the seller that Relive or its designee intends to purchase the seller's interest on the same financial terms and conditions offered by the third party (except that Relive or its designee shall not be obligated to pay any finder's or broker's fees). The closing on the sale of the interest shall take place no later than sixty (60) days after the date that Relive or its designee has notified the seller of its intention to purchase the interest. In purchasing the interest, Relive or its designee shall be entitled to set off any monies owed to Relive or its affiliates by Franchisee and Relive or its designee shall be entitled to all customary representations and warranties that the assets are free and clear (or, if not, accurate and complete disclosure) as to: **(a)** ownership, condition and title; **(b)** liens and encumbrances; **(c)** environmental and hazardous substances; and **(d)** validity of contracts inuring to the purchaser or affecting the assets, whether contingent or otherwise.

**(2)** If the offer to Franchisee involves assets in addition to this Agreement, the Franchised Location, the Clinic and other businesses operated by Franchisee that are franchised by Relive or its affiliates, Franchisee's notice to Relive shall state the cash value of that portion of the offer received by Franchisee relating to this Agreement, the Franchised Location, the Clinic and those other businesses. If the proposed offer provides for payment of consideration other than cash or it involves intangible benefits, Relive or its designee may elect to purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties are unable to agree within 30 days on the reasonable equivalent in cash of the non- cash part of the offer received by Franchisee or the cash value of that portion of the offer received by Franchisee relating to this Agreement, the Franchised Location, the Clinic and those other businesses, the amount shall be determined by two professionally certified appraisers, Franchisee selecting one and Relive or its designee selecting one. If the higher appraisal is more than 10% greater than the other appraisal, the two appraisers shall select a third professionally certified appraiser who also shall determine the amount. The average value set by the appraisers (whether two or three appraisers as the case may be) shall be conclusive and Relive or its designee may exercise its right of first refusal within 30 days after being advised in writing of the decision of the appraisers. The cost of the appraisers shall be shared equally by the parties.

**(3)** Relive's failure to exercise its right of first refusal shall not constitute approval of the proposed Transfer nor a waiver of any other provision of this Section 20 with respect to a proposed Transfer. If Relive does not exercise its right of first refusal, Franchisee may not thereafter Transfer the interest at a lower price or on more favorable terms than those that have been offered to Relive. Relive shall again be given a right of first refusal if a transaction does not close within four months after Relive elected not to exercise its right of first refusal. In no event shall Franchisee offer the interest for sale or transfer at public auction, nor at any time shall an offer be made to the public to sell, transfer or assign, through any advertisement, either in the newspapers or otherwise, without first having obtained the written approval of Relive to the auction or advertisement.

**(4) No Waiver.** Relive's consent to any Transfer shall not constitute a waiver of any claims Relive may have against the transferring party, nor shall it be deemed a waiver of Relive's right to demand exact compliance with any of the terms of this Agreement by the transferee, nor will it be deemed a waiver of Relive's right to give or withhold approval to future Transfers.

## 21. **Intentionally Deleted**

## 22. **COVENANTS**

**A. Best Efforts.** Franchisee and, if applicable, the Operating Principal shall devote full time,

energy, and best efforts to the development, management and operation to the development, management and operation of the Clinic.

## **B. Confidentiality**

(1) Franchisee acknowledges and agrees that: (a) Relive owns all right, title and interest in and to the System; (b) the System consists of trade secrets and confidential and proprietary information and know-how that gives Relive a competitive advantage; (c) Relive has taken all measures necessary to protect the trade secrets and the confidentiality of the proprietary information and know-how comprising the System; (d) all material or other information now or hereafter provided or disclosed to Franchisee regarding the System is disclosed in confidence; (e) Franchisee has no right to disclose any part of the System to anyone who is not an employee of Franchisee; (f) Franchisee will disclose to its employees only those parts of the System that an employee needs to know; (g) Franchisee will have a system in place to ensure its employees keep confidential Relive's trade secrets and confidential and proprietary information, and, Franchisee shall obtain from those of its employees designated by Relive an executed Confidentiality and Nondisclosure Agreement in the form prescribed by Relive; (h) Franchisee will not acquire any interest in the System; and (i) Franchisee's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition, for which Relive would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

(2) During the Initial Term or at any time thereafter, Franchisee shall not communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Marks or the System. Any and all information, knowledge, know-how and techniques, including all drawings, materials, equipment, specifications, techniques and other data that Relive or its affiliates designate as confidential shall be deemed confidential for purposes of this Agreement.

## **C. Restrictions**

(1) Franchisee acknowledges and agrees that: (a) pursuant to this Agreement, Franchisee will have access to valuable trade secrets, specialized training and confidential information from Relive and/or its affiliates regarding the development, operation, purchasing, sales and marketing methods and techniques of Relive and its affiliates and the System; (b) the System and the opportunities, associations and experience established and acquired by Franchisee under this Agreement are of substantial and material value; (c) in developing the System, Relive and its affiliates have made and continue to make substantial investments of time, technical and commercial research, and money; (d) Relive would be unable adequately to protect the System and its trade secrets and confidential and proprietary information against unauthorized use or disclosure and would be unable adequately to encourage a free exchange of ideas and information among Relive Businesses if franchisees or developers were permitted to hold interests in Competitive Businesses (as defined in Section 22C(2)(c)); and (e) restrictions on Franchisee's right to hold interests in, or perform services for, Competitive Businesses will not hinder its activities.

(2) Franchisee covenants and agrees that during the Initial Term, and for a continuous period of 2 years following the expiration, termination or Transfer of this Agreement, Franchisee (nor any individual or entity with any an ownership interest in Franchisee) shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with, any person, firm, partnership, corporation, or other entity:

(a) Divert or attempt to divert any business or customer, or potential business or customer, of any Relive Business to any competitor, by direct or indirect inducement or otherwise.

(b) Own, maintain, develop, operate, engage in, franchise or license, make loans to, have any interest in, render any services to, or give advice to, either directly or indirectly, any “Competitive Business.” As used in this Agreement, the term “Competitive Business” means any business that offers various anti-ageing options including various Vitamin infusions, Vitamin booster shots, hormone optimization, Med Spa services and aesthetics. This restriction shall not apply to Franchisee’s existing businesses, if any, which are identified in Appendix A, nor shall it apply to other businesses operated by Franchisee that are franchised by Relive or its affiliates.

(3) During the Initial Term, there is no geographical limitation on the restrictions set forth in Section 22C(2). Following the expiration, earlier termination or Transfer of this Agreement: (a) there are no geographical limitations on the restrictions set forth in Section 22C(2)(a) and (b) the restrictions in Section 22C(2)(c) shall apply within 75 miles of: (i) the border of any site accepted by Relive for a Clinic, or (ii) of any then-existing Relive Business including the Clinic.

(4) Franchisee agrees that, for a period of 2 years following the expiration, earlier termination or Transfer of this Agreement, Franchisee will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, firm, partnership, corporation, or other entity, sell, assign, lease or transfer the Franchised Location to any person, firm, partnership, corporation, or other entity that Franchisee knows, or has reason to know, intends to operate a Competitive Business at the Franchised Location. Franchisee, by the terms of any conveyance selling, assigning, leasing or transferring its interest in the Franchised Location, shall include these restrictive covenants as are necessary to ensure that a Competitive Business is not operated at the Franchised Location for this 2-year period, and Franchisee shall take all steps necessary to ensure that these restrictive covenants become a matter of public record.

(5) If any part of the restrictions in Section 22C is found to be unreasonable in time or distance, each month of time or mile of distance may be deemed a separate unit so that the time or distance may be reduced by appropriate order of the court to that deemed reasonable.

(6) If, at any time during the 2-year period following the expiration, earlier termination or Transfer of this Agreement, Franchisee fails to comply with its obligations under this Section, that period of noncompliance will not be credited toward Franchisee’s satisfaction of the 2-year obligation.

**D. Modification.** Relive may, in its sole discretion, reduce the scope of any covenant in this Section 22 effective immediately upon Franchisee’s receipt of written notice, and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 31.

**E. Execution of Covenants by Third Parties.** At Relive’s request, Franchisee shall obtain execution of covenants similar to those set forth in this Section 22 (including covenants applicable upon the termination of an individual’s relationship with Franchisee) from all guarantors and any employees designated by Relive. Every covenant required by this Section 22E shall be in a form satisfactory to Relive, including, without limitation, specific identification of Relive as a third-party beneficiary of such covenants with the independent right to enforce them. Failure by Franchisee to obtain execution of any covenant



required by this Section 22E shall constitute a material breach of this Agreement.

**F. Survival.** The terms of this Section 22 shall survive the termination, expiration or any Transfer of this Agreement. The parties agree this Section 22 shall be construed as independent of any other provision of this Agreement.

**G. Applicability.** The covenants and restrictions contained in this Section 22 shall apply to Franchisee and all guarantors of Franchisee's obligations. With respect to guarantors, these restrictions shall apply for a 2-year period after any guarantor ceases to be the Operating Principal or an officer, stockholder, director, member of the Continuity Group, a 10% Owner or a spouse of one of the foregoing. The restrictions contained in this Section 22 shall not apply to ownership of less than a 5% legal or beneficial ownership in the outstanding equity securities of any publicly held corporation by Franchisee or any guarantor of Franchisee's obligations. The existence of any claim Franchisee or any guarantor of Franchisee's obligations may have against Relive or its affiliates, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Relive of the covenants in this Section 22.

## **23. DEFAULT AND TERMINATION**

### **A. Termination Without Cure Period.**

In addition to the grounds for termination that may be stated elsewhere in this Agreement, Relive may terminate this Agreement, and the rights granted by this Agreement, upon written notice to Franchisee without an opportunity to cure upon the occurrence of any of the following events:

(1) Franchisee has not obtained written acceptance from Relive of a site by the Site Acceptance Deadline.

(2) Franchisee begins construction or renovation before Relive has accepted the site and accepted the Plans.

(3) Franchisee fails to begin construction or renovation on or before the Construction Commencement Deadline.

(4) Franchisee fails to open the Clinic on or before the Opening Deadline.

(5) Franchisee ceases to continuously operate the Clinic for a period of 5 consecutive days, unless the closing is due to an act of God, fire or other natural disaster or is approved in writing in advance by Relive.

(6) Franchisee is insolvent or is unable to pay its creditors (including Relive); files a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization; there is filed against Franchisee a petition in bankruptcy, an arrangement for the benefit of creditors or petition for reorganization, which is not dismissed within one hundred twenty (120) days of the filing; Franchisee makes an assignment for the benefit of creditors; or a receiver or trustee is appointed for Franchisee and not dismissed within one hundred twenty (120) days of the appointment.

(7) Execution is levied against Franchisee's business or property; suit to foreclose any lien or mortgage against the premises or equipment of the Clinic is instituted against Franchisee and is not dismissed within one hundred twenty (120) days; or the real or personal property of the Clinic shall be sold after levy thereupon by any sheriff, marshal or constable.

(8) There is a material breach by Franchisee of any obligation under Section 15C(6) or Section 22.

(9) Any Transfer that requires Relive's prior written approval occurs without Franchisee having obtained that prior written approval.

(10) Relive discovers that Franchisee made a material misrepresentation or omitted a material fact in the information that was furnished to Relive in connection with its decision to enter into this Agreement.

(11) Franchisee knowingly falsifies any report required to be furnished Relive or makes any material misrepresentation in its dealings with Relive or fails to disclose any material facts to Relive.

(12) Franchisee fails to open the Clinic for business within 60 days after Relive first authorizes the opening of the Clinic.

(13) Relive makes a reasonable determination that continued operation of the Clinic by Franchisee will result in an imminent danger to public health or safety.

(14) Franchisee loses possession of the Franchised Location through its own fault or its failure to extend the lease for the Franchised Location through the Initial Term.

(15) Franchisee, the Operating Principal, any stockholder, member, partner, director or officer of Franchisee, any member of the Continuity Group or any 10% Owner is convicted of, or pleads no contest to, a felony charge; a crime involving moral turpitude; or any other crime or offense that is reasonably likely, in the sole opinion of Relive, to adversely affect Relive, its affiliates or the System.

(16) There is a material breach of any representation or warranty set forth in Section 35.

(17) Franchisee, the Operating Principal, any member of the Continuity Group or any 10% Owner remains in default beyond the applicable cure period under any other agreement with Relive or its affiliates (provided that, if the default is not by Franchisee, Franchisee is given written notice of the default and a 30 day period to cure the default), or Franchisee remains in default beyond the applicable cure period under any real estate lease, equipment lease, or financing instrument relating to the Clinic, or Franchisee remains in default beyond the applicable cure period with any vendor or supplier to the Clinic, or Franchisee fails to pay when due any taxes or assessments relating to the Clinic or its employees, unless Franchisee is actively prosecuting or defending the claim or suit in a court of competent jurisdiction or by appropriate government administrative procedure or by arbitration or mediation conducted by a recognized alternative dispute resolution organization.

## **B. Termination Following Expiration of Cure Period**

(1) Except for those items listed in preceding Section 23A, if Franchisee fails to materially comply with any of the requirements imposed by this Agreement, the Manuals or otherwise in writing, or to carry out the terms of this Agreement in good faith, Franchisee shall

have 30 days after receipt of written notice of default from Relive within which to remedy that default and provide evidence of that remedy to Relive. If any such default is not cured within that 30-day period, this Agreement shall terminate without further notice to Franchisee effective immediately upon expiration of that 30-day period, unless Relive notifies Franchisee otherwise in writing. Notwithstanding the foregoing, if the default cannot be corrected within 30 days, Franchisee shall have such additional time to correct the default as reasonably required (not to exceed 90 days) provided that Franchisee begins taking the actions necessary to correct the default during the 30-day period and diligently and in good faith pursues to completion the actions necessary to cure the default.

(2) Notwithstanding the provisions of Section 23B(1), if Franchisee fails to timely pay any monies owed to Relive or its affiliates, Franchisee shall have 10 days after receipt of written notice of default from Relive within which to remedy that default. If Franchisee fails to pay such monies within that 10-day period, this Agreement will terminate effective immediately upon expiration of that time, unless Relive notifies Franchisee otherwise in writing.

(3) If Franchisee has received at least one notice of default within the previous 12 months, Relive shall be entitled to send Franchisee a notice of termination upon Franchisee's next default within that 12-month period under this Section 23B(3) without providing Franchisee an opportunity to remedy the default.

(4) In addition to the other provisions of this Section 23B, if Relive reasonably determines that Franchisee is or will be unable to meet its obligations to Relive or its affiliates under this Agreement, Relive may provide Franchisee written notice to that effect and demand that Franchisee provide those assurances reasonably designated by Relive, which may include security or letters of credit for the payment of Franchisee's obligations to Relive and its affiliates. If Franchisee fails to provide the assurances demanded by Relive within 30 days after its receipt of written notice from Relive, this Agreement shall terminate without further notice to Franchisee effective immediately upon expiration of that time, unless Relive notifies Franchisee otherwise in writing.

**C. Termination Following Inspection.** Relive has right to periodically conduct inspections of the Clinic to evaluate Franchisee's compliance with the System and this Agreement. Following each inspection, Relive will provide Franchisee an inspection report listing Franchisee's score on the inspection and those conditions at the Clinic that must be rectified. If Franchisee fails to achieve a passing score on an inspection, the inspection report shall constitute a notice of default. If Franchisee fails to achieve a passing score on the next inspection (which will be conducted at least 30 days after the prior failing inspection), Relive may terminate this Agreement, without opportunity to cure, by providing Franchisee written notice of termination along with the inspection report.

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

## 24. OBLIGATIONS ON TERMINATION OR EXPIRATION

**A. Post-Termination Obligations.** Upon termination or expiration of this Agreement:

(1) The limited exclusive rights granted to Franchisee in the Protected Area immediately will terminate, and we will have the right to operate, or license others to operate,

Relive Businesses anywhere in the Protected Area.

(2) Franchisee immediately shall cease operating a Relive Business at the Franchise Location.

(3) Franchisee immediately shall pay Relive and its affiliates all sums due and owing Relive or its affiliates relating to the Clinic.

(4) Franchisee promptly shall return to Relive the Manuals, any copies of any Manuals and all other confidential and/or proprietary materials and information furnished by (or that belongs to) Relive or its affiliates. Franchisee promptly shall return to Relive, in good condition and repair excepting normal wear and tear, all computer software, magnetic storage media and any hardware components used in the computer system that were provided by Relive or its affiliates. Franchisee shall provide to Relive (and keep no copies) the customer list for the Clinic.

(5) Franchisee and all persons and entities subject to the covenants contained in Section 22 shall continue to abide by those covenants and shall not, directly or indirectly, take any action that violates those covenants.

(6) Franchisee immediately shall discontinue all use of the Marks in connection with the Clinic and of any and all items bearing the Marks; remove the Marks from the Clinic and from clothing, signs, materials, motor vehicles and other items owned or used by Franchisee in the operation of the Clinic; cancel all advertising for the Clinic that contains the Marks (including telephone directory listings unless Relive requests that Franchisee assign those listings to Relive); and take such action as may be necessary to cancel any filings or registrations for the Clinic that contain any Marks.

(7) Franchisee promptly shall make such alterations and modifications to the Franchised Location as may be necessary to clearly distinguish to the public the Franchised Location from its former appearance and also make those specific additional changes as Relive may request for that purpose. If Franchisee fails to promptly make these alterations and modifications, Relive shall have the right (at Franchisee's expense, to be paid upon Franchisee's receipt of an invoice from Relive) to do so without being guilty of trespass or other tort.

**B. Evidence of Compliance.** Within 30 days after the effective date of termination or expiration, Franchisee shall furnish Relive evidence (certified to be true, complete, accurate and correct by an officer of Franchisee) satisfactory to Relive of Franchisee's compliance with Sections 24A(2) – (7).

**C. Other Business Operations.** Franchisee shall not, except with respect to a Relive Business that is under development or open and operating pursuant to an effective franchise agreement: (1) operate or do business under any name or in any manner that might tend to give the public the impression that Franchisee is connected in any way with Relive or its affiliates or has any right to use the System or the Marks; (2) make, use or avail itself of any of the materials or information furnished or disclosed by Relive or its affiliates under this Agreement or disclose or reveal any such materials or information or any portion thereof to anyone else; or (3) assist anyone not licensed by Relive or its affiliates to construct or equip an outlet substantially similar to a Relive Business.

## 25. OPTION TO PURCHASE

**A.** Upon the expiration or termination of this Agreement for any reason, Relive shall have an option to purchase from Franchisee some or all of the assets used in the Clinic ("Assets"). If Relive intends

to exercise its option to purchase, within 60 days after the effective date of termination or expiration, Relive shall give written notice to Franchisee stating that Relive will exercise this option. As used in this Section 25, "Assets" shall mean and include, without limitation, leasehold improvements, equipment, vehicles, furnishings, fixtures, signs and inventory (non-perishable products, materials and supplies) used in the Clinic, and the real estate fee simple or the lease or sublease for the Franchised Location.

**B.** Relive shall have the unrestricted right to assign the option to purchase the Assets. Relive or its assignee shall be entitled to all customary representations and warranties that the Assets are free and clear (or, if not, accurate and complete disclosure) as to: **(1)** ownership, condition and title; **(2)** liens and encumbrances; **(3)** environmental and hazardous substances; and **(4)** validity of contracts and liabilities inuring to Relive or affecting the Assets, whether contingent or otherwise. Relive shall be entitled to the entry of interlocutory and permanent orders of specific performance by a court of competent jurisdiction if Franchisee fails or refuses to timely meet its obligations under this Section 25.

**C.** The purchase price for the Assets ("Purchase Price") shall be the fair market value, (or, for leased assets, the fair market value of Franchisee's lease) determined as of the effective date of purchase in a manner that accounts for reasonable depreciation and condition of the Assets; provided, however, that the Purchase Price shall take into account the termination of this Agreement. Further, the Purchase Price for the Assets shall not contain any factor or increment for any trademark, service mark or other commercial symbol used in connection with the operation of the Clinic nor any goodwill or "going concern" value for the Clinic. Relive may exclude from the Assets purchased in accordance with this Section any equipment, vehicles, furnishings, fixtures, signs, and inventory that are not approved as meeting then-current standards for a Relive Business or for which Franchisee cannot deliver a Bill of Sale in a form satisfactory to Relive.

**D.** If Relive and Franchisee are unable to agree on the fair market value of the Assets within 30 days after Franchisee's receipt of Relive's notice of its intent to exercise its option to purchase the Assets, the fair market value shall be determined by two professionally certified appraisers, Franchisee selecting one and Relive selecting one. If the higher appraisal is more than 10% greater than the other appraisal, the two appraisers shall select a third professionally certified appraiser who also shall appraise the fair market value of the Assets. The average value set by the appraisers (whether two or three appraisers as the case may be) shall be conclusive and shall be the Purchase Price. The appraisers shall be given full access to the Clinic, the Franchised Location and Franchisee's books and records during customary business hours to conduct the appraisal and shall value the leasehold improvements, equipment, furnishings, fixtures, signs and inventory in accordance with the standards of this Section 25. The appraisers' fees and costs shall be borne equally by Relive and Franchisee.

**E.** Within 10 days after the Purchase Price has been agreed to by the parties or set by appraisers, Relive may exercise its option to purchase the Assets by so notifying Franchisee in writing ("Purchase Notice"). The Purchase Price shall be paid at the closing of the purchase ("Closing"), which shall take place no later than 60 days after the date of the Purchase Notice. From the date of the Purchase Notice until Closing:

**(1)** Franchisee shall operate the Clinic and maintain the Assets in the usual and ordinary course of business and maintain in full force all insurance policies required under this Agreement; and

**(2)** Relive shall have the right to appoint a manager, at Relive's expense, to control the day-to-day operations of the Clinic and Franchisee shall cooperate, and instruct its employees to cooperate, with the manager appointed by Relive. Alternatively, Relive may require Franchisee to close the Clinic during such time period without removing any Assets from the Clinic.

**F.** For a period of 30 days after the date of the Purchase Notice (“Due Diligence Period”), Relive shall have the right to conduct such investigations as it deems necessary and appropriate to determine: **(1)** the ownership, condition and title of the Assets; **(2)** liens and encumbrances on the Assets; **(3)** environmental and hazardous substances at or upon the Franchised Location; and **(4)** the validity of contracts and liabilities inuring to Relive or affecting the Assets, whether contingent or otherwise. Franchisee will afford Relive and its representatives access to the Clinic and the Franchised Location at all reasonable times for the purpose of conducting inspections of the Assets; provided that such access does not unreasonably interfere with Franchisee’s operation of the Clinic.

**G.** During the Due Diligence Period, at its sole option and expense, Relive may **(1)** cause the title to the Assets that consist of real estate interests (“Real Estate Assets”) to be examined by a nationally recognized title company and conduct lien searches as to the other Assets; **(2)** procure “AS BUILT” surveys of the Real Estate Assets; **(3)** procure environmental assessments and testing with respect to the Real Estate Assets; and/or **(4)** inspect the Assets that consist of leasehold improvements, equipment, vehicles, furnishings, fixtures, signs and inventory (“Fixed Assets”) to determine if the Fixed Assets are in satisfactory working condition. Prior to the end of the Due Diligence Period, Relive shall notify Franchisee in writing of any objections that Relive has to any finding disclosed in any title or lien search, survey, environmental assessment or inspection. If Franchisee cannot or elects not to correct any such title defect, environmental objection or defect in the working condition of the Fixed Assets, Relive will have the option to either accept the condition of the Assets as they exist or rescind its option to purchase on or before the Closing.

**H.** Prior to the Closing, Franchisee and Relive shall comply with all applicable legal requirements, including the bulk sales provisions of the Uniform Commercial Code of the state in which the Clinic is located and the bulk sales provisions of any applicable tax laws and regulations. Franchisee shall, prior to or simultaneously with the Closing, pay all tax liabilities incurred in connection with the operation of the Clinic prior to Closing. Relive shall have the right to set off against and reduce the Purchase Price by any and all amounts owed by Franchisee to Relive, any and all amounts owed by Franchisee and assumed by Relive and any other obligations of Franchisee that Relive becomes responsible for, assumes or pays, and the amount of any encumbrances or liens against the Assets or any obligations assumed by Relive.

**I.** If the Franchised Location is leased, Relive agrees to use reasonable efforts to effect a termination of the existing lease for the Franchised Location. If the lease for the Franchised Location is assigned to Relive or Relive subleases the Franchised Location from Franchisee, Relive will indemnify and hold Franchisee harmless from any ongoing liability under the lease from the date Relive assumes possession of the Franchised Location, and Franchisee will indemnify and hold Relive harmless from any liability under the lease prior to and including that date. If Franchisee owns the Franchised Location, Relive, at its option, will either purchase the fee simple interest or, upon purchase of the other Assets, enter into a standard lease with Franchisee on terms comparable to those for which similar commercial properties in the area are then being leased. The initial term of this lease with Franchisee shall be at least 10 years with 2 options to renew of 5 years each and the rent shall be the fair market rental value of the Franchised Location. If Franchisee and Relive cannot agree on the fair market rental value of the Franchised Location, then appraisers (selected in the manner described in Section 25.D.) shall determine the rental value.

**J.** At the Closing, Franchisee shall deliver instruments transferring to Relive or its assignee: **(1)** good and merchantable title to the Assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Relive or its assignee), with all sales and other transfer taxes paid by the Franchisee; **(2)** all licenses and permits for the Clinic that may be assigned or transferred, with appropriate consents; and **(3)** the lease or sublease for the Franchised Location, with appropriate consents. If Franchisee cannot deliver clear title to all of the purchased Assets as indicated in this Section, or if there

are other unresolved issues, the Closing shall be accomplished through an escrow.

## **26. RELATIONSHIP OF THE PARTIES**

**A.** This Agreement does not create a fiduciary or other special relationship between the parties. No agency, employment, or partnership is created or implied by the terms of this Agreement, and Franchisee is not and shall not hold itself out as agent, legal representative, partner, subsidiary, joint venturer or employee of Relive or its affiliates. Franchisee shall have no right or power to, and shall not, bind or obligate Relive or its affiliates in any way or manner, nor represent that Franchisee has any right to do so. Franchisee shall not issue any press releases without the prior written approval of Relive.

**B.** Franchisee is an independent contractor and is solely responsible for all aspects of the development and operation of the Clinic, subject only to the conditions and covenants established by this Agreement. Without limiting the generality of the foregoing, Franchisee acknowledges that Relive has no responsibility to ensure that the Clinic is developed and operated in compliance with all applicable laws, ordinances and regulations and that Relive shall have no liability in the event the development or operation of the Clinic violates any law, ordinance or regulation.

**C.** The sole relationship between Franchisee and Relive is a commercial, arms' length business relationship and, except as provided in Section 27, there are no third-party beneficiaries to this Agreement. Franchisee's business is, and shall be kept, totally separate and apart from any that may be operated by Relive. In all public records, in relationships with other persons, and on letterheads and business forms, Franchisee shall indicate its independent ownership of the Clinic and that Franchisee is solely a franchisee of Relive. Franchisee shall post a sign in a conspicuous location in the Clinic which will contain Franchisee's name and state that the Clinic is independently owned and operated by Franchisee under a franchise agreement with Relive Franchising LLC.

## **27. INDEMNIFICATION**

**A.** Except to the extent expressly limited by any applicable law, Franchisee and all guarantors of Franchisee's obligations under this Agreement shall, at all times, indemnify, defend (with counsel reasonably acceptable to Relive), and hold harmless (to the fullest extent permitted by law) Relive and its affiliates, and their respective successors, assigns, past and present stockholders, directors, officers, employees, agents and representatives (collectively, "Indemnitees") from and against all "losses and expenses" (as defined below) incurred in connection with any action, suit, proceeding, claim, demand, investigation, inquiry (formal or informal), judgment or appeal thereof by or against Indemnitees or any settlement thereof (whether or not a formal proceeding or action had been instituted), arising out of or resulting from or connected with Franchisee's activities under this Agreement. Franchisee promptly shall give Relive written notice of any such action, suit, proceeding, claim, demand, inquiry or investigation filed or instituted against Franchisee and, upon request, shall furnish Relive with copies of any documents from such matters as Relive may request.

At Franchisee's expense and risk, Relive may elect to assume (but under no circumstances will Relive be obligated to undertake), the defense and/or settlement of any action, suit, proceeding, claim, demand, investigation, inquiry, judgment or appeal thereof subject to this indemnification. Such an undertaking shall, in no manner or form, diminish Franchisee's obligation to indemnify and hold harmless Relive and Indemnitees. Relive shall not be obligated to seek recoveries from third parties or otherwise mitigate losses.

**B.** As used in this Section, the phrase "losses and expenses" shall include, but not be limited to, all losses; compensatory, exemplary and punitive damages; fines; charges; costs; expenses; lost profits;

reasonable attorneys' fees; expert witness fees; court costs; settlement amounts; judgments; compensation for damages to Relive's reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

## **28. CONSENTS, APPROVALS AND WAIVERS**

**A.** Whenever this Agreement requires the prior approval or consent of Relive, Franchisee shall make a timely written request to Relive therefor; and any approval or consent received, in order to be effective and binding upon Relive, must be obtained in writing and be signed by an authorized officer of Relive.

**B.** Relive makes no warranties or guarantees upon which Franchisee may rely by providing any waiver, approval, consent or suggestion to Franchisee in connection with this Agreement, and assumes no liability or obligation to Franchisee therefor, or by reason of any neglect, delay, or denial of any request therefor. Relive shall not, by virtue of any approvals, advice or services provided to Franchisee, assume responsibility or liability to Franchisee or to any third parties to which Relive would not otherwise be subject.

**C.** No failure of Relive to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms of this Agreement, shall constitute a waiver of Relive's right to demand exact compliance with any of the terms of this Agreement. A waiver by Relive of any particular default by Franchisee shall not affect or impair Relive's rights with respect to any subsequent default of the same, similar or different nature, nor shall any delay, forbearance or omission of Relive to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions or covenants of this Agreement affect or impair Relive's right to exercise the same, nor shall such constitute a waiver by Relive of any right hereunder, or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of its term. Subsequent acceptance by Relive of any payments due to it hereunder shall not be deemed to be a waiver by Relive of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

## **29. NOTICES**

No notice, demand, request or other communication to the parties shall be binding upon the parties unless the notice is in writing, refers specifically to this Agreement and: **(A)** if to Franchisee, is addressed to Franchisee at the notice address set forth in Appendix A; and **(B)** if to Relive, is addressed to Relive Franchising LLC, 838 SW Federal Highway, Stuart, Florida 34994 (Attn: Margaret Lai, Esq., Chief Legal Officer) (Facsimile: (772) 264-2925) (Email: margaret.lai@relivehealth.com). Any party may designate a new address for notices by giving written notice of the new address pursuant to this Section. Notices shall be effective upon receipt (or first refusal of delivery) and may be: **(1)** delivered personally; **(2)** transmitted by facsimile or electronic mail to the numbers or addresses set forth above (or in Appendix A) with electronic confirmation of receipt; **(3)** mailed in the United States mail, postage prepaid, certified mail, return receipt requested; or **(4)** mailed via overnight courier.

## **30. FORCE MAJEURE**

The term "Force Majeure" means any act of God, strike, lock-out or other industrial disturbance,



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

### **31. ENTIRE AGREEMENT**

This Agreement, the Manuals, the documents referred to herein, and the attachments hereto, constitute the entire, full and complete agreement between the parties concerning the matters covered by this Agreement, and supersede any and all prior or contemporaneous negotiations, discussions, understandings or agreements. There are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement and in the attachments (other than as set forth in the Franchise Disclosure Document). No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth herein, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed in writing. Nothing in the Franchise Agreement or any related agreements is intended to disclaim any of the representations we made in this Disclosure Document. 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.

### **32. DISPUTE RESOLUTION**

**A. Negotiation and Non-Binding Mediation.** If any dispute, claim or controversy arises out of this Agreement or the parties' relationship, before beginning any legal action, the parties must attempt to resolve the dispute, claim or controversy through negotiation (as described in Section 32A(1)) or non-binding mediation (as described in Section 32A(2)); provided that Relive shall not be required to negotiate or mediate any such dispute, claim or controversy for enforcement of the provisions of this Agreement.

**(1) Negotiation.** The party initiating negotiation of any dispute, claim or controversy shall provide written notice to the other party describing the nature of the dispute, claim or controversy, specifying the relief sought and identifying the persons who are authorized to settle the dispute, claim or controversy. Within 10 days after receiving that notice, the other party shall designate in writing the persons who are authorized to settle the dispute, claim or controversy. The designated persons may take all actions necessary to investigate the dispute, claim or controversy provided however, within 14 days after the initial notice identifying the dispute, claim or controversy, those persons shall meet to negotiate a resolution of the dispute, claim or controversy.

**(2) Non-Binding Mediation.** If the parties fail to resolve any dispute, claim or controversy during a negotiation as set forth in Section 32A(1) within 30 days after the initial meeting of the persons designated by the parties, either party may notify the other party of its intent to commence non-binding mediation. Within 14 days after a request for mediation, the parties shall select a mediator who is experienced in the mediation of disputes in the franchise industry. Any

mediation shall take place in the county where Relive has its principal offices. The parties will share the costs of mediation equally, exclusive of their respective attorneys' fees.

**B. ARBITRATION.** The parties agree that all controversies, disputes, or claims between the parties and their affiliates, and their respective owners, shareholders, officers, directors, agents, and/or employees arising out of or related to:

- (1) this Agreement or any other agreement between the parties or their affiliates;
- (2) Relive's (or any of its affiliates') relationship with Franchisee;
- (3) the scope and validity of this Agreement or any other agreement between the parties (or any of their affiliates) or any provision of such agreements (including the validity and scope of the arbitration obligations under this Section 32B, which the parties acknowledge is to be determined by an arbitrator and not a court); or
- (4) any aspect of the Franchise System or any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association (the "AAA"). The arbitration proceedings will be conducted by a panel of three (3) arbitrators (the "Panel") and, except as this Section 18E otherwise provides, according to the then current commercial arbitration rules of the AAA. We and you shall each appoint one arbitrator to serve on the Panel. The two separately appointed arbitrators shall attempt to agree upon the third arbitrator for the Panel, who will act as the Panel's chairman. If the two appointed arbitrators fail to agree on the third arbitrator within thirty(30) days after the second arbitrator is appointed to the Panel, then the third arbitrator shall be appointed by the AAA, and shall serve as the Panel's chairman. All proceedings will be conducted at a suitable location chosen by the Panel in the in the county where Relive has its principal offices. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.) and not by any state arbitration law.

The Panel has the right to award or include in its award any relief which it deems proper, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the Panel may not declare any Mark generic or otherwise invalid or, except as expressly provided in Section 32H below, award any punitive or exemplary damages against either party (the parties hereby waive to the fullest extent permitted by law, except as expressly provided in Section 32H below, any right to or claim for any punitive or exemplary damages against the other). The award of the Panel shall be conclusive and binding upon all parties hereto and judgment upon the Panel's award may be entered in any court of competent jurisdiction.

The parties agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. The parties further agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is forever barred. The Panel may not consider any settlement discussions or offers that might have been made by either party. Relive reserve the right, but has no obligation, to advance Franchisee's share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of those costs in accordance with Section 32F.

The parties agree that arbitration will be conducted on an individual, not a class-wide, basis and

that an arbitration proceeding between the parties, their affiliates, and their respective shareholders, officers, directors, agents, and/or employees may not be consolidated with any other arbitration proceeding between the parties and any other person. Notwithstanding the foregoing or anything to the contrary in this Section 32B or Section 33, if any court or arbitrator or Panel determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section 32B, then the parties agree that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 32 (excluding this Section 32B).

Despite the parties' agreement to arbitrate, each of the parties have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that the parties must contemporaneously submit the dispute for arbitration on the merits as provided in this Section 32B.

The provisions of this Subsection are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

**C. Choice of Forum.** Subject to Section 32B, and the provisions below, the parties agree that all actions arising under this Agreement or otherwise as a result of the relationship between the parties must be commenced in the state or federal court of general jurisdiction in the jurisdiction where its principal offices are located at the time suit is filed or in the jurisdiction where Franchisee resides or does business or where the Clinic is or was located or where the claim arose. Franchisee and each owner irrevocably submit to the jurisdiction of those courts and waive any objection that Franchisee (or the owner) might have to either the jurisdiction of or venue in those courts. Nonetheless, Franchisee and its owners agree that Relive may enforce this Franchise Agreement and any Arbitration orders and awards in the courts of the state or states in which Franchisee is domiciled or the Clinic is located.

**D. Choice of Law.** All matters relating to Arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except to the extent governed by the Federal Arbitration Act, the United State Trademark act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), or other federal law, this Agreement and any dispute, claim or controversy arising out of, or relating to, the rights and obligations of the parties under this Agreement and any other dispute, claim or controversy between the parties shall be governed by and construed in accordance with the laws of the State of Florida without regard to conflicts of laws principles. Nothing in this Section is intended, or shall be deemed, to make any Florida law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable.

**E. Limitations of Actions.** Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding (including any action relating to the offer and sale of a franchise to Franchisee) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

**F. Reimbursement of Costs and Expenses.** If either Relive or Franchisee institutes any action or proceeding against the other relating to the provisions of this Franchise Agreement or any default hereunder, the non-prevailing party in such action or proceeding shall reimburse the prevailing party for the reasonable expenses of attorneys' fees and all costs and disbursements incurred therein by the prevailing party, including, without limitation, any such fees, costs or disbursements incurred on any appeal from such action or proceeding. The prevailing party shall recover all such fees, costs or disbursements as costs taxable by the court in the action or proceeding itself without the necessity for a cross-action by the prevailing

party. The amount of these costs and expenses will be determined by the court.

**G. Rights or Parties are Cumulative.** The parties' rights under this Agreement are cumulative and the exercise or enforcement of any right or remedy under this Agreement will not preclude the exercise or enforcement by a party of any other right or remedy under this Agreement that it is entitled by law or this Agreement to exercise or enforce.

**H. Waiver of Punitive Damages and Jury Trial.** To the fullest extent permitted by law, the parties waive any right to, or claim for, any punitive or exemplary damages against the other party. The parties also agree that, in the event of a dispute between them, the party making a claim will be limited to recovery of actual damages, if any. In addition, the parties irrevocably waive trial by jury in any action, proceeding, and/or counterclaim brought by either party.

### **33. SEVERABILITY AND CONSTRUCTION**

**A.** Each article, paragraph, subparagraph, term and condition of this Agreement, and any portions thereof, will be considered severable. If, for any reason, any portion of this Agreement is determined to be invalid, contrary to, or in conflict with, any applicable present or future law, rule or regulation in a final, unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in a proceeding to which Relive is a party, that ruling will not impair the operation of, or have any other effect upon, any other portions of this Agreement; all of which will remain binding on the parties and continue to be given full force and effect.

**B.** Except as otherwise provided in Section 27, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisee and Relive and its affiliates and such of their heirs, successors and assigns, any rights or remedies under or by reason of this Agreement.

**C.** Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions of this Agreement any portion or portions that a court may hold to be unreasonable and unenforceable in a final decision to which Relive is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

**D.** No provision of this Agreement shall be interpreted in favor of, or against, any party because of the party that drafted this Agreement.

**E.** Whenever Relive has expressly reserved in this Agreement a right and/or discretion to take or withhold an action, or to grant or decline to grant Franchisee a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, Relive may make such decision or exercise its right and/or discretion on the basis of its judgment of what is in its best interests. This also applies if Relive is deemed to have a right and/or discretion. Relive's judgment of what is in the best interests of the System, at the time its decision is made or its right or discretion is exercised, can be made without regard to whether: **(1)** other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by Relive; **(2)** Relive's decision or the action taken promotes its financial or other individual interest; **(3)** Relive's decision or the action taken applies differently to Franchisee and one or more other franchisees or Relive company-owned or affiliate-owned operations; or **(4)** Relive's decision or the action taken is adverse to Franchisee's interests. Relive will have no liability to Franchisee for any such decision or action. Relive and Franchisee intend that the exercise of Relive's right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, Relive and Franchisee agree that such covenant will not

imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Relive the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's rights and obligations under this Agreement.

#### **34. MISCELLANEOUS**

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

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

**C. Counterparts.** This Agreement may be executed in counterparts, and each copy so executed and delivered shall be deemed an original.

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

**E. Injunctive Relief.** Franchisee recognizes that its failure to comply with the terms of this Agreement, including, but not limited to, the failure to fully comply with all post-termination obligations, is likely to cause irreparable harm to Relive, its affiliates and the System. Therefore, Franchisee agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, Relive shall be entitled to injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security. Any equitable remedies sought by Relive shall be in addition to, and not in lieu of, all remedies and rights that Relive otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

**F. Delegation.** Relive has the right, from time to time, to delegate the performance of any portion or all of its obligations and duties under this Agreement to designees, whether affiliates or agents of Relive or independent contractors with which Relive has contracted to provide this service.

**G. Legal Compliance.** Franchisee must comply with the requirements of all applicable federal, state and local laws, rules and regulations. Franchisee must timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the business contemplated under this Agreement.

**H. Variations.** Relive has the right, in its sole discretion, to waive, defer, or permit variations from the standards of the System or any applicable agreement to any developer, franchisee, prospective developer or prospective franchisee based on the peculiarities of a particular site, existing building configuration or circumstance, density of population, business potential, or any other condition or circumstance. Relive has the right, in its sole discretion, to deny any such request Relive believes would not be in the best interests of the System.

**I. Control During Crisis Situation.** If an event occurs at the Clinic that has or reasonably may cause harm or injury to customers, guests or employees (*e.g.*, slip and fall injuries, natural disasters, robberies, shootings, etc.) or may damage the Marks, the System or the reputation of Relive (collectively "Crisis Situation"), Franchisee shall: **(1)** immediately contact appropriate emergency care providers to assist it in curing the harm or injury; and **(2)** immediately inform Relive by telephone of the Crisis Situation.

Franchisee shall refrain from making any internal or external announcements (*i.e.*, no communication with the news media) regarding the Crisis Situation (unless otherwise directed by Relive or public health officials). To the extent Relive deems appropriate, in its sole and absolute discretion, Relive or its designee may control the manner in which the Crisis Situation is handled by the parties, including, without limitation, conducting all communication with the news media, providing care for injured persons and/or temporarily closing the Clinic. The parties acknowledge that, in directing the management of any Crisis Situation, Relive or its designee may engage the services of attorneys, experts, doctors, testing laboratories, public relations firms and those other professionals as it deems appropriate. Franchisee and its employees shall cooperate fully with Relive or its designee in its efforts and activities in this regard and shall be bound by all further Crisis Situation procedures developed by Relive from to time hereafter. The indemnification under Section 27 shall include all losses and expenses that may result from the exercise by Relive or its designee of the management rights granted in this Section 34I.

### **35. REPRESENTATIONS**

**(i) YOU RECEIVED: (A) AN EXACT COPY OF THIS AGREEMENT AND ITS ATTACHMENTS, WITH ALL MATERIAL TERMS FILLED IN, AT LEAST SEVEN (7) CALENDAR DAYS BEFORE YOU SIGNED THIS AGREEMENT; AND (B) OUR FRANCHISE DISCLOSURE DOCUMENT AT THE EARLIER OF (i) 14 CALENDAR DAYS BEFORE YOU SIGNED A BINDING AGREEMENT OR PAID ANY MONEY TO US OR OUR AFFILIATES OR (ii) SUCH EARLIER TIME IN THE SALES PROCESS THAT YOU REQUESTED A COPY;**

**(ii) YOU ARE AWARE OF THE FACT THAT OTHER PRESENT OR FUTURE FRANCHISEES OF OURS MAY OPERATE UNDER DIFFERENT FORMS OF AGREEMENT AND CONSEQUENTLY THAT OUR OBLIGATIONS AND RIGHTS WITH RESPECT TO OUR VARIOUS FRANCHISEES MAY DIFFER MATERIALLY IN CERTAIN CIRCUMSTANCES; AND**

**(iii) WE MAY NEGOTIATE TERMS OR OFFER CONCESSIONS TO OTHER FRANCHISEES AND WE HAVE NO OBLIGATION TO OFFER YOU THE SAME OR SIMILAR NEGOTIATED TERMS OR CONCESSIONS EXCEPT TO THE EXTENT REQUIRED BY APPLICABLE LAW.**

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF**, the parties have duly executed, sealed and delivered this Agreement as of the day and year first above written.

**FRANCHISOR:**  
**Relive Franchising LLC**

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

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

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

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

**IF FRANCHISEE IS AN ENTITY:**  
**FRANCHISEE:**  
**NAME OF ENTITY:**

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

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

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

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

**IF FRANCHISEE IS AN INDIVIDUAL:**

**FRANCHISEE:**

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

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

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

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

## GUARANTEE AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Relive Franchise Agreement dated as of \_\_\_\_\_ (“Agreement”) by Relive Franchising LLC (“Relive”), entered into with \_\_\_\_\_ (“Franchisee”), the undersigned (“Guarantors”), each of whom is an officer, director, member of Franchisee’s Continuity Group or a direct or indirect holder of a legal or beneficial interest in Franchisee of 10% or more (“10% Owner”) or a spouse of one of the foregoing, hereby personally and unconditionally: **(1)** guarantee to Relive and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Franchisee shall **(a)** punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and **(b)** punctually pay all other monies owed to Relive and/or its affiliates; **(2)** agree personally to be bound by each and every provision in the Agreement, including, without limitation, the provisions of Sections 20, 22 and 27; and **(3)** agree personally to be liable for the breach of each and every provision in the Agreement, including, without limitation, Section 22.

Each of the undersigned waives: **(a)** acceptance and notice of acceptance by Relive of the foregoing undertakings; **(b)** notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; **(c)** protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; **(d)** any right he may have to require that an action be brought against Franchisee or any other person as a condition of liability; **(e)** all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guarantee by the undersigned; **(f)** any law or statute that requires that Relive make demand upon, assert claims against or collect from Franchisee or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any others prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guarantee; **(g)** any and all other notices and legal or equitable defenses to which he may be entitled; and **(h)** any and all right to have any legal action under this Guarantee decided by a jury.

Each of the undersigned consents and agrees that: **(i)** his direct and immediate liability under this Guarantee shall be joint and several; **(ii)** he shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; **(iii)** such liability shall not be contingent or conditioned upon pursuit by Relive of any remedies against Franchisee or any other person;

**(iv)** such liability shall not be diminished, relieved or otherwise affected by any amendment of the Agreement, any extension of time, credit or other indulgence which Relive may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this Guarantee, which shall be continuing and irrevocable during the Initial Term and for so long thereafter as there are monies or obligations owing from Franchisee to Relive or its affiliates under the Agreement; and **(v)** monies received from any source by Relive for application toward payment of the obligations under the Agreement and under this Guarantee may be applied in any manner or order deemed appropriate by Relive. In addition, if any of the undersigned ceases to be a member of the Continuity Group, a 10% Owner, an officer or director of Franchisee or own any interest in Franchisee prior to termination or expiration of the Agreement, that person agrees that his obligations under this Guarantee shall continue to remain in force and effect unless Relive in its sole discretion, in writing, releases that person from this Guarantee. Notwithstanding the provisions of the previous sentence, unless prohibited by applicable law, the covenants contained in Section 22 which by their terms continue in force after the expiration or termination of the Agreement shall remain in force and effect for the time periods set forth in Section 22. A release by Relive of any of the undersigned shall not affect the obligations of any other Guarantor. Notwithstanding any Transfer, this Guarantee shall remain in full force and effect for a period of 2 years after the effective date



of the Transfer. If any of the following events occur, a default (“Default”) under this Guarantee shall exist: **(a)** failure of timely payment or performance of the obligations under this Guarantee; **(b)** breach of any agreement or representation contained or referred to in this Guarantee; **(c)** the dissolution of, termination of, existence of, loss of good standing status by, appointment of a receiver for, assignment for the benefit of creditors of, or the commencement of any insolvency or bankruptcy proceeding by or against, any of the undersigned; and/or **(d)** the entry of any monetary judgment or the assessment against, the filing of any tax lien against, or the issuance of any writ of garnishment or attachment against any property of or debts due any of the undersigned. If a Default occurs, the obligations of the undersigned shall be due immediately and payable without notice. Upon the death of one of the undersigned, the estate shall be bound by this Guarantee for all obligations existing at the time of death. The obligations of the surviving Guarantors shall continue in full force and effect.

This Guarantee shall inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and assigns. Relive’s interests in and rights under this Guarantee are freely assignable, in whole or in part, by Relive. Any assignment shall not release the undersigned from this Guarantee.

Section 32 of the Agreement is incorporated by reference into this Guarantee with all defined terms in that Section deemed modified to reflect the terms of this Guarantee. All capitalized terms in this Guarantee that are not defined shall have the meaning given them in the Agreement (with modifications as required by the context of this Guarantee).

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF**, each of the undersigned has hereunto affixed his signature, under seal.

**GUARANTORS:**

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

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

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

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

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

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

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

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

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

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

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

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

**APPENDIX A FRANCHISE INFORMATION**

1. **Franchised Location (Recitals):** \_\_\_\_\_

2. **Protected Area (Section 1B):** The Protected Area shall be described as follows: \_\_\_\_\_

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If the Franchised Location has not been identified as of the date of the Franchise Agreement, the Protected Area will be determined by Relive and inserted when the Franchised Location is identified. Franchisee’s rights in the Protected Area are subject to the limitations described in Section 1C. Any boundaries contained in the description of the Protected Area will be considered fixed as of the date of this Agreement and shall not change notwithstanding a change in those boundaries.

3. **Opening Date (Section 2A):** \_\_\_\_\_

4. **Designated Area (Section 3A):** The Designated Area shall be described as follows: \_\_\_\_\_

---

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If the Franchised Location has been selected as of the date of the Franchise Agreement, no Designated Area will be identified.

5. **Site Acceptance Deadline (Section 3D(2)):** \_\_\_\_\_

6. **Construction Commencement Deadline (Section 5B(1)):** \_\_\_\_\_

7. **Opening Deadline (Section 5B(2)):** \_\_\_\_\_

8. **Initial Franchise Fee (Section 7A(1)):** \$\_\_\_\_\_.\_\_\_\_\_

9. **Any Other Businesses that Franchisee or Operating Principal Own, Manage, Operate, or Are Involved In (Section 15H):** \_\_\_\_\_

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10. **Interests in Other Businesses (Section 22C(2)(c)):** \_\_\_\_\_

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11. **Franchisee’s Notice Address and Email Address (Section 29):** \_\_\_\_\_

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**APPENDIX B  
FRANCHISEE'S TOTAL MARKETING OBLIGATION**

As of the date of the Franchise Agreement, Franchisee's Total Marketing Obligation under Section 9 of the Franchise Agreement and its allocation are:

1.	National Marketing Fund (Section 9C)	_____ % of Gross Sales
2.	Regional Marketing Fund  (Section 9D) <b>OR</b> Regional Co-op (Section 9.F.)	_____ % of Gross Sales
3.	Local Clinic Marketing (Section 9G)	_____ % of Gross Sales
	TOTAL	_____ % of Gross Sales

The Clinic is located in the following Designated Market Area:

---



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**NOTES:**

- (a) Pursuant to Section 9, Relive may modify and reallocate the Total Marketing Obligation.
- (b) Regional Co-ops may have the right to set the Regional Co-op contribution and, if some instances, the required contribution may increase Franchisee's Total Marketing Obligation above 5% of Gross Sales.
- (c) If a Regional Marketing Fund or a Regional Co-op includes the Franchised Location and Franchisee timely pays the required contribution to that Fund/Co-op, the Local Clinic Marketing obligation shall be reduced.

**APPENDIX C  
OWNERSHIP INTERESTS  
CORPORATE FRANCHISEE**

If Franchisee is a corporation, the number of authorized shares of Franchisee that have been issued is \_\_\_\_\_ and the name, address, number of shares owned (legally or beneficially) and office held by each shareholder is as follows:

Name	Address	No. of Shares	Office Held

**LIMITED LIABILITY COMPANY FRANCHISEE**

If Franchisee is a limited liability company, the name, address and percentage interest of each member is as follows:

Name	Address	Percentage Interest

**OTHER BUSINESS ENTITY FRANCHISEE**

If Franchisee is some other business entity, the type of business entity and the name, address and ownership interest (including for a limited partnership, whether a general or limited partner), is as follows:

Type of Business Entity: \_\_\_\_\_

Name	Address	Percentage Interest

**APPENDIX C  
OWNERSHIP INTERESTS  
MANAGEMENT PERSONNEL**

<b>Category</b>	<b>Print Name of Individual(s)</b>
Continuity Group	
Operating Principal	
Clinic Managers	

**FRANCHISEE:**

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

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

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

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

**APPENDIX D**  
**ELECTRONIC FUNDS TRANSFER (“EFT”) AUTHORIZATION AGREEMENT**  
**(DIRECT DEBITS)**

Name of Person or Legal Entity: Enter Name here

Unit ID Number: Relive###

Account Name: Enter Name here

Address: Enter Street Address here

City: Enter City here

State: Enter State here

Zip code: 00000

The undersigned depositor (“Depositor”) hereby authorizes Relive Franchising LLC and its affiliates (“Relive”) to initiate debit entries and/or credit correction entries to Depositor’s checking and/or savings account(s) indicated below and the depository designated below (“Depository”) and to debit such account pursuant to Relive’s instructions for any and all amounts due to Relive or its affiliates. The Depositor understands that all amounts debited from the account below will be credited to Relive’s account. IN LIEU OF COMPLETING THE INFORMATION REQUIRED ON THE FOLLOWING FOUR LINES, DEPOSITOR MAY ATTACH A CANCELED OR VOIDED CHECK HERETO.

Depository: Enter Name here

Branch: Enter Branch Location here

Address: Enter Street Address here

City: Enter City here

State: Enter State here

Zip code: 00000

Bank Telephone Number: 000-000-0000

Bank Contact Person: Enter Name here

Bank Transit / ABA Number: 000000000

Account Number: 000000000000

This authority is to remain in full force and effect until Depository has received joint written notification from Relive and Depositor of Depositor’s termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity to act on it. Notwithstanding the foregoing, Depository shall provide Relive and Depositor with 30 days’ prior written notice of the termination of this authority. If an erroneous debit entry is initiated to Depositor’s account, Depositor shall have the right to have the amount of such entry credited to such account by Depository, if within 15 calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry or 45 days after posting, whichever occurs first, Depositor shall have sent to Depository a written notice identifying such entry, stating that such entry was in error and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws.

Depositor: \_\_\_\_\_

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

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

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

**APPENDIX E**  
**FORM OF LEASE ADDENDUM**



**RIDER 1**  
**OPENING DATE & FRANCHISE EXPIRATION DATE**

TO: \_\_\_\_\_

The Clinic located at \_\_\_\_\_ first opened for business on \_\_\_\_\_.  
The Initial Term of the Franchise Agreement for the Clinic expires on \_\_\_\_\_.  
If Franchisee desire to remain a franchisee for the first Renewal Term, Franchisee must give Relive your  
Renewal Notice no earlier than \_\_\_\_\_ (months before the expiration date of the Initial Term) and no  
later than \_\_\_\_\_ (months before the expiration date of the Initial Term).

**Relive Franchising LLC**

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

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

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

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

**ATTACHMENT A - LIST OF STATE ADMINISTRATORS**

**ATTACHMENT A TO THE FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF STATE ADMINISTRATORS**

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

<p><b>CALIFORNIA</b> California Department of Financial Protection &amp; Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 876-7500 Toll Free: (866) 275-2677</p>	<p><b>NEW YORK</b> New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21<sup>st</sup> Floor New York, NY 10005 (212) 416-8222</p>
<p><b>HAWAII</b> Commissioner of Securities of the State of Hawaii Department of Commerce &amp; Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722</p>	<p><b>NORTH DAKOTA</b> North Dakota Securities Department 600 Boulevard Avenue, State Capitol Fifth Floor, Dept. 414 Bismarck, North Dakota 58505-0510 (701) 328-4712</p>
<p><b>ILLINOIS</b> Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465</p>	<p><b>RHODE ISLAND</b> Department of Business Regulation Securities Division Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527</p>
<p><b>INDIANA</b> Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681</p>	<p><b>SOUTH DAKOTA</b> Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-4823</p>
<p><b>MARYLAND</b> Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360</p>	<p><b>VIRGINIA</b> Director, Securities and Retail Franchising Div. State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371-9051</p>
<p><b>MICHIGAN</b> G. Mennen Williams Building, 7th Floor 525 W. Ottawa St. P.O. Box 30212 Lansing, MI 48909 (517) 373-7117</p>	<p><b>WASHINGTON</b> Department of Financial Institutions Securities Division – 3<sup>rd</sup> Floor 150 Israel Road, S.W. Tumwater, Washington 98501 (360) 902-8760</p>

**MINNESOTA**

Commissioner of  
Commerce Department of  
Commerce 85 7<sup>th</sup> Place  
East, Suite 280 St. Paul,  
Minnesota 55101  
(651) 539-1600

**WISCONSIN**

Office of the Commissioner of Securities  
201 W. Washington Ave., Suite 300  
Madison, WI 53703  
(608) 261-9555

**ATTACHMENT B - LIST OF STATE AGENTS FOR SERVICE OF PROCESS**

**AGENTS FOR SERVICE OF PROCESS**

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

<p><b>CALIFORNIA</b>          California Commissioner of Department of          Financial Protection &amp; Innovation          320 West Fourth Street, Suite 750          Los Angeles, California 90013-2344          (213) 576-7500          Toll Free: (866) 275-2677</p>	<p><b>NEW YORK</b>          Attention: New York Secretary of State          New York Department of State          One Commerce Plaza,          99 Washington Avenue, 6th Floor          Albany, NY 12231-0001          (518) 473-2492</p>
<p><b>HAWAII</b>          Commissioner of Securities of the State of Hawaii          Department of Commerce &amp; Consumer Affairs          Business Registration Division          Securities Compliance Branch          335 Merchant Street, Room 203          Honolulu, Hawaii 96813          (808) 586-2722</p>	<p><b>NORTH DAKOTA</b>          North Dakota Securities Commissioner 600          Boulevard Avenue, State Capitol Fifth Floor          Bismarck, North Dakota 58505-0510          (701) 328-4712</p>
<p><b>ILLINOIS</b>          Illinois Attorney General          500 South Second Street          Springfield, Illinois 62706          (217) 782-4465</p>	<p><b>RHODE ISLAND</b>          Director of Department of Business Regulation          Department of Business Regulation          Securities Division          Bldg. 69, First Floor, John O. Pastore Center          1511 Pontiac Avenue          Cranston, Rhode Island 02920          (401) 462-9527</p>
<p><b>INDIANA</b>          Indiana Secretary of State          201 State House          Indianapolis, Indiana 46204          (317) 232-6681</p>	<p><b>SOUTH DAKOTA</b>          Division of Insurance          Securities Regulation          124 S. Euclid, Suite 104          Pierre, South Dakota 57501          (605) 773-4823</p>
<p><b>MARYLAND</b>          Maryland Securities Commissioner          200 St. Paul Place          Baltimore, Maryland 21202-2020          (410) 576-6360</p>	<p><b>VIRGINIA</b>          Clerk of the State Corporation Commission          1300 East Main Street          Richmond, Virginia 23219          (804) 371-9733</p>
<p><b>MICHIGAN</b>          Dept. of Energy, Labor, &amp; Economic          Growth Corporations Division          P.O. Box 30054          Lansing, Michigan 48909           7150 Harris Drive          Lansing, Michigan 48909          (517) 373-7117</p>	<p><b>WASHINGTON</b>          Director of Department of Financial Institutions          Securities Division – 3<sup>rd</sup> Floor          150 Israel Road, S.W.          Tumwater, Washington 98501          (360) 902-8760</p>

**MINNESOTA**

Commissioner of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota  
55101 (651) 539-1600

**WISCONSIN**

Wisconsin Commissioner of Securities  
Department of Financial Institutions  
Division of Securities  
201 W. Washington Ave., Suite 300  
Madison, WI 53703  
(608) 261-9555

**ATTACHMENT C – RELIVE’S OPERATIONAL DOCUMENTATION  
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**ATTACHMENT D**  
**FINANCIAL**  
**STATEMENTS**

**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 HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.**

# Relive Franchising LLC

## Balance Sheet

As of September 30, 2023

	Total
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
<b>10000 Cash</b>	
10010 BOA checking - 0900	953,023.35
10015 Chase Checking - 0531	336,007.62
10045 QuickBooks Checking Account	0.00
<b>Total 10000 Cash</b>	<b>\$ 1,289,030.97</b>
<b>Total Bank Accounts</b>	<b>\$ 1,289,030.97</b>
<b>Accounts Receivable</b>	
11000 Accounts Receivable (A/R)	0.00
<b>Total Accounts Receivable</b>	<b>\$ 0.00</b>
<b>Other Current Assets</b>	
10100 Undeposited Funds	0.00
11005 Royalties Receivable	0.00
11020 Miscellaneous Receivables	0.00
11090 Uncategorized Asset	0.00
<b>11100 Intercompany Loans</b>	
11107 Intercompany - Revive Stuart	0.00
11108 Intercompany - Raw	0.00
11109 Intercompany - DJI Consulting	0.00
<b>Total 11100 Intercompany Loans</b>	<b>\$ 0.00</b>
<b>Total Other Current Assets</b>	<b>\$ 0.00</b>
<b>Total Current Assets</b>	<b>\$ 1,289,030.97</b>
<b>Fixed Assets</b>	
<b>13000 Equipment</b>	
13010 Computer Equipment	214,133.94
<b>Total 13000 Equipment</b>	<b>\$ 214,133.94</b>
14000 Furniture and Fixtures	88,711.68
15000 Leasehold Improvement	503,327.33
<b>Total Fixed Assets</b>	<b>\$ 806,172.95</b>
<b>Other Assets</b>	
<b>16000 Other Assets</b>	
16010 Prepaid Expenses - General	105,879.13
<b>Total 16000 Other Assets</b>	<b>\$ 105,879.13</b>
<b>17000 Intangible Assets</b>	
17010 Franchisee Fee	0.00
<b>Total 17000 Intangible Assets</b>	<b>\$ 0.00</b>

<b>18000 Depreciation and Amortization</b>	
18005 Accumulated Depreciation	-124,872.00
	<u>-</u>
<b>Total 18000 Depreciation and Amortization</b>	<b>\$ 124,872.00</b>
	<u>-</u>
<b>Total Other Assets</b>	<b>\$ 18,992.87</b>
<b>TOTAL ASSETS</b>	<b>\$ 2,076,211.05</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20000 Accounts Payable	0.00
<b>Total Accounts Payable</b>	<b>\$ 0.00</b>
<b>Credit Cards</b>	
23000 Credit Card	
23005 Amex CC - 82000	892.70
<b>Total 23000 Credit Card</b>	<b>\$ 892.70</b>
<b>Total Credit Cards</b>	<b>\$ 892.70</b>
<b>Other Current Liabilities</b>	
24000 Accrued Expenses	0.00
25000 Unearned Licenses	1,731,250.00
25010 Accrued Payroll	377.98
25060 Due To Others	0.00
27000 Loan Payable	500,000.00
28105 Suspense Account	0.00
<b>Total Other Current Liabilities</b>	<b>\$ 2,231,627.98</b>
<b>Total Current Liabilities</b>	<b>\$ 2,232,520.68</b>
<b>Total Liabilities</b>	<b>\$ 2,232,520.68</b>
<b>Equity</b>	
30010 Opening Balance Equity	0.00
30100 Paid in Capital	0.00
<b>31000 Member Equity - Dom</b>	
31010 Member Distributions - Dom	-500,000.00
31015 Member Earnings - Dom	83,127.59
	<u>-</u>
<b>Total 31000 Member Equity - Dom</b>	<b>\$ 416,872.41</b>
<b>32000 Member Equity - Jerome</b>	
32005 Member Contributions - Jerome	0.00
32015 Member Earnings - Jerome	722,145.98
<b>Total 32000 Member Equity - Jerome</b>	<b>\$ 722,145.98</b>
<b>32500 Member Equity - Empire</b>	
32550 Member Contributions - Empire	200,000.00
<b>Total 32500 Member Equity - Empire</b>	<b>\$ 200,000.00</b>
33000 Retained Earnings	0.00
<b>Net Income</b>	<u>-661,583.20</u>
	<u>-</u>
<b>Total Equity</b>	<b>\$ 156,309.63</b>

**TOTAL LIABILITIES AND EQUITY**

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**\$ 2,076,211.05**

Tuesday, Oct 31, 2023 07:33:56 AM GMT-7

**Relive Franchising LLC**  
**Profit and Loss**  
**January - September, 2023**

	<b>Total</b>
<b>Income</b>	
45002 Supplier Commissions	252,503.78
45005 Royalty Income	496,802.54
47011 Franchise Fee	12,499.98
48000 Sponsorship Income	30,250.00
<b>Total Income</b>	<b>\$ 792,056.30</b>
<b>Cost of Goods Sold</b>	
<b>50040 Direct Labor - Esthetician Wages</b>	
50050 Esthetician Development	65,384.60
<b>Total 50040 Direct Labor - Esthetician Wages</b>	<b>\$ 65,384.60</b>
52000 Merchant Fees	666.21
54500 Royalties Paid	21,074.76
54600 Expenses to Collect	55,203.00
<b>54690 Salesforce</b>	
54695 Sales Force Payments	76,088.70
54700 Sales Force Repayments	-5,400.00
<b>Total 54690 Salesforce</b>	<b>\$ 70,688.70</b>
<b>Total Cost of Goods Sold</b>	<b>\$ 213,017.27</b>
<b>Gross Profit</b>	<b>\$ 579,039.03</b>
<b>Expenses</b>	
<b>61000 Facility Expenses</b>	
61010 Rent	19,920.60
61020 Repairs & Maintenance	2,782.50
<b>Total 61000 Facility Expenses</b>	<b>\$ 22,703.10</b>
<b>62000 Personnel Expenses</b>	
<b>62001 Sales/Reception and Management</b>	
62010 Franchise Sales	40,000.00
62012 Executive Assistant	54,230.82
62015 Franchise Support	112,846.21
62017 Learning Development	53,846.20
62018 Chief Technology Officer	123,846.17
62020 Chief Medical Officer	29,239.84
62021 Chief Legal Officer	157,846.17
62023 Legal Reimbursement	-83,000.00
<b>Total 62021 Chief Legal Officer</b>	<b>\$ 74,846.17</b>
62022 Chief Operating Officer	55,384.60
62024 Chief Operating Officer Bonus	13,390.00
<b>Total 62022 Chief Operating Officer</b>	<b>\$ 68,774.60</b>
<b>Total 62001 Sales/Reception and Management</b>	<b>\$ 557,630.01</b>



62032 Payroll Taxes	49,565.23
62035 Payroll Processing Fees	807.86
62040 Insurance - Group Health/Dental	140.70
62055 Workers Compensation	14,887.77
62057 Meals & Incentives	17,242.79
62070 Background Screening	299.72
<b>Total 62000 Personnel Expenses</b>	<b>\$ 640,574.08</b>
<b>63000 General Operating Expenses</b>	
63010 Professional Fees - Accounting	68,000.00
63013 Professional Fees - HR	1,778.00
63014 Professional Fees - Bookkeeping	2,000.00
63015 Professional Fees - Legal	146,203.04
63017 Professional Fees - Consulting	0.00
63019 Computer & Software	10,380.67
63021 Software Lease/Support	399.75
63055 Office Supplies	5,904.72
63060 Dues & subscriptions	2,335.73
63085 Uniforms	18,442.51
63115 Licenses and Permits	1,963.75
63160 Business Meetings	21,109.30
63165 Contract Labor	2,376.67
<b>Total 63000 General Operating Expenses</b>	<b>\$ 280,894.14</b>
<b>67000 Sales &amp; Marketing</b>	0.00
67001 Salaries - Marketing	5,166.67
67002 Direct Marketing	65,862.00
67018 Promotional Items	2,575.00
67030 Rebranding Costs	16,258.52
<b>Total 67000 Sales &amp; Marketing</b>	<b>\$ 89,862.19</b>
<b>Total Expenses</b>	<b>\$ 1,034,033.51</b>
<b>Net Operating Income</b>	<b>\$ 454,994.48</b>
<b>Other Income</b>	
<b>70000 Other Income</b>	
70011 Miscellaneous Income	843.11
<b>Total 70000 Other Income</b>	<b>\$ 843.11</b>
<b>Total Other Income</b>	<b>\$ 843.11</b>
<b>Other Expenses</b>	
<b>80000 Other Misc. General Operating</b>	0.00
80010 Automobile Expense	100.00
80020 Meals	1,831.06
80040 Travel Expense	54,930.17
80050 Management Fees	8,400.00
80060 Charitable Contributions	1,000.00
80075 Other Legal Expenses	139,303.53
80086 Misc Non Operating Expenses	0.00

<b>Total 80000 Other Misc. General Operating</b>	<b>\$</b>	<b>205,564.76</b>
<b>81000 Interest &amp; Other Expenses</b>		
<b>81010 Bank Charges</b>		<u>1,867.07</u>
<b>Total 81000 Interest &amp; Other Expenses</b>	<b>\$</b>	<b>1,867.07</b>
<b>Total Other Expenses</b>	<b>\$</b>	<b>207,431.83</b>
		-
<b>Net Other Income</b>	<b>\$</b>	<b>206,588.72</b>
		-
<b>Net Income</b>	<b>\$</b>	<b>661,583.20</b>

Tuesday, Oct 31, 2023 07:28:45 AM GMT-7 - Accrual Basis

# Relive Franchising LLC

## Statement of Cash Flows

January - September, 2023

	<b>Total</b>
<b>OPERATING ACTIVITIES</b>	
Net Income	-661,583.20
Adjustments to reconcile Net Income to Net Cash provided by operations:	
11000 Accounts Receivable (A/R)	0.00
11005 Royalties Receivable	56,269.69
11020 Miscellaneous Receivables	15,000.00
20000 Accounts Payable	-10,000.00
23005 Credit Card:Amex CC - 82000	-3,019.93
24000 Accrued Expenses	0.00
25000 Unearned Licenses	531,250.00
25010 Accrued Payroll	0.00
28105 Suspense Account	0.00
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	<b>\$ 589,499.76</b>
Net cash provided by operating activities	<b>\$ 72,083.44</b>
<b>INVESTING ACTIVITIES</b>	
13010 Equipment:Computer Equipment	-204,818.96
14000 Furniture and Fixtures	-88,711.68
15000 Leasehold Improvement	-387,769.90
16010 Other Assets:Prepaid Expenses - General	-105,879.13
Net cash provided by investing activities	<b>\$ 787,179.67</b>
<b>FINANCING ACTIVITIES</b>	
31010 Member Equity - Dom:Member Distributions - Dom	-500,000.00
31015 Member Equity - Dom:Member Earnings - Dom	-64,956.84
32005 Member Equity - Jerome:Member Contributions - Jerome	-750,000.00
32015 Member Equity - Jerome:Member Earnings - Jerome	722,145.98
32550 Member Equity - Empire:Member Contributions - Empire	200,000.00
33000 Retained Earnings	92,810.86
Net cash provided by financing activities	<b>\$ 300,000.00</b>
Net cash increase for period	<b>\$ 1,159,263.11</b>
Cash at beginning of period	2,448,294.08
Cash at end of period	<b>\$ 1,289,030.97</b>

Tuesday, Oct 31, 2023 07:34:48 AM GMT-7



Relive Franchising, LLC  
Financial Statements  
December 31, 2022

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## Independent Auditor's Report

To the Members of  
Relive Franchising, LLC  
Stuart, Florida

### **Opinion**

We have audited the financial statements of Relive Franchising, LLC which comprise the balance sheet as of December 31, 2022, and the related statement of income and changes in members' equity and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Relive Franchising, LLC, LLC as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Responsibility of Management for the Financial Statements**

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

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



### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

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

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

A handwritten signature in black ink, appearing to read 'D. M. ...', is positioned above the text.

Miami, FL  
April 30, 2023

Relive Franchising, LLC  
Balance Sheet  
December 31, 2022

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Assets

Current assets:	
Cash	\$2,446,809
Accounts receivable	56,270
Total current assets	<u>2,503,079</u>
Property and equipment, net	124,872
Other assets:	
Related party receivables	49,193
<b>Total assets</b>	<b>\$2,677,144</b>

Liabilities and Member's Equity

Current liabilities:	
Accounts payable and accrued expenses	\$ 14,766
Deferred Franchise Fees	1,200,000
Total current liabilities	<u>1,214,766</u>
Commitments and contingencies	
Members' equity:	<u>1,462,378</u>
<b>Total liabilities and member's equity</b>	<b>\$2,677,144</b>

See independent auditor's report and accompanying notes



Relive Franchising, LLC  
Statement of Income and Changes in Member's Equity  
For the Year Ended December 31, 2022

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Revenues	
Franchise Fees	\$ 509,633
Royalty Fees	459,350
Rebates	<u>142,230</u>
<b>Total Revenue</b>	<b>1,111,213</b>
Operating expenses:	
Advertising	41,427
General and administrative	104,014
Payroll and related expenses	199,110
Professional fees	76,158
Travel & Accommodation	<u>50,854</u>
Total operating expenses	471,563
<b>Income from operations</b>	<b>639,650</b>
<b>Other income</b>	<b>23,063</b>
<b>Net Income</b>	<b>662,713</b>
Members' equity - beginning of year	53,478
Member contributions	750,000
Member distributions	<u>(3,813)</u>
<b>Members' equity - end of year</b>	<b>\$1,462,378</b>

See independent auditor's report and accompanying notes

**Relive Franchising, LLC**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2022**

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Cash flows from operating activities:	
Net income	\$ 662,713
Adjustment to reconciliation of net income to provided by operating activities:	
Depreciation	1,000
(Increase) decrease in assets:	
Accounts receivable, net	(23,067)
Due from related party	(49,193)
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	(41,631)
Deferred franchise fees	1,150,000
<b>Net cash provided by operating activities</b>	<b>1,699,822</b>
Cash flows from investing activities:	
Purchase of property and equipment	(120,833)
<b>Net cash used in investing activities</b>	<b>(120,833)</b>
Cash flows from financing activities:	
Member contributions	750,000
Member distributions	(3,813)
<b>Net cash provided by financing activities</b>	<b>746,187</b>
Net increase in cash	2,325,176
Cash, beginning of year	121,633
<b>Cash, end of year</b>	<b>\$ 2,446,809</b>

See independent auditor's report and accompanying notes

**Relive Franchise, LLC**  
**Notes to the Financial Statements**

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**Note 1 – Organization**

Relive Franchising LLC (the “Company”) is a limited liability company that was previously named R3VIVE FRANCHISE LLC, which was organized on April 17, 2020, in the State of Florida. The Company, R3VIVE FRANCHISE LLC, began activities in 2020. Articles of Amendment to Articles of Organization of R3VIVE FRANCHISE LLC were filed with the State of Florida on April 5, 2023, changing the name to Relive Franchising LLC. The Company is organized for the purpose of conducting all franchising activities on behalf of the Relive Companies, including developing, marketing, and selling franchises associated with the Relive Clinics. The Company’s activities are subject to risks and uncertainties, including the risk that the Franchise will not result in substantial franchise revenue and royalty revenue as all income is dependent on the operation of the individual franchisees.

**Note 2 – Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“US GAAP”).

**Use of Estimates**

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

**Cash and Cash Equivalents**

The Company considers all short-term investments with an original maturity date of three months or less to be cash equivalents. As of December 31, 2022, there were no cash equivalents.

**Accounts Receivable, Net**

Accounts receivable from franchisees are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis and accounts receivables do not bear interest. Accounts receivables are stated net of an allowance for doubtful accounts. The Company evaluates the collectability of accounts receivable and determines the appropriate allowance for doubtful accounts based on the franchisees current financial condition and the age of past due accounts. At December 31, 2022 management estimated that there were no doubtful accounts.

## Note 2 – Summary of Significant Accounting Policies – Continued

### Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation and consist of furniture, office equipment and assets not placed in service. Additions and improvements to property and equipment are capitalized at cost. Depreciation and amortization of leasehold improvements are computed using the straight-line method over the shorter of the estimated useful lives of the related assets or the lease term. The cost of assets sold or retired, and the related accumulated depreciation are removed from the accounts and any resulting gains or losses are reflected in other income (expense) for the year. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed based on the estimated useful lives of the assets which range 5-7 years.

### Fair Value of Financial Instruments

The carrying amount of accounts receivable and accounts payable approximate their respective fair values due to the short-term nature. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash.

### Revenue Recognition

The Company recognizes revenue in accordance with accounting standard issued by the Financial Accounting Standards Board (“FASB”) and codified in the FASB ASC as topic 606 (“ASC 606”). The revenue recognition standard in ASC 606 outlines a single comprehensive model for recognizing revenue as performance obligations, defined in a contract with a customer as goods or services transferred to the customer in exchange for consideration, are satisfied. The standard also requires expanded disclosures regarding the Company’s revenue recognition policies and significant judgments employed in the determination of revenue.

Revenues are generated primarily from franchise fees, rebate agreements and royalties. Franchise fees are recognized as revenue when substantially all initial services required by the franchise or license agreement are performed, which is generally upon the opening of a clinic. Initial franchise fees are typically nonrefundable. Franchise royalty fees, which are based on a percentage of gross franchise sales, are recognized when earned. Rebate Income is based on sales of certain products. Those sales occur in the normal course of the business and as per the agreement the Company earns 10% as per the contract.

### Advertising and Marketing

The Company uses advertising and marketing to promote its services. Advertising and marketing costs are expensed as incurred.

**Note 2 – Summary of Significant Accounting Policies – Continued**

**Income Taxes**

The Company is a limited liability company and is recognized as a partnership for federal and state income tax purposes. All items of income and expense are passed through to the members to report on their respective individual income tax returns. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

The Company records a liability for uncertain tax positions when it is probable that a loss has been incurred and the amount can be reasonably estimated. Interest and penalties related to income tax matters, if any, would be recognized as a component of income tax expense. As of December 31, 2022, the Company had no liabilities for uncertain tax positions. The Company continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. Currently, the tax years subsequent to 2020 are open and subject to examination by the taxing authorities.

**Legal Proceedings and Loss Contingencies**

The Company is subject to various legal proceedings, many involving routine litigation incidental to our business. The outcome of any legal proceeding is not within our complete control, is often difficult to predict and is resolved over very long periods of time. Estimating probable losses associated with any legal proceedings or other loss contingencies are very complex and require the analysis of many factors including assumptions about potential actions by third parties.

Loss contingencies are disclosed when there is at least a reasonable possibility that a loss has been incurred and are recorded as liabilities in the combined consolidated financial statements when it is both (1) probable or known that a liability has been incurred, and (2) the amount of the loss is reasonably estimable. If the reasonable estimate of the loss is a range and no amount within the range is a better estimate, the minimum amount of the range is recorded as a liability. If a loss contingency is not probable or cannot be reasonably estimated, a liability is not recorded in the combined consolidated financial statements.

**Date of Management's Review**

The Company has considered subsequent events through April 30, 2023, the date that the financial statements were available to be issued in connection with the preparation of these financial statements.

Relive Franchise, LLC  
Notes to the Financial Statements

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Note 3 – Contract Balances

The timing of revenue recognition, billings, and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Statement of Financial Position. Amounts are billed upon achievement of contractual milestones. However, the Company sometimes receives advances or deposits from their franchisees' area representative before revenue is recognized, resulting in contract liabilities. These deposits are liquidated when revenue is recognized. At December 31, 2022 the Company had \$1,200,000 in unearned franchise fees and franchisee area representative fees included in the accompanying balance sheet.

Note 4 – Franchising

The Company executes franchise agreements and area representative agreements that set the terms of its arrangement with franchisee or area developer. The franchise agreement requires the franchisee to pay an initial, non-refundable fee up to \$50,000 and royalty fees based upon 6% of adjusted gross sales. The area representative agreement requires the area representative to execute a franchise agreement for a pilot clinic in the area and pay an area representative fee generally ranging from \$90,000, for 4 potential clinics, to \$351,000, for 20 potential clinics.

Subject to the Company's approval and various conditions, a franchisee may generally renew its agreement upon its expiration, which is generally 10 years after execution of the franchise agreement. Direct costs of sales and servicing of developer agreements and operating franchises are charged to operating expense as incurred.

An area representative generally is not permitted to obtain a successor license after its term, which is generally 10 years after execution of the area representative agreement, is over unless either (a) such successor license is required by law ,or (b) the area representative executed the area representative agreement pursuant to a transfer ; and the area representative meets certain conditions.

When an individual franchise is sold, the Company agrees to provide certain services to assist the franchisee in getting the location open for business. This includes assistance with site selection, training, systems implementation, and design of a quality control program. The Company recognizes initial fees as revenue when substantially all initial services required by the franchise or license agreement have been performed, which is generally upon opening a location. Royalty fees are recognized as earned and are considered to be compensation for use of the trademark and general business assistance. During the year, the Company opened 2 franchises. As of December 31, 2022, the Company has 8 open franchise locations. A total of 22 franchise agreements were executed in 2022. The deferred franchise fees of \$50,000 represent deposits received in advance for 2 new franchise locations expected to be opened during 2022.

**Relive Franchise, LLC**  
**Notes to the Financial Statements**

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**Note 4 – Franchising - Continued**

When an area representative agreement is executed and a territory is purchased, the Company agrees to provide certain pre-opening services. This includes initial training, access to documentation necessary to offer or sell franchises, and the Company's management software. A portion of the royalty fees that are collected by the Company in a territory with an area representative is paid to that territory's area representative. During the year, the Company executed 7 area representative agreements.

**Note 5 – Related Parties**

The owner of the Company has an equity stake in three of the franchises opened and operating. These franchises did not pay any franchise fees upon opening and do not pay a royalty fee to the Franchisor as a standard Franchise would pay. The Relive Companies are comprised of individually operated entities that are affiliated to the Franchisor as they pay a fee based on adjusted Gross Revenue.

In addition, during the year ended December 31, 2022, the Company made advances to a company commonly owned by one of the Company's member in the amount of \$49,193 and is included in the accompanying balance sheet. The advances are due on demand and do not have any terms.

**Note 6 – Concentration of Credit Risks**

Financial instruments, which potentially subject the Company to credit risk, consist principally of cash and accounts receivable. Cash is maintained with major financial institutions and management regularly monitors their composition and maturities. The Company maintains all its cash funds in bank accounts insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC"). At December 31, 2022 the Company had cash in the amount of approximately \$1,958,000 in excess of FDIC limits. Accounts receivable subjects the Company to its highest potential concentration of credit risk. The Company charges franchise fees to certain entities located in South Florida. Because significantly all revenues are attributed to franchisees, diversification of credit risk is difficult. Although the Company does not require collateral on trade accounts receivables from its franchisees, management periodically reviews the creditworthiness of its franchisees to ensure the overall quality of the Company's credit portfolio. Credit risk associated with franchising is limited to the amount of accounts receivable outstanding for each franchisee. Amounts due from affiliates are unsecured and the credit risk is limited to the related outstanding balance. Management periodically evaluates the financial capability of its affiliates when assessing the collectability of its due from affiliates balances.

Relive Franchise, LLC  
Notes to the Financial Statements

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Note 7 – Commitments and Contingencies

From time to time, the Company is subject to threatened and asserted claims in the ordinary course of business. Because litigation and arbitration are subject to inherent uncertainties and the outcome of such matters cannot be predicted with certainty, future developments could cause any one or more of these matters to have a material impact on the Company's future financial condition, results of operations or liquidity.

Subsequent to year end, the Company filed a lawsuit in federal court against the members of one of the corporate-owned locations that was terminated for non-compliance with the contract. Those members later filed suit in state court against the Company based on the same relationship. As of the date the financial statements were available to be issued the outcome of the lawsuit is not determinable nor estimable and management does not believe that the lawsuit will have an adverse effect on the Company.







**CPA GROUP**

**Relive Franchise, LLC**

**Financial Statements**

**December 31, 2021**

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## Independent Auditor's Report

To the Members of  
Relive Franchise, LLC  
Stuart, Florida

### **Opinion**

We have audited the financial statements of Relive Franchise, LLC which comprise the balance sheet as of December 31, 2021, and the related statement of income and changes in members' equity and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Relive Franchise, LLC as of December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Responsibility of Management for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

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

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



Miami, FL

April 25, 2022

## Assets

2021

Current assets:

Cash	\$ 121,633
Accounts receivable, net	33,203
Prepaid expenses and other current assets	<u>-</u>
Total current assets	154,836

Property and equipment, net 5,039

Other assets:

Intangible assets -

<b>Total assets</b>	<b>\$ 159,875</b>
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## Liabilities and Member's Equity

Current liabilities:

Accounts payable and accrued expenses	\$ 28,365
Deferred Franchise Fees	50,000
Due to Related Party	<u>28,032</u>
Total current liabilities	106,397

Commitments and contingencies

Members' equity: 53,478

<b>Total liabilities and member's equity</b>	<b>\$ 159,875</b>
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	<u>2021</u>
Revenues	
Franchise Fees	\$ 43,750
Royalty Fees	158,873
Rebates	<u>138,574</u>
<b>Total Revenue</b>	<b>341,197</b>
Operating expenses:	
Automobile expense	32,202
Contractors	49,460
General and administrative	32,811
Professional fees	85,340
Travel & Accommodation	<u>16,485</u>
Total operating expenses	216,298
<b>Income from operations</b>	<b>124,899</b>
Other expenses:	
Settlement fees	<u>20,000</u>
<b>Net Income</b>	<b>104,899</b>
Members' equity - beginning of year	151,154
Member contributions	-
Member distributions	<u>(202,575)</u>
<b>Members' equity - end of year</b>	<b>\$ 53,478</b>

## For the Year Ended December 31, 2021

	<u>2021</u>
Cash flows	
from	\$ 104,899
operating	
activities:	
: Net	
income	
Adjustment to	
reconciliation of	
net income to	
provided by	
operating	
activities:	
Depreciation	265
(Increase) decrease in assets:	
Accounts receivable, net	(15,886)
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	19,426
Deferred franchise fees	25,000
Due to related party	<u>28,032</u>
Cash flows from investing activities:	
Purchase of property and equipment	<u>(5,304)</u>
Cash flows from financing activities:	
Member distributions	<u>(202,575)</u>
Net increase in cash	(46,143)
Cash, beginning of year	<u>167,776</u>



## **Note 1 – Organization**

R3vive Franchise, LLC (the Company), was organized in 2020, under the laws of the State of Florida as a limited liability company. The Operating agreement among the members was effective May 1, 2020, and the Company began activities in 2020 (inception). The Company is organized for the purpose of conducting all franchising activities on behalf of the R3vive Companies, including developing, marketing, and selling franchises associated with the R3vive Clinics. The Company's activities are subject to risks and uncertainties, including the risk that the Franchise will not result in substantial franchise revenue and royalty revenue as all income is dependent on the operation of the individual franchisees.

## **Note 2 – Summary of Significant Accounting Policies**

### **Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

### **Use of Estimates**

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

### **Cash and Cash Equivalents**

The Company considers all short-term investments with an original maturity date of three months or less to be cash equivalents. As of December 31, 2021, there were no cash equivalents.

### **Accounts Receivable, Net**

Accounts receivable from franchisees are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis and accounts receivables do not bear interest. Accounts receivables are stated net of an allowance for doubtful accounts. The Company evaluates the collectability of accounts receivable and determines the appropriate allowance for doubtful accounts based on the franchisees current financial condition and the age of past due accounts.

## **Note 2 – Summary of Significant Accounting Policies – Continued**

### **Property and Equipment**

Property and equipment are stated at cost, less accumulated depreciation and consist solely of furniture and office equipment. Additions and improvements to property and equipment are capitalized at cost. Depreciation and amortization of leasehold improvements are computed using the straight-line method over the shorter of the estimated useful lives of the related assets or the lease term. The cost of assets sold or retired, and the related accumulated depreciation are removed from the accounts and any resulting gains or losses are reflected in other income (expense) for the year. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed based on the estimated useful lives of the assets which range 5-7 years.

### **Fair Value of Financial Instruments**

The carrying amount of accounts receivable approximate their respective fair values due to the short-term nature. The carrying amount of the notes payable approximates fair values due to their market interest rates. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and accounts receivable.

### **Revenue Recognition**

The Company adopted revenue recognition accounting standard issued by the Financial Accounting Standards Board (“FASB”) and codified in the FASB ASC as topic 606 (“ASC 606”). The revenue recognition standard in ASC 606 outlines a single comprehensive model for recognizing revenue as performance obligations, defined in a contract with a customer as goods or services transferred to the customer in exchange for consideration, are satisfied. The standard also requires expanded disclosures regarding the Company’s revenue recognition policies and significant judgments employed in the determination of revenue.

Revenues are generated primarily from franchise fees, rebate agreements and royalties. Franchise fees are recognized as revenue when substantially all initial services required by the franchise or license agreement are performed, which is generally upon the opening of a clinic. Initial franchise fees are typically nonrefundable. Franchise royalty fees, which are based on a percentage of gross franchise sales, are recognized when earned. Rebate Income is based on sales of certain products. Those sales occur in the normal course of the business and as per the agreement the Company earns 10% as per the contract.

### **Advertising and Marketing**

The Company uses advertising and marketing to promote its services. Advertising and marketing costs are expensed as incurred.

## **Note 2 – Summary of Significant Accounting Policies – Continued**

### **Income Taxes**

The Company is a limited liability company and is recognized as a disregarded entity for federal and state income tax purposes. All items of income and expense are passed through to the sole member to report on his individual income tax return. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

The Company records a liability for uncertain tax positions when it is probable that a loss has been incurred and the amount can be reasonably estimated. Interest and penalties related to income tax matters, if any, would be recognized as a component of income tax expense. As of December 31, 2021, the Company had no liabilities for uncertain tax positions. The Company continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. Currently, the tax years subsequent to 2020 are open and subject to examination by the taxing authorities.

### **Legal Proceedings and Loss Contingencies**

The Company is subject to various legal proceedings, many involving routine litigation incidental to our business. The outcome of any legal proceeding is not within our complete control, is often difficult to predict and is resolved over very long periods of time. Estimating probable losses associated with any legal proceedings or other loss contingencies are very complex and require the analysis of many factors including assumptions about potential actions by third parties.

Loss contingencies are disclosed when there is at least a reasonable possibility that a loss has been incurred and are recorded as liabilities in the combined consolidated financial statements when it is both (1) probable or known that a liability has been incurred, and (2) the amount of the loss is reasonably estimable. If the reasonable estimate of the loss is a range and no amount within the range is a better estimate, the minimum amount of the range is recorded as a liability. If a loss contingency is not probable or cannot be reasonably estimated, a liability is not recorded in the combined consolidated financial statements.

### **Date of Management's Review**

The Company has considered subsequent events through April 25, 2022, the date that the financial statements were available to be issued in connection with the preparation of these financial statements. No significant subsequent events occurred outside the normal course of operations requiring additional financial statement disclosures.

### Note 3 – Contract Balances

The timing of revenue recognition, billings, and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Statement of Financial Position. Amounts are billed upon achievement of contractual milestones. However, the Company sometimes receives advances or deposits from their students, before revenue is recognized, resulting in contract liabilities. These deposits are liquidated when revenue is recognized. The Beginning and Ending balances of contract receivables are the following:

	<u>2021</u>	<u>2020</u>
Receivables	<u>\$ 33,203</u>	<u>\$ 17,317</u>
Advances and Deposits	<u>\$ 50,000</u>	<u>\$ 25,000</u>

### Note 4 – Franchising

The Company executes developer and franchise agreements that set the terms of its arrangement with each developer or franchisee. The agreements require the franchisee to pay an initial, non-refundable fee up to \$50,000 and royalty fees based upon 6% of adjusted gross sales; the developer pays an initial, nonrefundable fee of \$25,000 upon signing and then an additional \$25,000 upon opening the Franchise.

Subject to the Company's approval and various conditions, a franchisee may generally renew its agreement upon its expiration, which is generally 5 years after opening. Except for developer agreement commissions, direct costs of sales and servicing of developer agreements and operating franchises are charged to operating expense as incurred.

When an individual franchise is sold, the Company agrees to provide certain services to assist the franchisee in getting the location open for business. This includes assistance with site selection, training, systems implementation, and design of a quality control program. The Company recognizes initial fees as revenue when substantially all initial services required by the franchise or license agreement have been performed, which is generally upon opening a location. Royalty fees are recognized as earned and are considered to be compensation for use of the trademark and general business assistance. During the year, the Company sold and opened 2 franchises. As of December 31, 2021, the Company has 6 open franchise locations. The deferred franchise fees of \$50,000 represent deposits received in advance for 2 new franchise locations expected to be opened during 2022.

## **Note 5 – Related Parties**

The owner of the Company has an equity stake in four of the franchises opened and operating. These franchises did not pay any franchise fees upon opening and do not pay a royalty fee to the Franchisor as a standard Franchise would pay. The R3vive Companies are comprised of individually operated entities that are affiliated to the Franchisor as they pay a fee based on adjusted Gross Revenue. As of December 31, 2021, the Company has amounts due in the amount of \$28,032 to one of the four commonly owned franchises.

In addition, during the year ended December 31, 2021, the Company paid \$30,000 in training fees to a consulting company commonly owned by Company's member and is included in general and administrative expenses in the accompanying statement of income and changes in members' equity.

## **Note 6 – Concentration of Credit Risks**

Financial instruments, which potentially subject the Company to credit risk, consist principally of cash and accounts receivable. Cash is maintained with major financial institutions and management regularly monitors their composition and maturities. The Company maintains all its cash funds in bank accounts insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC"). No balances were on account with a bank that exceeded FDIC coverage as of December 31, 2021. Accounts receivable subjects the Company to its highest potential concentration of credit risk. The Company charges franchise fees to certain entities located in South Florida that operate under the name R3vive. Because significantly all revenues are attributed to franchisees, diversification of credit risk is difficult. Although the Company does not require collateral on trade accounts receivables from its franchisees, management periodically reviews the creditworthiness of its franchisees to ensure the overall quality of the Company's credit portfolio. Credit risk associated with franchising is limited to the amount of accounts receivable outstanding for each franchisee. Amounts due from affiliates are unsecured and the credit risk is limited to the related outstanding balance. Management periodically evaluates the financial capability of its affiliates when assessing the collectability of its due from affiliates balances.

## **Note 7 – Commitments and Contingencies**

From time to time, the Company is subject to threatened and asserted claims in the ordinary course of business. Because litigation and arbitration are subject to inherent uncertainties and the outcome of such matters cannot be predicted with certainty, future developments could cause any one or more of these matters to have a material impact on the Company's future financial condition, results of operations or liquidity.

## **Note 7 – Commitments and Contingencies - Continued**

During the year ended December 31, 2021, the Company settled a claim in the amount of \$20,000 and is included in other expenses in the accompanying statement of income and change in members' equity.

**Relive FRANCHISE, LLC.**

**INDEPENDENT AUDITOR'S  
REPORT ON THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED DECEMBER 31, 2020**



# RELIVE FRANCHISE, LLC.

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# THOMAS & COMPANY, C.P.A., P.A.

Certified Public Accountants and Business Consultants

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
R3vive Franchise, LLC.

We have audited the accompanying financial statements of R3vive Franchise, LLC (a Florida Limited Liability Company), which comprise the balance sheets as of December 31, 2020, and the related statements of income, members' capital, and cash flows for the eight months then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of R3vive Franchise, LLC as of December 31, 2020, and the results of its operations and its cash flows for the eight months ended in accordance with accounting principles generally accepted in the United States of America.

Th

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Cooper City, Florida  
April 17, 2021



**Relive Franchising LLC**  
**Balance Sheet**  
**31-Dec-20**

ASSETS	2020
<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 167,776
Accounts Receivable	17,317
<b>Total Current Assets</b>	<u><b>185,093</b></u>
<b>TOTAL ASSETS</b>	<u><b>\$ 185,093</b></u>
 <b>LIABILITIES AND MEMBERS' CAPITAL</b>	
<b>Current Liabilities</b>	
Accrued Expenses	\$ 8,939
Deferred Franchise Fees	25,000
<b>Total Current Liabilities</b>	<u><b>33,939</b></u>
<b>Total Liabilities</b>	<u><b>33,939</b></u>
<b>Members' Capital</b>	<u><b>151,154</b></u>
<b>TOTAL LIABILITIES AND MEMBERS' CAPITAL</b>	<u><b>\$ 185,093</b></u>

**Income Statement**  
**For the Period Ended December 31, 2020**

<b>Revenue</b>	<b>2020</b>
Franchise Fees	\$ 125,000
Royalty Income	39,537
Rebate Income	<u>32,218</u>
<b>Total Revenue</b>	<b><u>196,755</u></b>
<b>Expense</b>	
Automobile Expenses	9,910
Gifts	5,874
Legal and Professional Fees	24,535
Meals & Entertainment	4,151
Miscellaneous Expenses	743
Office Expenses	4,621
Software Expenses	1,860
Subcontracted Labor	24,240
Taxes & Licenses	1,000
Travel Expenses	<u>5,399</u>
<b>Total Expense</b>	<b><u>82,333</u></b>
<b>Net Income</b>	<b><u>\$ 114,422</u></b>

**Statement of Cash Flows**  
**For the Period Ended December 31, 2020**

<b>Cash Flows from Operating Activities</b>	<b>2020</b>
Net Income / (Loss)	\$ 114,422
<b>Adjustments to reconcile net income to net cash provided by operations:</b>	
(Increase) / Decrease in Royalty Fees Receivable	(17,317)
Increase / (Decrease) Accrued Expenses	8,939
Increase / (Decrease) Deferred Franchise Fees	25,000
<b>Net Cash Provided by / Used in Operating Activities</b>	<b><u>131,044</u></b>
<b>Net Cash Provided by / Used in Financing Activities</b>	
Contributions from Members	100,000
Distributions to Members	(63,268)
<b>Net Cash Provided by / Used in Investing Activities</b>	<b><u>36,732</u></b>
Net Increase / (Decrease) in Cash and Cash Equivalents	167,776
Cash and Cash Equivalents at the Beginning of the Year	-
<b>Cash and Cash Equivalents at the End of the Year</b>	<b><u>167,776</u></b>
 <b>Interest Paid during the year</b>	 \$ -

**Statement of Members' Capital**  
**For the Period Ended December 31, 2020**

	<b>2020</b>
<b>Opening Balance (May 1, 2020)</b>	<b>\$ -</b>
Contributions	100,000
Net Income	114,422
Distributions	(63,268)
<b>Ending Balance (December 31, 2020)</b>	<b>\$ 151,154</b>

## **NOTE 1 - NATURE OF ACTIVITIES**

R3vive Franchise, LLC (the Company), was organized in 2020, under the laws of the State of Florida as a limited liability company. The Operating agreement among the members was effective May 1, 2020, and the Company began activities in 2020 (inception). The Company is organized for the purpose of conducting all franchising activities on behalf of the R3vive Companies, including developing, marketing, and selling franchises associated with the R3vive Clinics. The Company's activities are subject to risks and uncertainties, including the risk that the Franchise will not result in substantial franchise revenue and royalty revenue as all income is dependent on the operation of the individual franchisees.

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Accounting**

The financial statements of the company are prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

### **Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, cash equivalents are short-term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) so near to maturity that they present insignificant risk of changes in value due to changing interest rates.

Cash consists of petty cash, cash held in checking and money market accounts with maturities of less than 90 days. At year end and throughout the year, the organization's cash balances were deposited in several bank accounts at the institution are insured by Federal Deposit Insurance Corporation (FDIC) up to \$ 250,000. Management believes the organization is not exposed to any significant credit risk on cash and cash equivalents

### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

### **Fair Value of Financial Instruments**

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments: Cash, accounts receivable, and accounts payable. The carrying amounts reported in the statement of financial position approximated fair values because of the short maturities of these instruments.

## **Property and Equipment**

It is the policy of the Organization to capitalize property and equipment over \$ 1,000. Lesser amounts are expensed. Expenditures for repairs and maintenance are expensed when paid. Purchased property and equipment are capitalized at cost at date of purchase. The costs of additions and improvements are capitalized. When items of furniture or equipment are sold or retired, the related costs and accumulated depreciation is removed from the accounts and any gain or loss is included in addition to or deducted from net assets available for benefits. Depreciation of furniture and equipment is provided utilizing the straight-line method over the estimated useful lives of the respective assets. Furniture and equipment are depreciated over 7 years and 5 years respectively.

## **Revenue Recognition**

In May 2014, the FASB issued ASU No. 2014-09, “Revenue from Contracts with Customers (ASC 606)”, which provided a single comprehensive model for entities to use in accounting for revenues arising from contracts with customers. Topic 606 superseded the revenue recognition requirements in “Revenue Recognition (Topic 605)”. During June 2020, the FASB amended ASU No. 2014-09 to defer the effective date of ASC 606 to annual reporting periods beginning after December 15, 2019, with an early adoption permissible. The Company decided to early adopt Topic 606 using the modified retrospective method, under which prior periods are not revised to reflect the impact of the new standard. Accordingly, the timing and measurement of revenues under Topic 606 is similar to that recognized under previous guidance and accordingly did not have a material impact on the Company's financial position, results of operations, cash flows, or presentation at adoption or in the current period.

Revenues are generated primarily from franchise fees, rebate agreements and royalties. Franchise fees are recognized as revenue when substantially all initial services required by the franchise or license agreement are performed, which is generally upon the opening of a clinic. Initial franchise fees are typically nonrefundable. Franchise royalty fees, which are based on a percentage of gross franchise sales, are recognized when earned. Rebate Income is based on sales of certain products. Those sales occur in the normal course of the business and as per the agreement the Company earns 10% as per the contract.

## **Contract Balances**

The timing of revenue recognition, billings, and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Statement of Financial Position. Amounts are billed upon achievement of contractual milestones. However, the Company sometimes receives advances or deposits from their students, before revenue is recognized, resulting in contract liabilities. These deposits are liquidated when revenue is recognized. The Beginning and Ending balances of contract receivables are the following:

	<u>2020</u>	<u>2019</u>
Receivables	17,317	-
Unbilled Receivables	-	-
Advances and Deposits	25,000	-



### **Income Taxes**

The Company is a limited liability company and is recognized as a disregarded entity for federal and state income tax purposes. All items of income and expense are passed through to the sole member to report on his individual income tax return. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

### **Concentration of Credit Risk**

Financial instruments, which potentially subject the Company to credit risk, consist principally of cash and accounts receivable. Cash is maintained with major financial institutions and management regularly monitors their composition and maturities. The Company maintains all its cash funds in bank accounts insured up to \$250,000 by the Federal Deposit Insurance Corporation (“FDIC”). No balances were on account with a bank that exceeded FDIC coverage as of December 31, 2020. Accounts receivable subjects the Company to its highest potential concentration of credit risk. The Company charges franchise fees to certain entities located in South Florida that operate restaurants under the name R3vive. Because significantly all revenues are attributed to franchisees, diversification of credit risk is difficult. Although the Company does not require collateral on trade accounts receivables from its franchisees, management periodically reviews the creditworthiness of its franchisees to ensure the overall quality of the Company’s credit portfolio. Credit risk associated with franchising restaurants is limited to the amount of accounts receivable outstanding for each franchisee. Amounts due from affiliates are unsecured and the credit risk is limited to the related outstanding balance. Management periodically evaluates the financial capability of its affiliates when assessing the collectability of its due from affiliates balances.

### **Accounts Receivable and Allowance for Doubtful Accounts**

Accounts receivable from franchisees are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis and accounts receivables do not bear interest. Accounts receivable are stated net of an allowance for doubtful accounts. The Company evaluates the collectability of accounts receivable and determines the appropriate allowance for doubtful accounts based on the franchisees current financial condition and the age of past due accounts.

### **NOTE 3 - INCOME TAXES**

The Company is a limited liability company and is recognized as a disregarded entity for federal and state income tax purposes. All items of income and expense are passed through to the sole member to report on his individual income tax return. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

### **NOTE 4 – FRANCHISING**

The Company executes developer and franchise agreements that set the terms of its arrangement with each developer or franchisee. The agreements require the franchisee to pay an initial, non-refundable fee up to \$50,000 and royalty fees based upon 6% of adjusted gross sales; the developer pays an initial, non-

refundable fee of \$25,000 upon signing and then an additional \$25,000 upon opening the Franchise.

#### **NOTE 4 – FRANCHISING (Cont.)**

Subject to the Company’s approval and various conditions, a franchisee may generally renew its agreement upon its expiration, which is generally 5 years after opening. Except for developer agreement commissions, direct costs of sales and servicing of developer agreements and operating franchises are charged to operating expense as incurred.

When an individual franchise is sold, the Company agrees to provide certain services to assist the franchisee in getting the location open for business. This includes assistance with site selection, training, systems implementation, and design of a quality control program. The Company recognizes initial fees as revenue when substantially all initial services required by the franchise or license agreement have been performed, which is generally upon opening a location. Continuing royalty fees are recognized as earned and are considered to be compensation for use of the trademark and general business assistance. During the year, the Company opened 2 franchises and sold 2 franchises during the year. Franchise fees on December 31, 2020 comprise amounts received for four locations in the amount of \$125,000. The deferred fees of \$25,000 represent deposits received in advance.

#### **NOTE 5 – RELATED PARTIES**

The owner of the Company has an equity stake in three of the franchises opened and operating. These franchises did not pay any franchise fees upon opening and also do not pay a royalty fee to the Franchisor as a standard Franchise would pay. The R3vive Companies are comprised of individually operated entities that are affiliated to the Franchisor as they pay a fee based on adjusted Gross Revenue.

#### **NOTE 6 - SUBSEQUENT EVENTS**

As of the Report Date, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

As a result of the spread of the COVID-19 “Coronavirus”, economic uncertainties have arisen which may negatively impact the organization’s revenue sources. Other financial impacts could occur, although such potential impacts are unknown at this time.

As of the report date, the Company has opened two new franchises and expects two more to open two more in 2021. Management of the Organization has reviewed all subsequent events up until the date of the auditor’s report.

**ATTACHMENT E**  
**STATE-SPECIFIC FDD AND AGREEMENT ADDENDA**

# STATE ADDENDA AND AMENDMENTS TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES

## **BACKGROUND AND PURPOSE**

The following modifications are made to the Relive Franchise Disclosure Document (“FDD” or “Disclosure Document”) issued by Relive Franchising LLC (“we” or “us” or “franchisor”) to franchisee (“you” or “franchisee”) and may supersede, to the extent required by applicable state law, certain portions of the Franchise Agreement between you and us dated \_\_\_\_\_, 202\_\_ (the “Franchise Agreement”). When the term “Supplemental Agreements” is used, it means any area development agreement, area representative agreement, master franchise agreement, or similar agreement entered into between us and you, if applicable.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement, Supplemental Agreements and other documents related to the sale of a franchise. This State-Specific Addendum (“State Addendum”) will modify these agreements to comply with the applicable state’s laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum (but only the State Addendum for the applicable State) will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements. If you sign this State Addendum, only the terms applicable to the state or states whose franchise laws apply to your transaction will govern. If you sign this State Addendum, but none of the state franchise laws listed above applies because their jurisdictional requirements have not been met, then this State Addendum will be void and inapplicable to you.

## CALIFORNIA

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the Disclosure Document.
2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
3. Neither the franchisor nor any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.
4. The Franchise Agreement and Supplemental Agreements require binding arbitration. The arbitration will occur in Florida with the costs being borne by the franchisee.
5. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a Franchise Agreement or Supplemental Agreement restricting venue to a forum outside the State of California.
6. The Franchise Agreement and Supplemental Agreements require application of the laws of Florida. This provision may not be enforceable under California law.
7. The Franchise Agreement and Supplemental Agreements may provide for termination upon bankruptcy. Any such provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).
8. The Franchise Agreement and Supplemental Agreements may contain a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
9. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Supplemental Agreements may not be enforceable.
10. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement or Supplemental Agreements contain a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.
11. You must sign a general release of claims if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).
12. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT <https://dfpi.ca.gov/>.
13. 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.

## **ADDITIONAL DISCLOSURES REQUIRED BY THE STATE OF CALIFORNIA**

**1. STATE COVER PAGE.** The following RISK FACTORS are added to the STATE COVER PAGE:

THE FRANCHISE AGREEMENT CONTAINS PROVISION THAT LIMIT FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN CALIFORNIA INCLUDING BUT NOT LIMITED TO A TIME LIMIT TO RAISE CLAIMS AGAINST THE FRANCHISOR, LIMITATION OF DAMAGES AND WIAVER OF JURY TRIAL.

**2. Item 3, Litigation.** The following statement is added to Item 3:

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

**3. Item 5, Initial Fees.** The following statement is added to Item 5:

The Department of Financial Protection and Innovation requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all its pre-opening obligations and franchisee is open for business.

**4. Item 6, Interest.** The maximum interest rate in California is 10% annually.

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

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

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

You must sign a general release upon execution of the Franchise Agreement, if you transfer the rights granted under the Franchise Agreement and if you renew the Franchise Agreement. These provisions may not be enforceable under California law. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 21000 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

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

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

The Franchise Agreement contains a choice of forum provision. These provisions require that any action you bring be commenced in the jurisdiction where our principal business address is located, which is currently in Florida. These provisions may not be enforceable under California law.

## HAWAII

1. The following is added to the Cover Page:

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

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

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

2. Our registered agent in the state authorized to receive service of process:

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

3. The states in which this filing is effective are listed on the Exhibit to the FDD titled "State Effective Dates".
4. The states in which this filing is or will be shortly on file include the following: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.
5. The states, if any, which have refused, by order or otherwise, to register these franchises include the following: None
6. The states, if any, which have revoked or suspended the right to offer these franchises include the following: None
7. The states, if any, in which the filing of these franchises has been withdrawn include the following: None
8. 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.



## ILLINOIS

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705, the Disclosure Document and the Franchise Agreement and Supplemental Agreements are amended as follows:

1. Illinois law shall apply to and govern the Franchise Agreement and Supplemental Agreements.
2. In accordance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the Franchise Agreement and Supplemental Agreements that designated jurisdiction and venue in a forum outside of the State of Illinois is void. However, the Franchise Agreement and Supplemental Agreements may provide for arbitration to take place outside of Illinois. Therefore, any arbitration proceeding may be brought in Florida in accordance with the dispute resolution provision set forth in the Franchise Agreement and Supplemental Agreements.
3. Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
5. The Franchise Agreement and Supplemental Agreements are amended to state the following:

To the extent that any provision in the Illinois State Addendum is inconsistent with any provision in this Agreement, the provision in the Illinois State Addendum shall control.

6. 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.

## INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement and Supplemental Agreements are amended as follows:

1. The laws of the State of Indiana supersede any provisions of the Disclosure Document, Franchise Agreement and Supplemental Agreements if such provisions are in conflict with Indiana law.
2. The Franchise Agreement and Supplemental Agreements are amended to provide that such agreements will be construed in accordance with the laws of the State of Indiana.
3. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement and Supplemental Agreement issued in the State of Indiana.
4. The prohibition by Indiana Code § 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as material breach of the Franchise Agreement or Supplemental Agreement (as applicable), shall supersede the provisions of the Franchise Agreement or Supplemental Agreement (as applicable) in the State of Indiana to the extent they may be inconsistent with such prohibition.
5. Liquidated damages and termination penalties are prohibited by law in the State of Indiana and, therefore, the Disclosure Document, the Franchise Agreement and Supplemental Agreements are amended by the deletion of all references to liquidated damages and termination penalties and the addition of the following language to the original language that appears therein:

Notwithstanding any such termination, and in addition to the obligations of the franchisee as otherwise provided, or in the event of termination or cancellation of the Franchise Agreement under any of the other provisions therein, the franchisee nevertheless shall be, continue and remain liable to franchisor for any and all damages which franchisor has sustained or may sustain by reason of such default or defaults and the breach of the Franchise Agreement on the part of the franchisee for the unexpired Term of the Franchise Agreement.

At the time of such termination of the Franchise Agreement, the franchisee covenants to pay to franchisor within 10 days after demand as compensation all damages, losses, costs and expenses (including reasonable attorney's fees) incurred by franchisor, and/or amounts which would otherwise be payable thereunder but for such termination for and during the remainder of the unexpired Term of the Franchise Agreement. This Agreement does not constitute a waiver of the franchisee's right to a trial on any of the above matters.

6. No release language set forth in the Disclosure Document or Franchise Agreement or Supplemental Agreement shall relieve franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana. Any provision in the Franchise Agreement or Supplemental Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.
7. 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.

**ADDENDUM TO RELIVE  
FRANCHISING LLC  
FRANCHISE  
AGREEMENT  
REQUIRED FOR MARYLAND FRANCHISEES**

This Addendum to Relive Franchising LLC Franchise Agreement dated  
\_\_\_\_\_  
 (“Franchise Agreement”) between Relive Franchising LLC (“Relive”) and  
\_\_\_\_\_  
 (“Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to you was made in the State of Maryland; **(B)** you are a resident of the State of Maryland; or **(C)** the Franchised Business will be located or operated in the State of Maryland.
2. The following sentence is added to the end of Sections 2B(3)(g) and 20B(4):  
  
This release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
3. The following sentence is added to the end of Section 32C:  
  
Notwithstanding the foregoing, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
4. The following sentence is added to the end of Section 32E:  
  
This limitation of claims provision shall not act to reduce the 3 year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law, which claim must be brought within 3 years after the grant of the franchise.
5. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to, nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
6. The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a developer to waive its rights to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
7. 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.

8. Any capitalized term that is not defined in this Addendum shall have the meaning given it in the Franchise Agreement.

9. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

**FRANCHISOR:**

Relive Franchising LLC

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

**FRANCHISEE:**

[REDACTED]

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

**ADDITIONAL DISCLOSURES**  
**REQUIRED BY THE STATE OF MARYLAND**

**1.**       **Item 17**, “Renewal, Termination, Transfer and Dispute Resolution,” shall be amended by the addition of the following language:

The general releases required for renewal, sale and/or assignment/transfer will not apply with respect to any claim you may have which arises under the Maryland Franchise Registration and Disclosure Law.

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

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

**2.**       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.

## 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.**

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
  - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
  - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
  - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
  - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has

breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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 option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan  
Department of Attorney General  
CONSUMER PROTECTION DIVISION  
Attention: Franchise Section  
G. Mennen Williams Building, 1<sup>st</sup> Floor  
525 West Ottawa Street  
Lansing, Michigan 48913  
Telephone Number: (517) 373-7117



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

1. **State Cover Page and Item 17, Choice of Forum and Law.** The following statement is added to the State Cover Page and Item 17:

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

2. **Trademarks.** The following statement is added to Item 13:

Notwithstanding the foregoing, we will indemnify you against liability to a third party resulting from claims that your use of a Mark infringes trademark rights of a third party; provided, that we will not indemnify against the consequences of your use of the Marks unless the use is in accordance with the requirements of the Franchise Agreement and the System.

3. **Item 17, Termination.** The following statement is added to Item 17:

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

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

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

5. **Item 17, Waiver of Right to Jury Trial, Statute of Limitations, Injunctive Relief:** The following statements are added to Item 17:

Minnesota Rule 2860.4400J, among other things, prohibits us from requiring you to waive your rights to a jury trial. In addition, the agreements cannot modify your rights under Minnesota Statutes, Chapter 80.C.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the relevant Minnesota statute are met independently without reference to the Additional Disclosures. The Additional Disclosures shall have no force or effect if such jurisdictional requirements are not met.

**ADDENDUM TO RELIVE FRANCHISING  
LLC FRANCHISE AGREEMENT  
REQUIRED FOR MINNESOTA FRANCHISEES**

This Addendum to Relive Franchise LLC Franchise Agreement dated \_\_\_\_\_ (“Franchise Agreement”) between Relive Franchising LLC (“Relive”) and \_\_\_\_\_ (“Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to you was made in the State of Minnesota; **(B)** you are a resident of the State of Minnesota; or **(C)** the Franchised Business will be located or operated in the State of Minnesota.

2. The following sentence is added to the end of Sections 2B(3)(g) and 20B(4):

Notwithstanding the foregoing, Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

3. The following sentence is added to the end of Section 2B:

With respect to franchises governed by Minnesota law, Relive will comply with Minnesota Statute § 80C.14, Subdivision 3, 4, and 5 which requires, except in certain cases, that a franchisee be given 180 days’ notice for non-renewal of the Franchise Agreement.

4. Section 22B(1)(i) is deleted and replaced with:

(i) Franchisee’s use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition, for which Relive would be entitled to all legal and equitable remedies, including injunctive relief. The franchisor may seek injunctive relief.

5. The following sentence is added to the end of Section 23:

With respect to franchises governed by Minnesota law, Relive will comply with Minnesota Statute § 80C.14, Subdivision 3, 4, and 5 which requires, except in certain cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure) of the Franchise Agreement.

6. The following sentence is added at the end of Section 32C:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit Relive from requiring litigation to be conducted outside Minnesota.

7. The following statements are added at the end of Section 32E:

Nothing in the disclosure document or Franchise Agreement can abrogate or reduce any of Franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C.17, Subd. 5.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

8. The third sentence of Section 32H and all of Section 35O are deleted.
9. The second sentence of Section 34E is deleted and replaced with the following:

Franchisee agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, Relive may seek injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance.
10. The following is added as Section 34J:

Nothing in the Franchise Agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
11. Any capitalized term that is not defined in this Addendum shall have the meaning given it in the Franchise Agreement.
12. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
13. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on 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 with the franchise.

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

**1. State Cover Page, Additional Risk Factors:**

A. INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

B. We may, if it chooses, negotiate with you about items covered in the Franchise Disclosure Document. However, we may not use the negotiating process to prevail upon a prospective franchisee to accept terms which are less favorable than those set forth in this prospectus.

C. You must make minimum advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

**2. Item 3, Additional Disclosure. Item 3 is deleted and replaced with the following:**

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities

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

actions affecting a license as a real estate broker or sales agent. Accordingly, no litigation is required to be disclosed in this disclosure document.

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”: You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum”, and Item 17(w), titled “Choice of law”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

6. 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.

**ADDENDUM TO RELIVE FRANCHISING  
LLC FRANCHISE AGREEMENT  
REQUIRED FOR NEW YORK FRANCHISEES**

This Addendum to Relive Franchising LLC Franchise Agreement dated  
("Franchise Agreement") between Relive Franchising LLC and  
("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to you was made in the State of New York; **(B)** you are a resident of the State of New York; or **(C)** the Franchised Business will be located or operated in the State of New York.

2. Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Sections 680 - 695 may not be enforceable.

3. The following sentence is added to the end of Sections 2B(3)(g) and 20B(5):

Any provision in this Agreement requiring Franchisee to sign a general release of claims against Relive does not release any claim Franchisee may have under New York General Business Law, Article 33, Sections 680-695.

4. The following sentence is added to Section 19:

Relive will not assign its rights under this Agreement, except to an assignee who in Relive's good faith and judgment is willing and able to assume Relive's obligations under this Agreement.

5. The following sentence is added to the end of Section 32C:

Notwithstanding the foregoing, the New York Franchises Law shall govern any claim arising under that law.

6. The following sentence is added to the end of Sections 22B(1) and 34E:

Relive's right to obtain injunctive relief exists only after proper proofs are made and the appropriate authority has granted such relief.

7. Any capitalized term that is not defined in this Addendum shall have the meaning given it in the Franchise Agreement.

8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

## NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law (the “North Dakota Franchise Law”), the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Covenants not to compete are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Law. Item 17(r) of the Disclosure Document and certain provisions in the Franchise Agreement and Supplemental Agreements include certain covenants restricting competition to which you must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Law. The Disclosure Document, Franchise Agreement and Supplemental Agreements are amended accordingly to the extent required by law.
2. Provisions requiring arbitration or mediation to be held at a location that is remote from the site of the franchisee’s business are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, the parties must agree on the site where arbitration or mediation will be held.
3. Provisions requiring jurisdiction in a state other than North Dakota are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.
4. Provisions requiring that agreements be governed by the laws of a state other than North Dakota are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.
5. Provisions requiring your consent to liquidated or termination damages are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.
6. Provisions requiring you to sign a general release upon renewal of the franchise agreement have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
7. Provisions requiring you to pay all costs and expenses incurred by us in enforcing the franchise agreement have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, any such provision is modified to read that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.
8. Provisions requiring you to consent to a waiver of trial by jury have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
9. Provisions requiring you to consent to a limitation of claims within one year have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, any such provision is modified to read that the statute of limitations under North Dakota Law will apply.
10. Provisions requiring you to consent to a waiver of exemplary and punitive damages have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
11. 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.

## RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act (the "Rhode Island Franchise Law"), the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. We will not require that you prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Rhode Island Franchise Law. This provision does not apply to the settlement of disputes, claims, or civil lawsuits brought under the Rhode Island Franchise Law.
2. Section 19-28.1-14 of the Rhode Island Franchise Law provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." If a claim is enforceable under the Rhode Island Franchise Law, we will not restrict jurisdiction or venue to a forum outside the State of Rhode Island or require the application of the laws of another state.
3. We will not prohibit you from joining a trade association or association of franchisees. We will not retaliate against you for engaging in these activities.
4. Any provision in the Franchise Agreement that limits the time period in which you may assert a legal claim against us under the Rhode Island Franchise Law is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Rhode Island Franchise Law. Notwithstanding the foregoing, if a rescission offer has been approved by the Rhode Island director of business registration, then the statute of limitations is ninety (90) days after your receipt of the rescission offer.
5. 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.



## VIRGINIA

### ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES REQUIRED BY THE STATE OF VIRGINIA

1. RISK FACTOR:

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from \$533,000 to \$879,000. This amount exceeds the franchisor's stockholder's equity as of December 31, 2022, which is \$1,462,378.

2. Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the franchise agreement or development agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.
3. By statute, under § 13.1-564 of the Virginia Retail Franchising Act, it shall be unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any right given to him by any provision contained in the franchise. Accordingly, the Division requests that the franchisor add a Virginia Addendum to the FDD containing the following statements:
4. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Relive Franchising LLC for use in the Commonwealth of Virginia shall be amended as follows:
5. Additional Disclosure. The following statements are added to Item 17.h.
6. Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement or development agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
7. Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the relevant Virginia statute are met independently without reference to the Additional Disclosures. The Additional Disclosures shall have no force or effect if such jurisdictional requirements are not met.
8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## WASHINGTON

In recognition of the requirements of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, will prevail.
2. RCW 19.100.180 may supersede the Franchise Agreement and Supplemental Agreements in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement and Supplemental Agreements in your relationship with the franchisor including the areas of termination and renewal of your franchise.
3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
8. 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.

## WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement and Supplement Agreements (if applicable) if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

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.

*(Signatures on following page)*

**APPLICABLE ADDENDA**

If any one of the preceding Addenda for specific states (“**Addenda**”) is checked as an “Applicable Addenda” below, then that Applicable Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement, Supplemental Agreements (if applicable) and any other specified agreement(s) entered into by us and the undersigned franchisee. To the extent any terms of an applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement, Supplemental Agreement (if applicable) and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

- |                                     |                                       |                                       |
|-------------------------------------|---------------------------------------|---------------------------------------|
| <input type="checkbox"/> California | <input type="checkbox"/> Michigan     | <input type="checkbox"/> South Dakota |
| <input type="checkbox"/> Hawaii     | <input type="checkbox"/> Minnesota    | <input type="checkbox"/> Virginia     |
| <input type="checkbox"/> Illinois   | <input type="checkbox"/> New York     | <input type="checkbox"/> Washington   |
| <input type="checkbox"/> Indiana    | <input type="checkbox"/> North Dakota | <input type="checkbox"/> Wisconsin    |
| <input type="checkbox"/> Maryland   | <input type="checkbox"/> Rhode Island |                                       |

Dated: \_\_\_\_\_, 202\_\_\_\_

**FRANCHISOR:**

Relive Franchising LLC

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

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

**FRANCHISEE:**

\_\_\_\_\_

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

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

**ATTACHMENT F**  
**NON-DISCLOSURE AGREEMENT**

**NON-DISCLOSURE AGREEMENT**

This Non-Disclosure Agreement (this “Agreement”) is made effective as of \_\_\_\_\_ (the “Effective Date”), by and between Relive Franchising LLC (the “Owner”), of 838 SW Federal Hwy., Stuart, Florida 34994 and \_\_\_\_\_ (the “Recipient(s)”).

Information will be disclosed to the Recipient to determine whether the Recipient would like to move forward with a franchise opportunity with the Owner. The Owner has requested and the Recipient agrees that the Recipient will protect the confidential material and information which may be disclosed between the Owner and the Recipient. Therefore, the parties agree as follows:

**I. CONFIDENTIAL INFORMATION.** The term “Confidential Information” means any information or material which is proprietary to the Owner, whether or not owned or developed by the Owner, which is not generally known other than by the Owner, and which the Recipient may obtain through any direct or indirect contact with the Owner. Regardless of whether specifically identified as confidential or proprietary, Confidential Information shall include any information provided by the Owner concerning the business, technology and information of the Owner and any third party with which the Owner deals, including, without limitation, business records and plans, trade secrets, technical data, product ideas, contracts, financial information, pricing structure, discounts, computer programs and listings, source code and/or object code, copyrights and intellectual property, inventions, sales leads, strategic alliances, partners, and customer and client lists. The nature of the information and the manner of disclosure are such that a reasonable person would understand it to be confidential.

**A. “Confidential Information”** does not include: matters of public knowledge that result from disclosure by the Owner; information rightfully received by the Recipient from a third party without a duty of confidentiality; information independently developed by the Recipient; information disclosed by operation of law; information disclosed by the Recipient with the prior written consent of the Owner; and any other information that both parties agree in writing is not confidential.

**II. PROTECTION OF CONFIDENTIAL INFORMATION.** The Recipient understands and acknowledges that the Confidential Information has been developed or obtained by the Owner by the investment of significant time, effort and expense, and that the Confidential Information is a valuable, special and unique asset of the Owner which provides the Owner with a significant competitive advantage, and needs to be protected from improper disclosure. In consideration for the receipt by the Recipient of the Confidential Information, the Recipient agrees as follows:

**A. No Disclosure.** The Recipient will hold the Confidential Information in confidence and will not disclose the Confidential Information to any person or entity other than those of its Representatives who are activities and directly participating in assessing the franchise opportunity with the Owner without the prior written consent of the Owner. “Representatives” as used herein shall mean (i) employees of Recipient; (ii) and attorneys, accountants, or other professional business advisors, in each case who shall be informed of the confidential nature of the Confidential Information and shall agree to act in accordance with the terms of this Agreement.

**B. No Copying/Modifying.** The Recipient will not copy or modify any Confidential Information without the prior written consent of the Owner.

**C. Unauthorized Use.** The Recipient shall promptly advise the Owner if the Recipient becomes

aware of any possible unauthorized disclosure or use of the Confidential Information.

**D. Application to Employees.** The Recipient shall not disclose any Confidential Information to any employees of the Recipient, except those employees who are required to have the Confidential Information in order to perform their job duties in connection with the limited purposes of this Agreement. Each permitted employee to whom Confidential Information is disclosed shall be provided with a copy of the Franchise Disclosure Document and sign a non-disclosure agreement substantially the same as this Agreement at the request of the Owner.

**III. UNAUTHORIZED DISCLOSURE OF INFORMATION; INJUNCTION.** If it appears that the Recipient has disclosed (or has threatened to disclose) Confidential Information in violation of this Agreement, the Owner shall be entitled to an injunction to restrain the Recipient from disclosing the Confidential Information in whole or in part. The Owner shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.

**IV. NON-CIRCUMVENTION.** For a period of five (5) years after the end of the term of this Agreement, the Recipient will not attempt to do business with, or otherwise solicit any business contacts found or otherwise referred by Owner to Recipient for the purpose of circumventing, the result of which shall be to prevent the Owner from realizing or recognizing a profit, fees, or otherwise, without the specific written approval of the Owner. If such circumvention shall occur the Owner shall be entitled to any commissions due pursuant to this Agreement or relating to such transaction.

**V. RETURN OF CONFIDENTIAL INFORMATION.** Upon the written request of the Owner, the Recipient shall return to the Owner all written materials containing the Confidential Information. The Recipient shall also deliver to the Owner written statements signed by the Recipient certifying that all materials have been returned within five (5) days of receipt of the request.

**VI. RELATIONSHIP OF PARTIES.** Neither party has an obligation under this Agreement to purchase any service or item from the other party, or commercially offer any products using or incorporating the Confidential Information. This Agreement does not create any agency, partnership, or joint venture.

**VII. NO WARRANTY.** The Recipient acknowledges and agrees that the Confidential Information is provided on an "AS IS" basis. THE OWNER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE CONFIDENTIAL INFORMATION AND HEREBY EXPRESSLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL THE OWNER BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THE PERFORMANCE OR USE OF ANY PORTION OF THE CONFIDENTIAL INFORMATION. The Owner does not represent or warrant that any product or business plans disclosed to the Recipient will be marketed or carried out as disclosed, or at all. Any actions taken by the Recipient in response to the disclosure of the Confidential Information shall be solely at the risk of the Recipient.

**VIII. LIMITED LICENSE TO USE.** The Recipient shall not acquire any intellectual property rights under this Agreement except the limited right to use as set forth above. The Recipient acknowledges that, as between the Owner and the Recipient, the Confidential Information and all related copyrights and other intellectual property rights, are (and at all times will be) the property of the Owner, even if suggestions, comments, and/or ideas made by the Recipient are incorporated into the Confidential Information or related materials during the period of this Agreement.

**IX. INDEMNITY.** Each party agrees to defend, indemnify, and hold harmless the other party and its officers, directors, agents, affiliates, distributors, representatives, and employees from any and all third-party claims, demands, liabilities, costs and expenses, including reasonable attorney's fees, costs

and expenses resulting from the indemnifying party's material breach of any duty, representation, or warranty under this Agreement.

**X. ATTORNEY'S FEES.** In any legal action between the parties concerning this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

**XI. TERM.** The obligations of this Agreement shall survive, upon the earlier of, 1 year from the Effective Date or until the Owner sends the Recipient written notice releasing the Recipient from this Agreement. After that, the Recipient must continue to protect the Confidential Information that was received during the term of this Agreement from unauthorized use or disclosure for an additional year.

**XII. GENERAL PROVISIONS.** This Agreement sets forth the entire understanding of the parties regarding confidentiality. Any amendments must be in writing and signed by both parties. This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of Florida without reference to its principles on conflict of laws. Venue for any action brought pursuant to this Agreement shall be in state or federal court of Martin County, Florida. The parties agree that venue is appropriate in Martin County, Florida, waive any defense or objection based on a lack of personal jurisdiction, and waive any argue that such courts are an improper venue or inconvenient forum. This Agreement shall not be assignable by Recipient. Neither party may delegate its duties under this Agreement without the prior written consent of the other party. This Agreement shall inure to the benefit of and shall be binding upon the parties and their heirs, beneficiaries, executors, administrators, legal representatives, successors, and assigns. The confidentiality provisions of this Agreement shall remain in full force and effect at all times in accordance with the term of this Agreement. If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remaining portions of this Agreement shall remain in full force and effect and construed so as to best effectuate the original intent and purpose of this Agreement.

**XIII. WHISTLEBLOWER PROTECTION.** This Agreement is in compliance with the Defend Trade Secrets Act and provides civil or criminal immunity to any individual for the disclosure of trade secrets: (i) made in confidence to a federal, state, or local government official, or to an attorney when the disclosure is to report suspected violations of the law; or (ii) in a complaint or other document filed in a lawsuit if made under seal.

**XIV. SIGNATORIES.** This Agreement shall be executed by Kameron Harris, Chief of Operations, on behalf of Relive Franchising LLC and \_\_\_\_\_ and delivered in the manner prescribed by law as of the Effective Date.

**OWNER:** Relive Franchising LLC

**By:** \_\_\_\_\_  
Kameron Harris

**RECIPIENT:**

\_\_\_\_\_

**ATTACHMENT G**

**LIST OF CLINICS AND FORMER FRANCHISEES**



**The following tables lists franchisees that were open as of December 31, 2022**

<p>Revive Tradition LLC (Tradition) 11562 SW Village Pkwy Port St. Lucie, FL 34987 (772) 272-8866</p>	<p>Revive IV MN PLLC (Lakeville) 17713 Kenwood Trail #6 Lakeville, MN 55044 (952) 595-6061</p>
<p>D &amp; R Wellness Winter Park, LLC (Winter Park) 354 W Fairbanks Ave. Winter Park, FL 32789</p>	<p>Dripp Factor, LLC (Viera) 2338 Citadel Way, Ste. 105 Melbourne, FL 32940 (321) 507-4722</p>
<p>Wellington IV LLC (Wellington) 2605 South State Road 7, Unit 420 Wellington, FL 33414 (561) 360-3520</p>	<p>Arete Performance Group LLC (Corpus Christi) 7042 South Staples St., Suite #105 Corpus Christi, TX 78413 (361) 452-3236</p>
<p>Revive Lounge LLC (DMV) 26 Grand Corner Avenue Gaithersburg, MD 20878 (301) 545-2148</p>	<p>R3VIVE Delray Beach, LLC (Delray) 31 SE 4th Avenue Delray Beach, FL 33487 (561) 601-0100</p>

**The following table lists franchisees with signed franchise agreements that were not open as of December 31, 2022**

**\* Indicates that the entity executed 2 franchise agreements**

<p>Revive Franklin, LLC 209 S. Royal Oaks Blvd. Franklin, TN 37064</p>	<p>EPG Optimize FL AR LLC* 250 West 57<sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778</p>
<p>EPG Optimize NJ AR LLC* 250 West 57<sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778</p>	<p>EPG Optimize CO AR LLC* 250 West 57<sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778</p>
<p>EPG Optimize CT AR LLC* 250 West 57<sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778</p>	<p>EPG Optimize NC AR LLC* 250 West 57<sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778</p>
<p>EPG Optimize SC AR LLC* 250 West 57<sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778</p>	<p>EPG Optimize VA AR LLC* 250 West 57<sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778</p>
<p>EPG Optimize DC AR LLC* 250 West 57<sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778</p>	<p>EPG Optimize MD AR LLC* 250 West 57<sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778</p>

EPG Optimize GA AR LLC* 250 West 57 <sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-9778	EPG Optimize NY AR LLC* 250 West 57 <sup>th</sup> Street, Suite 920 New York, NY 10107 (929) 888-977
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The following table lists former franchisees who left the system during the prior fiscal year	
Tyler Gorman (772) 233-5155	Anthony Cracchiolo (917) 400-0143
Young Kim 720-237-8266	

### **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:

<b>State</b>	<b>Effective Date</b>
Indiana	July 5, 2023, as amended PENDING
Minnesota	July 20, 2023, as amended PENDING
New York	PENDING
Rhode Island	August 2, 2023, as amended PENDING
Virginia	PENDING
Wisconsin	October 10, 2023, as amended PENDING

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**RECEIPTS**

**(to be retained by prospective franchisee)**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Relive Franchising LLC offers you a franchise, it must provide this disclosure document to you 14 days before you sign a binding agreement with or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require 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 requires 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 Relive Franchising 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in Attachment A.

The franchisor is Relive Franchising LLC, located at 838 SW Federal Highway, Stuart, Florida 34994. Its telephone number is: (772) 631-7266.

Date of Issuance: April 30, 2023, as amended July 21, 2023 and December 20, 2023

Our franchise sellers are Domenic Iacovone (our Founder), Jerome Kern (our Partner), Gina Iacovone (our Chief Executive Officer), Kameron Harris (our Chief of Operations), Margaret Lai, Esq. (our Chief Legal Officer) and Manny Ceara (Franchise Sales). The principal business address and telephone number for these individuals is 838 SW Federal Highway, Stuart, Florida 34994 and (772) 631-7266.

Any additional individual franchise sellers involved in offering the franchise are:

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Our agents authorized to receive service of process for us are listed in Attachment B.

I have received a disclosure document dated April 30, 2023, as amended July 21, 2023 and December 20, 2023 that included the following Exhibits and Attachments:

- Exhibit A -- Franchise Agreement
- Attachment A -- List of State Administrators
- Attachment B -- Agents for Service of Process
- Attachment C -- Relive’s Operational Documentation (Table of Contents)

- Attachment D -- Financial Statements
- Attachment E -- State-Specific FDD and Agreement Addenda
- Attachment F -- Non-Disclosure Agreement
- Attachment G – List of Clinics, Developers and Former Franchisees

\_\_\_\_\_  
Date Received

\_\_\_\_\_  
Prospective Franchisee

\_\_\_\_\_  
Name (please print)

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

**RECEIPTS**

**(to be signed and dated by prospective franchisee, and returned to the franchisor)**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Relive Franchising LLC offers you a franchise, it must provide this disclosure document to you 14 days before you sign a binding agreement with or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require 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 requires 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 Relive Franchising 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in Attachment A.

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Date of Issuance: April 30, 2023, as amended July 21, 2023 and December 20, 2023

Our franchise sellers are Domenic Iacovone (our Founder), Jerome Kern (our Partner), Gina Iacovone (our Chief Executive Officer), Kameron Harris (our Chief of Operations), Margaret Lai, Esq. (our Chief Legal Officer) and Manny Ceara (Franchise Sales). The principal business address and telephone number for these individuals is 838 SW Federal Highway, Stuart, Florida 34994 and (772) 631-7266.

Any additional individual franchise sellers involved in offering the franchise are:

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Our agents authorized to receive service of process for us are listed in Attachment B.

I have received a disclosure document dated April 30, 2023, as amended July 21, 2023 and December 20, 2023 that included the following Exhibits and Attachments:

Exhibit A -- Franchise Agreement  
Attachment A -- List of State Administrators  
Attachment B -- Agents for Service of Process  
Attachment C -- Relive’s Operational Documentation (Table of Contents)

Attachment D -- Financial Statements  
Attachment E -- State-Specific FDD and Agreement Addenda  
Attachment F -- Non-Disclosure Agreement  
Attachment G – List of Clinics, Developers and Former Franchisees

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Date Received

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Prospective Franchisee

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Name (please print)

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